DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA

1943-44

OFFICIAL REPORT

Editor: DAVID J. HALPIN
Reporters: H. H. EMERSON, B. P. LAKE, F. BERRYMAN
Translators: THE BUREAU FOR TRANSLATIONS

FOURTH SESSION
NINETEENTH PARLIAMENT—7 and 8 GEORGE VI

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1944

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SENATORS OF CANADA

ACCORDING TO SENIORITY

JANUARY 26, 1944

THE HONOURABLE THOMAS VIEN, SPEAKER

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
RUFUS HENRY POPE	Bedford	Cookshire, Que.
ERNEST D. SMITH	Wentworth	Winona, Ont.
JAMES J. DONNELLY	South Bruce	Pinkerton, Ont.
CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal, Que.
CHARLES E. TANNER	Pictou	Pictou, N.S.
THOMAS JEAN BOURQUE	Richibucto	Richibucto, N.B.
GEORGE HENRY BARNARD	Victoria	Victoria, B.C.
EDWARD MICHENER	Red Deer	Calgary, Alta.
WILLIAM JAMES HARMER	Edmonton	Edmonton, Alta.
GERALD VERNER WHITE, C.B.E.	Pembroke	Pembroke, Ont.
SIR THOMAS CHAPAIS, K.B.	Grandville	Quebec, Que.
JOHN ANTHONY MCDONALD	Shediac	Shediac, N.B.
WILLIAM A. GRIESBACH, C.B., C.M.G.	Edmonton	Edmonton, Alta.
JAMES A. CALDER, P.C.	Saltcoats	Regina, Sask.
ROBERT F. GREEN	Kootenay	Victoria, B.C.
FRANK B. BLACK	Westmorland	Sackville, N.B.
ARTHUR C. HARDY, P.C.	Leeds	Brockville, Ont.
ONÉSIPHORE TURGEON	Gloucester	Bathurst, N.B.
SIR ALLEN BRISTOL AYLESWORTH, P.C. K.C.M.G.	North York	Toronto, Ont.
CLIFFORD W. ROBINSON	Moncton	Moncton, N.B.
WILLIAM ASHBURY BUCHANAN	Lethbridge	Lethbridge, Alta.
ARTHUR BLISS COPP, P.C.	Westmorland	Sackville, N.B.
JOHN PATRICK MOLLOY	Provencher	Winnipeg, Man.
DANIEL E. RILEY	High River	High River, Alta.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
WILLIAM H. MCGUIRE	East York	Toronto, Ont.
DONAT RAYMOND	De la Vallière	Montreal, Que.
GUSTAVE LACASSE	Essex	Tecumseh, Ont.
WALTER E. FOSTER, P.C.	Saint John	Saint John, N.B.
HANCE J. LOGAN	Cumberland	Parrsboro, N.S.
CAIRINE R. WILSON	Rockcliffe	Ottawa, Ont.
JAMES MURDOCK, P.C.	Parkdale	Ottawa, Ont.
JOHN EWEN SINCLAIR, P.C.	Queen's	Emerald, P.E.I.
JAMES H. KING, P.C.	Kootenay East	Victoria, B.C.
ARTHUR MARCOTTE	Ponteix	Ponteix, Sask.
ALEXANDER D. MCRAE, C.B.	Vancouver	Vancouver, B.C.
CHARLES COLQUHOUN BALLANTYNE, P.C.	Alma	Montreal, Que.
WILLIAM HENRY DENNIS	Halifax	Halifax, N.S.
JOHN ALEXANDER MACDONALD	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
LUCIEN MORAUD	La Salle	Quebec, Que.
RALPH BYRON HORNER	Saskatchewan North	Blaine Lake, Sask.
WALTER MORLEY ASELTINE	West Central Saskatchewan	Rosetown, Sask.
THOMAS CANTLEY	New Glasgow	New Glasgow, N.S.
FELIX P. QUINN	Bedford-Halifax	Bedford, N.S.
JOHN L. P. ROBICHEAU	Digby-Clare	Maxwellton, N.S.
JOHN A. MACDONALD, P.C.	Cardigan	Cardigan, P.E.I.
DONALD SUTHERLAND, P.C.	Oxford	Ingersoll, Ont.
IVA CAMPBELL FALLIS	Peterborough	R.R. No. 3, Peterborough, Ont.
GEORGE B. JONES, P.C.	Royal	Apohaqui, N.B.
ARTHUR SAUVÉ, P.C.	Rigaud	Outremont, Que.
ANTOINE J. LÉGER	L'Acadie	Moncton, N.B.
BENJAMIN F. SMITH	Victoria-Carleton	East Florenceville, N.B.
HENRY A. MULLINS	Marquette	Winnipeg, Man.
JOHN T. HAIG	Winnipeg	Winnipeg, Man.
EUGÈNE PAQUET, P.C.	Lauzon	St. Romuald, Que.
WILLIAM DUFF	Lunenburg	Lunenburg, N.S.
JOHN W. DE B. FARRIS	Vancouver South	Vancouver, B.C.
ADRIAN K. HUGESSEN	Inkerman	Montreal, Que.
NORMAN P. LAMBERT	Ottawa	Ottawa, Ont.
DUNCAN MCL. MARSHALL	Peel	Toronto, Ont.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
J. FERNAND FAFARD	De la Durantaye	L'Islet, Que.
ARTHUR LUCIEN BEAUBIEN	St. Jean Baptiste	St. Jean Baptiste, Man.
JOHN J. STEVENSON	Prince Albert	Regina, Sask.
ARISTIDE BLAIS	St. Albert	Edmonton, Alta.
DONALD MACLENNAN	Margaree Forks	Margaree Forks, N.S.
CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke, Que.
ELIE BEAUREGARD	Rougemont	Montreal, Que.
ATHANASE DAVID	Sorel	Montreal, Que.
EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal, Que.
SALTER ADRIAN HAYDEN	Toronto	Toronto, Ont.
NORMAN MCLEOD PATERSON	Thunder Bay	Fort William, Ont.
WILLIAM JAMES HUSHION	Victoria	Westmount, Que.
JOSEPH JAMES DUFFUS	Peterborough West	Peterborough, Ont.
WILLIAM DAUM EULER, P.C.	Waterloo	Kitchener, Ont.
LÉON MERCIER GOUIN	De Salaberry	Montreal, Que.
THOMAS VIEN (Speaker)	De Lorimier	Outremont, Que.
PAMPHILE RÉAL DU TREMBLAY	Repentigny	Montreal, Que.
WILLIAM RUPERT DAVIES	Kingston	Kingston, Ont.
J. J. BENCH	Lincoln	St. Catharines, Ont.
JAMES PETER MCINTYRE	Mount Stewart	Mount Stewart, P.E.I.
GORDON PETER CAMPBELL	Toronto	Toronto, Ont.
WISHART MCL. ROBERTSON	Shelburne	Halifax, N.S.
JOHN FREDERICK JOHNSTON	Central Saskatchewan	Bladworth, Sask.

SENATORS OF CANADA

ALPHABETICAL LIST

JANUARY 26, 1944

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
ASELTINE, W. M.	West Central Saskatchewan	Rosetown, Sask.
AYLESWORTH, SIR ALLEN, P.C., K.C.M.G.	North York	Toronto, Ont.
BALLANTYNE, C. C., P.C.	Alma	Montreal, Que.
BARNARD, G. H.	Victoria	Victoria, B.C.
BEAUBIEN, A. L.	St. Jean Baptiste	St. Jean Baptiste, Man.
BEAUBIEN, C. P.	Montarville	Montreal, Que.
BEAUREGARD, ELIE	Rougemont	Montreal, Que.
BENCH, J. J.	Lincoln	St. Catharines, Ont.
BLACK, F. B.	Westmorland	Sackville, N.B.
BLAIS, ARISTIDE	St. Albert	Edmonton, Alta.
BOURQUE, T. J.	Richibucto	Richibucto, N.B.
BUCHANAN, W. A.	Lethbridge	Lethbridge, Alta.
CALDER, J. A., P.C.	Saltcoats	Regina, Sask.
CAMPBELL, G. P.	Toronto	Toronto, Ont.
CANTLEY, THOMAS	New Glasgow	New Glasgow, N.S.
CHAPAIS, SIR THOMAS, K.B.	Grandville	Quebec, Que.
COPP, A. B., P.C.	Westmorland	Sackville, N.B.
DAVID, ATHANASE	Sorel	Montreal, Que.
DAVIES, WILLIAM RUPERT	Kingston	Kingston, Ont.
DENNIS, W. H.	Halifax	Halifax, N.S.
DONNELLY, J. J.	South Bruce	Pinkerton, Ont.
DUFF, WILLIAM	Lunenburg	Lunenburg, N.S.
DUFFUS, J. J.	Peterborough West	Peterborough, Ont.
DU TREMBLAY, PAMPHILE RÉAL	Repentigny	Montreal, Que.
EULER, W. D., P.C.	Waterloo	Kitchener, Ont.
FAFARD, J. F.	De la Durantaye	L'Islet, Que.
FALLIS, IVA CAMPBELL	Peterborough	R. R. No. 3, Peterborough, Ont.
FARRIS, J. W. DE B.	Vancouver South	Vancouver, B.C.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
FOSTER, W. E., P.C.	Saint John	Saint John, N.B.
GOUIN, L. M.	De Salaberry	Montreal, Que.
GREEN, R. F.	Kootenay	Victoria, B.C.
GRIESBACH, W. A., C.B., C.M.G.	Edmonton	Edmonton, Alta.
HAIG, JOHN T.	Winnipeg	Winnipeg, Man.
HARDY, A. C., P.C.	Leeds	Brockville, Ont.
HARMER, W. J.	Edmonton	Edmonton, Alta.
HAYDEN, S. A.	Toronto	Toronto, Ont.
HORNER, R. B.	Saskatchewan North	Blaine Lake, Sask.
HOWARD, C. B.	Wellington	Sherbrooke, Que.
HUGESSEN, A. K.	Inkerman	Montreal, Que.
HUSHION, W. J.	Victoria	Westmount, Que.
JOHNSTON, J. FREDERICK	Central Saskatchewan	Bladworth, Sask.
JONES, GEORGE, B., P.C.	Royal	Apohaqui, N.B.
KING, J. H., P.C.	Kootenay East	Victoria, B.C.
LACASSE, G.	Essex	Tecumseh, Ont.
LAMBERT, NORMAN P.	Ottawa	Ottawa, Ont.
LÉGER, ANTOINE J.	L'Acadie	Moncton, N.B.
LOGAN, H. J.	Cumberland	Parrsboro, N.S.
MACDONALD, J. A.	Richmond—West Cape Breton	St. Peters, Cape Breton, N.S.
MACDONALD, JOHN A., P.C.	Cardigan	Cardigan, P.E.I.
MACLENNAN, DONALD	Margaree Forks	Margaree Forks, N.S.
MARCOTTE, A.	Ponteix	Ponteix, Sask.
MARSHALL, DUNCAN McL.	Peel	Toronto, Ont.
MCDONALD, J. A.	Shediac	Shediac, N.B.
MCGUIRE, W. H.	East York	Toronto, Ont.
MCINTYRE, JAMES P.	Mount Stewart	Mount Stewart, P.E.I.
MCRAE, A. D., C.B.	Vancouver	Vancouver, B.C.
MICHENER, E.	Red Deer	Calgary, Alta.
MOLLOY, J. P.	Provencher	Winnipeg, Man.
MORAUD, L.	La Salle	Quebec, Que.
MULLINS, HENRY A.	Marquette	Winnipeg, Man.
MURDOCK, JAMES, P.C.	Parkdale	Ottawa, Ont.
PAQUET, EUGÈNE, P.C.	Lauzon	St. Romuald, Que.
PATERSON, N. McL.	Thunder Bay	Fort William, Ont.
POPE, R. H.	Bedford	Cookshire, Que.

SENATORS	DESIGNATION	POST OFFICE ADDRESS
THE HONOURABLE		
QUINN, FELIX P.	Bedford-Halifax	Bedford, N.S.
RAYMOND, D.	De la Vallière	Montreal, Que.
RILEY, D. E.	High River	High River, Alta.
ROBERTSON, W. McL.	Shelburne	Halifax, N.S.
ROBICHEAU, J. L. P.	Digby-Clare	Maxwellton, N.S.
ROBINSON, C. W.	Moncton	Moncton, N.B.
SAUVÉ, ARTHUR, P.C.	Rigaud	Outremont, Que.
SINCLAIR, J. E., P.C.	Queen's	Emerald, P.E.I.
SMITH, B. F.	Victoria-Carleton	East Florenceville, N.B
SMITH, E. D.	Wentworth	Winona, Ont.
STEVENSON, J. J.	Prince Albert	Regina, Sask.
ST-PÈRE, E. C.	De Lanaudière	Montreal, Que.
SUTHERLAND, DONALD, P.C.	Oxford	Ingersoll, Ont.
TANNER, C. E.	Pictou	Pictou, N.S.
TURGEON, O.	Gloucester	Bathurst, N.B.
VIEN, THOMAS (Speaker)	De Lorimier	Outremont, Que.
WHITE, G. V., C.B.E.	Pembroke	Pembroke, Ont.
WILSON, CAIRINE R.	Rockcliffe	Ottawa, Ont.

SENATORS OF CANADA

BY PROVINCES

JANUARY 26, 1944

ONTARIO—24

	SENATORS	POST OFFICE ADDRESS
	THE HONOURABLE	
1	ERNEST D. SMITH	Winona.
2	JAMES J. DONNELLY	Pinkerton.
3	GERALD VERNER WHITE, C.B.E.	Pembroke.
4	ARTHUR C. HARDY, P.C.	Brockville.
5	SIR ALLEN BRISTOL AYLESWORTH, P.C., K.C.M.G.	Toronto.
6	WILLIAM H. MCGUIRE	Toronto.
7	GUSTAVE LACASSE	Tecumseh.
8	CAIRINE R. WILSON	Ottawa.
9	JAMES MURDOCK, P.C.	Ottawa.
10	DONALD SUTHERLAND, P.C.	Ingersoll.
11	IVA CAMPBELL FALLIS	R. R. No. 3, Peterborough.
12	NORMAN P. LAMBERT	Ottawa.
13	DUNCAN MCL. MARSHALL	Toronto.
14	SALTER ADRIAN HAYDEN	Toronto.
15	NORMAN MCLEOD PATERSON	Fort William.
16	JOSEPH JAMES DUFFUS	Peterborough.
17	WILLIAM DAUM EULER, P.C.	Kitchener.
18	WILLIAM RUPERT DAVIES	Kingston.
19	JOSEPH J. BENCH	St. Catharines.
20	GORDON PETER CAMPBELL	Toronto.
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QUEBEC—24

	SENATORS	ELECTORAL DIVISION	POST OFFICE ADDRESS
	THE HONOURABLE		
1	RUFUS H. POPE	Bedford	Cookshire.
2	CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal.
3	SIR THOMAS CHAPAIS, K.B	Grandville	Quebec.
4	DONAT RAYMOND	De la Vallière	Montreal.
5	CHARLES C. BALLANTYNE, P.C	Alma	Montreal.
6	LUCIEN MORAUD	La Salle	Quebec.
7	ARTHUR SAUVÉ, P.C	Rigaud	Outremont.
8	EUGÈNE PAQUET, P.C	Lauzon	St. Romuald.
9	ADRIAN K. HUGESSEN	Inkerman	Montreal.
10	J. FERNAND FAFARD	De la Durantaye	L'Islet.
11	CHARLES BENJAMIN HOWARD	Wellington	Sherbrooke.
12	ELIE BEAUREGARD	Rougemont	Montreal.
13	ATHANASE DAVID	Sorel	Montreal.
14	EDOUARD CHARLES ST-PÈRE	De Lanaudière	Montreal.
15	WILLIAM JAMES HUSHION	Victoria	Westmount.
16	LÉON MERCIER GOUIN	De Salaberry	Montreal.
17	THOMAS VIEN (Speaker)	De Lorimier	Outremont.
18	PAMPHILE RÉAL DU TREMBLAY	Repentigny	Montreal.
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NOVA SCOTIA—10

	SENATORS	POST OFFICE ADDRESS
	THE HONOURABLE	
1	CHARLES E. TANNER	Pictou.
2	HANCE J. LOGAN	Parrsboro.
3	WILLIAM H. DENNIS	Halifax.
4	JOHN A. MACDONALD	St. Peters, Cape Breton.
5	THOMAS CANTLEY	New Glasgow.
6	FELIX P. QUINN	Bedford.
7	JOHN L. P. ROBICHEAU	Maxwellton.
8	WILLIAM DUFF	Lunenburg.
9	DONALD MACLENNAN	Margaree Forks.
10	WISHART MCL. ROBERTSON	Halifax.

NEW BRUNSWICK—10

	THE HONOURABLE	
1	THOMAS JEAN BOURQUE	Richibucto.
2	JOHN ANTHONY MCDONALD	Shediac.
3	FRANK B. BLACK	Sackville.
4	ONÉSIPHORE TURGEON	Bathurst.
5	CLIFFORD W. ROBINSON	Moncton.
6	ARTHUR BLISS COPP, P.C.	Sackville.
7	WALTER E. FOSTER, P.C.	Saint John.
8	GEORGE B. JONES, P.C.	Apohaqui.
9	ANTOINE J. LÉGER	Moncton.
10	BENJAMIN F. SMITH	East Florenceville.

PRINCE EDWARD ISLAND—4

	THE HONOURABLE	
1	JOHN EWEN SINCLAIR, P.C.	Emerald.
2	JOHN A. MACDONALD, P.C.	Cardigan.
3	JAMES PETER MCINTYRE	Mount Stewart.
4		

BRITISH COLUMBIA—6

	SENATORS	POST OFFICE ADDRESS
	THE HONOURABLE	
1	GEORGE HENRY BARNARD	Victoria.
2	ROBERT F. GREEN	Victoria.
3	JAMES H. KING, P.C.	Victoria.
4	ALEXANDER D. MCRAE, C.B.	Vancouver.
5	JOHN W. DE B. FARRIS	Vancouver.
6		

MANITOBA—6

	THE HONOURABLE	
1	JOHN PATRICK MOLLOY	Winnipeg.
2	HENRY A. MULLINS	Winnipeg.
3	JOHN T. HAIG	Winnipeg.
4	A. L. BEAUBIEN	St. Jean Baptiste.
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SASKATCHEWAN—6

	THE HONOURABLE	
1	JAMES A. CALDER, P.C.	Regina.
2	ARTHUR MARCOTTE	Ponteix.
3	RALPH B. HORNER	Blaine Lake.
4	WALTER M. ASELTINE	Rosetown.
5	J. J. STEVENSON	Regina.
6	J. FREDERICK JOHNSTON	Bladworth.

ALBERTA—6

	THE HONOURABLE	
1	EDWARD MICHENER	Calgary.
2	WILLIAM JAMES HARMER	Edmonton.
3	WILLIAM A. GRIESBACH, C.B., C.M.G.	Edmonton.
4	WILLIAM ASHBURY BUCHANAN	Lethbridge.
5	DANIEL E. RILEY	High River.
6	ARISTIDE BLAIS	Edmonton.

CANADA

The Debates of the Senate

OFFICIAL REPORT

THE SENATE

Speaker: HON. THOMAS VIEN.

Thursday, January 28, 1943.

The Parliament of Canada having been summoned by Proclamation of the Governor General to meet this day for the dispatch of business:

The Senate met at 2.30 p.m., the Speaker in the Chair.

Prayers.

OPENING OF THE SESSION

The Hon. the SPEAKER informed the Senate that he had received a communication from the Governor General's Secretary informing him that His Excellency the Governor General would arrive at the Main Entrance of the Houses of Parliament at 3 p.m., and, when it had been signified that all was in readiness, would proceed to the Senate Chamber to open the session of the Dominion Parliament.

The Senate adjourned during pleasure.

SPEECH FROM THE THRONE

At three o'clock His Excellency the Governor General proceeded to the Senate Chamber and took his seat upon the Throne. His Excellency was pleased to command the attendance of the House of Commons, and that House being come, with their Speaker, His Excellency was pleased to open the Fourth Session of the Nineteenth Parliament of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

As you enter upon your duties at the beginning of this new year you will be heartened by the improved position of the United Nations.

In the first year of war, most of the countries of Europe lost their freedom and became the victims of Nazi occupation and oppression. In the second year, Italy, already at war, joined her power with that of Germany in an effort to seize new territories in Africa, as well as in Europe. In the third year, Japan entered the world conflict in the expectation of becoming the master of the Orient. These actions disclosed the pre-arranged schedule of world domination planned by the Axis powers. Each, at the appointed time, sprang upon its unoffending neighbours.

During these years the nations which were attacked, and others still enjoying freedom, were necessarily on the defensive. For three years the free nations continued to gather strength, at the same time affording such mutual aid, one to the other, as opportunity permitted.

In their attempt at world conquest the forces of aggression still continue their campaigns of terror and violence. The world scene, however, has vastly changed from what it was a year ago. Enemy forces, everywhere, have been halted by stubborn and successful resistance. In many parts of the world the Allied powers have taken the offensive.

At Casablanca, in North Africa, a meeting, unprecedented in history, has just been concluded between the Prime Minister of Great Britain and the President of the United States. During their conference they were in communication with the Premier of the Soviet Union and the Generalissimo of China. At the conference the leaders of Great Britain and the United States, both military and civil, agreed on a war plan for 1943 designed to maintain the initiative in every theatre of war.

In the Western Hemisphere the peoples now present a virtually united front against the Axis powers.

The Government has maintained close relations with the nations with which Canada is united in the common struggle. Direct diplomatic representation has strengthened our relations with China and the Soviet Union, and with the several Allied governments now temporarily resident in the United Kingdom. The establishment of diplomatic missions to nations of the Americas is broadening the friendly relations between those countries and Canada.

Our armed forces are on active service in all parts of the world. Their strength has been steadily increased. They are equipped with the most modern and efficient weapons of war. In actual combat they have served with distinction and gallantry.

In the present year the progressive expansion of the Navy will be continued. The Army programme will include the maintenance and reinforcement of the overseas army of two corps, and the maintenance of units and formations required for the territorial and coastal defence of Canada and other areas in the Western Hemisphere. The Air Force will continue its three-fold activities of air training, patrolling our coasts and coastal waters, and sharing in aerial combat overseas.

Increased responsibilities will be assumed for the maintenance of Canadian airmen and Canadian squadrons serving abroad.

As an integral part of Canada's total war effort, ships, aircraft, weapons, munitions and other supplies will continue to be provided, not only for Canada's forces, but in vast quantities as well for the forces of our fighting allies. In order to provide for the financing and for the allocation to the United Nations of Canadian war production, a measure which will make provision for the establishment of a Canadian War Supplies Allocation Board will be submitted for your approval.

A joint committee representative of the Departments of Agriculture of Canada and the United States has been agreed upon to co-ordinate the efforts of the two countries in the production of food for the United Nations.

The immediate object of the United Nations is the defeat of the Axis powers. Joint planning of operations on a world scale has accompanied preparations for intensive warfare. The United Nations also aim at rendering aggression impossible in the future. Their governments, in addition to planning jointly for the prosecution of the war, have already entered into consultation regarding post-war problems. Achievement of their aims requires the establishment of conditions under which all peoples may enjoy equality of opportunity and a sense of security.

Every effort must be made to ensure, after the close of hostilities, the establishment, in useful and remunerative employment, of the men and women in our armed forces and in war industries. My Ministers have already begun to explore the international agreements and domestic measures which will help to secure adequate incomes for primary producers and full employment after the war. With your approval, the Select Committee on Reconstruction and Re-establishment appointed at the last session will be reconstituted.

It is in the general interest that freedom from fear and from want should be the assured possession of all. A nation-wide plan which would provide insurance against the inevitable consequences of major economic and social hazards is essential if this objective is to be attained.

In Canada, a considerable measure of social security has already been provided through federal enactments establishing annuities, unemployment insurance, and pensions for the aged, the blind and for disabled veterans; and through provincial enactments related to accidents, sickness and hospitalization, widows' and mothers' allowances and maternity benefits. There is, however, no approach to a nation-wide plan of social security.

My Ministers believe that a comprehensive national scheme of social insurance should be worked out at once, which will constitute a charter of social security for the whole of Canada.

The Government accordingly proposes to recommend the early appointment of a select committee to examine and report on the most practicable measures of social insurance, and the steps which will be required to ensure their inclusion in a national plan. Among matters which will be referred to this committee for study and consideration will be the establishment of a national system of health insurance.

In accordance with the provisions of the British North America Act you will be invited to consider a bill for the redistribution of representation in the House of Commons.

You will be asked to make provision for the appointment of parliamentary assistants to those of my Ministers whose duties have become particularly onerous because of the demands of war.

Members of the House of Commons:

You will be asked to vote the necessary grants to enable our country to make its utmost contribution to the winning of the war.

Your attention will be invited at the earliest convenient date to the Government's financial proposals. These will include the further development of the method of payment of the personal income tax in the year in which income is received, thus carrying to its logical conclusion the approach made last year to the collection of taxes on a current basis.

Honourable Members of the Senate:
Members of the House of Commons:

We have reason to be profoundly grateful for the improved position of the United Nations. We must be careful, however, not to be misled by recent successes. The submarine menace has been growing, not diminishing. Decisive battles have still to be fought and won. For some time past, the movement of munitions and supplies overseas has been seriously restricted because of submarine activities. Until that grave menace is effectively controlled there is always the danger that reinforcements and supplies in sufficient volume may not reach the battle zones. As areas of conflict close in, fighting will increase in intensity and ferocity. The hardest battles, the heaviest sacrifices, may be in the future. Only the utmost sustained effort on the part of all the United Nations will ensure the defeat of the Axis powers.

In again inviting your careful consideration to the all-important matters which will engage your attention, I pray that Divine Providence may guide and bless your deliberations.

The House of Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.

RAILWAY BILL

FIRST READING

Bill A, an Act relating to Railways.—Hon. Mr. King.

CONSIDERATION OF HIS EXCELLENCY'S SPEECH

On motion of Hon. Mr. King, it was ordered that the speech of His Excellency the Governor General be taken into consideration on Tuesday next.

COMMITTEE ON ORDERS AND PRIVILEGES

Hon. Mr. KING moved:

That all the senators present during this session be appointed a committee to consider the orders and customs of the Senate and privileges of Parliament, and that the said committee have leave to meet in the Senate Chamber when and as often as they please.

The motion was agreed to.

COMMITTEE OF SELECTION

Hon. Mr. KING moved:

That pursuant to Rule 77 the following senators, to wit: the Honourable Senators Ballantyne, Beaubien (Montarville), Buchanan, Copp, Haig, Hugessen, Sinclair, White and the mover be appointed a Committee of Selection to nominate senators to serve on the several standing committees during the present session, and to report with all convenient speed the names of the senators so nominated.

The motion was agreed to.

EMERGENCY SITTINGS OF THE SENATE

MOTION

Hon. Mr. KING: Honourable senators, with leave I move, seconded by the honourable senator from Westmorland (Hon. Mr. Copp):

That for the duration of the present session of Parliament, should an emergency arise during any adjournment of the Senate, which would in the opinion of the Honourable the Speaker warrant that the Senate meet prior to the time set forth in the motion for such adjournment, the Honourable the Speaker be authorized to notify honourable senators at their addresses as registered with the Clerk of the Senate to meet at a time earlier than that set out in the motion for such adjournment, and non-receipt by any one or more honourable senators of such call shall not have any effect upon the sufficiency and validity thereof.

The motion was agreed to.

The Senate adjourned until Tuesday, February 2, at 8 p.m.

THE SENATE

Tuesday, February 2, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

THE LATE SENATORS PARENT AND GRAHAM

TRIBUTES TO THEIR MEMORY

Hon. J. H. KING: Honourable senators, since we adjourned on August 1, death has again appeared in our midst and taken from us two very distinguished members. I refer to the death of the Hon. George Parent on December 14, 1942, and the passing of the Right Hon. George P. Graham on January 2, 1943.

Senator Parent was born in 1879, the son of S. N. Parent, a former Premier of the Province of Quebec. The late senator was a graduate of Laval University, a lawyer by profession, and was associated with the firm of Parent, Taschereau & Cannon. He also had a place in the industrial life of his province, having been a director of the Sun Trust Company, Limited, of Southern Canada Power Company, and of Quebec Power Company, and president of Citadel Brick Limited, of Wolfesfield Limited, and of Equitable Enterprises, Limited. In 1904 he entered the House of Commons from the district of Montmorency, which he represented until 1911. He was re-elected in 1921 for the division of Quebec West, and continued to represent that district until 1930. In all he served five parliamentary sessions in the House of Commons.

In 1930 he was summoned to the Senate. He took an active part in the work of this Chamber and was a valuable member of a number of our committees. He was appointed to the honourable position of Speaker of this House in 1940, and throughout his period of office presided with dignity and impartiality. It is with deep regret that we record his passing.

The Right Hon. George P. Graham was born in 1859, and had a very long and distinguished career. He was active in the journalistic field, being in his earlier years manager of the Morrisburg Herald, then associate editor of the Ottawa Free Press, and later managing director of the Brockville Recorder. He was elected to the Ontario Legislature in 1898, and re-elected in 1902 and 1905. In 1904 he became Provincial Secretary in the Ross Government, and in January of 1907 accepted the leadership of the Liberal party in Ontario.

Elected to the House of Commons in 1907, he accepted the portfolio of Minister of Railways and Canals in Sir Wilfrid Laurier's Government. He suffered defeat in 1911, but was returned to the Commons in a by-election in South Renfrew in 1912, and served until the end of the parliamentary term in 1917. In 1921 he successfully contested the riding of South Essex and was appointed Minister of National Defence in the Government of Mr. Mackenzie King. As Minister of that department he brought about the merging of the militia, naval and air services. At the request of the Prime Minister he returned to the Department of Railways in 1923, and had much

to do with the reorganization of the Canadian National Railways. He also accompanied the Prime Minister to the Imperial Conference in 1923, and was made an Imperial Privy Councillor. In October, 1925, he resigned as Minister of Railways and Canals, and in February, 1926, accepted the difficult position of Chairman of the Tariff Advisory Board. He was summoned to the Senate in December, 1926.

His association with the Department of Railways and Canals between 1907 and 1911 and again from 1923 to 1925, was during the period in which the whole picture of Canadian railway development underwent a great evolutionary change, and Senator Graham was given an opportunity that comes to few Ministers of the Crown to acquire a vast knowledge of the potentialities of Canada. His work brought him into contact with numerous and varied interests in Canada as well as in other parts of the world.

I have given only a bare outline of his great public service. He will be remembered by parliamentarians and other public men as an able and just administrator, and by the public for his great sense of humour and his kindly, courteous manner, and as a Christian gentleman.

With his usual adaptability he immediately found his place in this Chamber, taking an active and effective part in debate. In the chairmanship of the Railway Committee his broad experience was of great value when highly important matters were under discussion.

I have always felt that the training Mr. Graham received in the journalistic field did much to qualify him for the more arduous and strenuous duties of his parliamentary life.

Personally I feel I have lost a true and dear friend. I am sure it is the desire of honourable members that an expression of our deepest sympathy be conveyed to Mrs. Graham and her family in their great bereavement; also that a similar expression of sympathy be extended to Madame Parent and her family in their sad loss.

Hon. C. C. BALLANTYNE: How sad to contemplate that only a few months ago, when this House adjourned, our late distinguished Speaker appeared in his usual good health and spirits! His sudden and unexpected demise was a great shock to us all.

Our late colleague held the highest office that the Senate of Canada can confer upon one of its members, when he was appointed Speaker. He always performed his duties with great dignity, ability and fairness. He was especially qualified to be the Speaker of this Chamber, by reason of his long experience in both Houses and his perfect command of both languages.

The Hon. George Parent has left a fine record of public service, having become a member of the House of Commons at an early age. Our late colleague was a distinguished member of the legal profession and his wise counsel and advice made him eagerly sought for on the directorate of financial and business organizations.

Our late Speaker was naturally proud of his native city and province, but he took the broad view that his election to Parliament was not only for the city he represented, but also for the country as a whole. He was noted for his tolerant viewpoint on all matters pertaining to the welfare of Canada. If we had more men in public life taking the broad view that he always took, Canada would have an even greater unity than prevails at the present time.

I may be permitted here to add a personal note. I had the honour and privilege of being with our late Speaker when he was a member of the House of Commons, where he was highly regarded, and our relationship was most cordial. When he came to this House it was a pleasure to renew that association. I feel the deepest sorrow that my good friend the late Speaker has so suddenly passed away.

On behalf of all honourable members on this side of the House, I join with the honourable leader and senators on the other side in expressing to Madame Parent and her family our deepest sympathy.

The death of the Right Hon. George P. Graham has removed from the public life of Canada a most lovable character, a great Canadian statesman and philanthropist. During his long and useful public career he made a record that few public men have equalled. Our late colleague also proved that he was an able administrator, when he held from time to time so many important portfolios in the Government. Whatever he undertook to do was always most efficiently done.

With particular regard to his work in this Chamber, we all recall his many able speeches to which we had the good fortune to listen, and the able manner in which he presided as Chairman of the Committee on Railways, Telegraphs and Harbours.

Senator Graham was widely known throughout Canada. Making friends wherever he went, he spread goodwill and unity. His friends were numberless and he had no enemies. During his busy public career he also devoted a great deal of his time and means to charitable purposes, more particularly in the

years when he was President of the Victorian Order of Nurses for Canada. He was at all times kind-hearted and ready to render what aid he could to the poor and needy. His memory, indeed, will long be cherished.

I may say, honourable senators, that I had the honour of being born in Dundas County, just a few miles from Morrisburg, and although I did not meet George P. Graham until he came to Ottawa, I often heard him spoken of most favourably when I was quite young. During the years he was in the Senate our friendship grew closer and closer, and his passing is to me a matter of deep personal regret. On behalf of those on this side of the House I join with the Leader of the Senate and other honourable members in expressing deepest sympathy to Mrs. Graham and her family.

Hon. FERNAND FAFARD (Translation): Honourable senators, those who have known Senator Parent, whose death occurred recently, will cherish his memory.

The son of a former Prime Minister of the province of Quebec, the late Senator Parent had inborn qualities as a public man and a business man.

George Parent was scarcely 25 years old when he was elected a member of the House of Commons, where for a number of years he had a brilliant career. He was firm in his political beliefs, and would have preferred to suffer defeat rather than disown his political principles.

As Speaker of the Senate he fulfilled his duties with the greatest dignity and with a fairness which reflects credit on his memory. Those who have known him in this House will retain a very favourable recollection of him.

Apart from being an outstanding political man, Senator Parent was a shrewd business man. His vision, his industry and his resourcefulness have brought him much success in the business world, where he was fully trusted.

In his death the city of Quebec has lost a man of great initiative and a good Canadian.

On your behalf, honourable senators, and in the name of his friends from the province of Quebec, I wish to tender to his family, and especially to Madame Parent and her two sons, Jacques and Simon, our heartfelt sympathy.

Hon. A. B. COPP: Honourable senators, at the beginning of a session of Parliament we are usually confronted with two phases of life here, one pleasant and one sad. In this Parliament, besides meeting old colleagues again, we have had the pleasure of welcoming four new members; and I want at this point to extend my congratulations to those members who have recently been sentenced to serve life terms in this Chamber. I hope they may live long and enjoy public confidence to the full.

May I especially offer my congratulations to you, Mr. Speaker, on your accession to the position which you now hold. The Senate is fortunate indeed in having a gentleman of your qualifications, experience and ability, to preside over its deliberations. As we look back over the line of gentlemen who have preceded you in your high office, we are impressed with an outstanding record of ability and statesmanship. I feel sure, sir, that you will uphold the high traditions of your office and that when you retire from it your record will be quite equal to that of your predecessors.

This naturally brings me to the passing of our late friend Senator Parent. As has been said, he discharged his duties with such dignity, ability and impartiality as brought honour not only to himself, but also to this House.

I had the privilege of knowing Senator Parent more or less intimately for something like twenty-five years, having first sat with him, for a short time, in the other House. I always found him a congenial companion, and equally proficient in meeting friends socially or debating with adversaries on the floor of Parliament. I fully agree with all that has been said about him.

Senator Parent came into public service very early in life, being, I think, twenty-five years of age when he was first elected to the House of Commons. He served long, faithfully and well. He had a large legal practice and was associated with numerous business organizations. During the time he was with us he served his country well, doing what he believed to be in its best interests. I think that when we adjourned, a few months ago, none of us would have believed that he would be among the first to go. He was stricken suddenly in a hotel in the city of Montreal, and, I believe, never regained consciousness—another proof of the oft-made statement that in the midst of life we are in death. I join with my friends in offering my sincere sympathy to his family, who have been so sadly bereaved by his sudden passing.

It is much harder for me to refer to the loss of my very dear friend Senator Graham. I knew Senator Graham for a great many years, first meeting him officially in 1907, when he entered the House of Commons as Minister of Railways and Canals in the Government of Sir Wilfrid Laurier. From then on, I met him from time to time, but I became more intimately acquainted with him in 1921 and we have since been particularly close friends.

I do not know that I would attempt to say anything about Senator Graham were it not for the fact that he left with me a message which he asked me to convey to this Chamber. As we separated in August last he bade me good-bye in his usual cheery manner; then he said: "Copp, if I do not return next session, will you convey to my friends and colleagues on both sides of the House my sincere thanks for the many kindly deeds they have done me and the many kindly words they have spoken of me?" At that time I realized, and I think he realized too, that his health was not too good, and that he might not return. In conveying that message to you I may say that I am sure it came from his heart.

Sixteen years ago Senator Graham and I came together as office mates in a room upstairs, and during those sixteeen years no person could have had a truer or more loyal friend than I had in him. Looked back upon, the period does not seem so long; but the clock ticks relentlessly away and suddenly we realize that we are sixteen years older and that the time may not be so far distant when we shall be following the path taken by our right honourable friend.

Senator Graham served this country in various public capacities for upwards of fifty years, and he served it well. He was one of nature's gentlemen. As we sat in the room upstairs speaking of the stirring times through which he had passed, I never heard him utter an ill word of anybody, and I am sure he never harboured an ill thought. That speaks well for a man who has gone through the turmoil of political life.

It is needless for me to make any extended remarks about Senator Graham. Many things that he has told me in confidence I cannot mention; but as long as I live the memory of my close association with him will be one of the greatest pleasures and greatest assets of my life. I remember reading some years ago an oration delivered by the late Robert Ingersoll at the side of his brother's grave. If I remember correctly what he said in referring to his brother, it was this: "If every person for whom he has done a kind act, or to whom he has spoken a kind word, were here to-day and were to drop but a blossom on his grave, he would sleep to-night beneath a wilderness of flowers." As I stood in the funeral chapel in Brockville a few weeks ago and as I saw the remains of my friend lowered to the tomb, I thought to myself that if ever there was a man to whom those words would aptly and truthfully apply it was that man who was being laid away in his last resting-place.

Honourable senators, I want to join with all of you in publicly expressing sympathy, as I have already done privately, to Mrs. Graham and her two granddaughters, of whom the late Senator was so proud, and who were equally proud of him. May the generous soul of George Graham rest in peace!

Hon. W. A. BUCHANAN: Honourable senators, may I be permitted to say a few words in tribute to our late colleague from Brockville, not so much in terms relating to his public life as with reference to the occupation in which he was engaged. I am afraid that the country at large was not generally acquainted with the fact that the late George Graham was a newspaperman right up to the time of his death. Those of us who were in the newspaper business throughout the country had a great regard for him. To us he was known in that capacity just as well as he was known as a member of governments and a member of the Senate.

The late Senator Graham began his life in the newspaper business. Like my friend and colleague from Kingston (Hon. Mr. Davies), he started as the publisher of a weekly newspaper, and later became the editor of a daily newspaper in his home city of Brockville. I know from my acquaintance with him in this Chamber that he was writing articles for that paper up to within a few years of his death. In his newspaper career, as in public life, he was always broad-minded and treated his political opponents kindly. Though he had very strong views, I do not think he ever offended an opponent in the field of political action or in the newspaper he published. Naturally those of us who are newspapermen mourn his loss, and I feel that his relationship to the newspaper profession should be mentioned at this time when we are paying tributes to his memory. My own acquaintance with him went back to the time when he was a member of the Ontario Legislature and I was a member of the Press Gallery there. I knew him from that time until his death. He can be described as above everything else a great human personality, generous to a fault, a man who loved to be in the company of his friends and was always doing good deeds and making new friends wherever he moved. He was not an extreme partisan; he was not narrow. Though loyal to his party, he was always on the friendliest terms with his political opponents, who, I know, respected him for his fairness and his goodness.

Hon. C. B. HOWARD: Honourable senators, Quebec is the only province in Canada divided into senatorial constituencies. The late

Speaker of this Senate, Hon. George Parent, represented the division of Kennebec, which is in the Eastern Townships, and I desire to express the regret of the citizens of the Eastern Townships at his passing.

The Hon. George Parent was a French-speaking Canadian, whose father was at one time Prime Minister of the province of Quebec. George Parent was a worthy son of a worthy father. He was a successful business man. At one time he owned the second largest French-language newspaper in North America. He was a director of the power company of his own city—the Quebec Power Company—and also of the Southern Canada Power Company, whose transmission lines cover the Eastern Townships. But in my humble opinion George Parent rendered his greatest service to the community in the role he played as a French Canadian in Canadian politics. He was not a narrow-minded nationalist nor an isolationist. He was proud of his nationality, but was a champion of racial equality and always considered it his duty as a French Canadian to respect the other fellow's viewpoint. His broad-mindedness was his outstanding contribution to the Eastern Townships. There never was a time when broad-minded men such as George Parent were more badly needed; and in these times it is exceptionally hard to replace them. On behalf of the citizens of the Eastern Townships and myself and my family I join with honourable members who have preceded me in tendering our sympathy to Mrs. Parent and her family.

Hon. A. C. HARDY: Honourable senators, nothing I could say here to-night would add to the stature or memory of George P. Graham, who has so recently passed from amongst us, and I shall not try to add to the very kind and well-deserved words that have been spoken about his career in Parliament. But I feel I should be very remiss if I did not pay tribute to him as a late fellow-citizen of the town of Brockville, where he lived for some fifty years. He was not only our outstanding citizen, but he was the best loved and most widely known of all who have lived in Brockville within the memory of the present residents of the town. I knew him over a long period, beginning as far back as some eight or nine years before he entered Parliament. In 1898 he was first elected to the Ontario Legislature, where he was one of my father's colleagues, and I well remember meeting him there that year.

George Graham was a man of the most generous instincts. I do not think he ever failed to contribute towards any of the civic objectives we set for ourselves in the city of Brockville. We can hardly realize that one who was so eminent a fellow-citizen for so many years has left us.

Hon. L. M. GOUIN: Honourable senators, I wish to add only a few words to the tributes which have been so ably paid to our two departed colleagues. Of our late Speaker, the Hon. George Parent, it has already been said that he was successful not only in the practice of the legal profession, but also as a business man. As Speaker of this Chamber he was dignified, impartial and most courteous. His hospitality was charming. May I say here that we are all convinced our newly appointed Speaker will be a worthy successor of our late colleague from Quebec.

Our late Speaker was a most cordial friend, who was always trying to be of service to us. Last session, after I had referred to the necessity of developing our relations with Latin America—in which subject he took a deep personal interest—he was always kind enough to inform me whenever he learned of any significant fact concerning South America. That kindness on his part was a great encouragement to me, and I feel it a duty to express gratitude to-night.

As to our late colleague from Brockville, the Right Hon. George P. Graham, I will say only a few words. He made a deep impression upon me when I had the honour of entering the Senate. For me he was a living representative of the great epoch of Sir Wilfrid Laurier; so I felt a deep emotion when I shook hands with this survivor of the Laurier regime. I also took very much to heart any remarks he might make to me after I had participated in a debate. The doctrines of Laurier have always remained our political creed, and it gave me deep satisfaction to see that our illustrious friend from Brockville looked to the younger generation to continue the great tradition to which he himself had contributed so much. We shall never forget our late colleague's very remarkable qualities as a statesman and orator, a great Canadian and one of the ablest and most distinguished of our public men.

Hon. F. B. BLACK: Honourable senators, as one who has been a member of the Senate for a number of years and knew the late George Graham before he came to this Chamber, though not so intimately as from that time on, I desire to add just a word or two in tribute to his memory. First, however, may I congratulate the Speaker who now occupies the Chair which has been vacated by our late esteemed colleague, Senator Parent.

I did not know Senator Parent personally until he came to this House. He filled the high office of Speaker of the Senate well, in a dignified way and with credit to this Chamber. In presiding over our debates he was always fair and considerate to every honourable member.

Coming now to the late Senator Graham, may I say that I had for him a deep affection. It has been said that

> The evil that men do lives after them;
> The good is oft interred with their bones.

I do not subscribe to that, for I think the truth is rather the reverse. In any event, the good that our late colleague Senator Graham did will live after him.

I agree with all that has been said by the honourable gentleman from Westmorland (Hon. Mr. Copp) about Senator Graham. I do not know that I have met in all the time I have been a member of the Senate anyone who had a more kindly disposition, or a friendlier attitude towards all his fellow-members, whether they sat on the left or the right of the Speaker. Like Abou Ben Adhem, the late Senator Graham might well have said:

> . . . I pray thee, then,
> Write me as one that loves his fellow-men.

TEMPERATURE OF SENATE CHAMBER

QUESTION OF PRIVILEGE

On the Orders of the Day:

Hon. J. T. HAIG: Honourable senators, before the Orders of the Day are called, I rise to a question of privilege. In the province of Manitoba for the last three or four weeks we have had temperatures as low as 46 degrees below zero. I fear that some of that Western weather must have reached this Chamber.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate proceeded to the consideration of His Excellency the Governor General's Speech at the opening of the session.

Hon. P. R. Du TREMBLAY moved that an Address be presented to His Excellency the Governor General to offer the humble thanks of this House to His Excellency for the gracious Speech which he has been pleased to make to both Houses of Parliament.

He said (Translation): Honourable senators, I take pleasure in stating at the outset that I very much appreciate the honour of being a member of the Canadian Senate. This is the highest legislative Chamber in our country, and its members shoulder a great responsibility. I shall endeavour to be worthy of it. I rely on your help and your kindness.

This House has an important duty to fulfil. After the war it will be faced with a very great task. To my mind, one of the functions of the Senate should be that of a restraining body. It should be the House of common sense and moderation. In these difficult and troublous times, when many people look for something new and seem inclined to adopt dangerous theories which are a departure from whatever is good in democracy, this House could help to avert many dangers. The Senate can help to check subversive ideas which might be implanted after the war. We are already hearing something about them. Such ideas often fail to prove a blessing for the people. Many changes are being suggested; false hopes are entertained which would in the end bring about nothing but disappointment and frustration.

We should not forget that there is nothing new under the sun. Ever since the beginning of the world, many people have tried to put into practice various theories, each one of which would, they thought, bring about happiness, but each test has shown their impracticability. By nature, human beings have a craving for changes; they pursue an ideal of perfection. They never reach it, because perfection does not exist on earth.

Since nothing is perfect in this world, we ought to be satisfied with some degree of perfection. I believe that the economic system we have in the Dominion and the provincial spheres is capable of ensuring justice and happiness to all classes of our society. The democratic system affords to everyone the hope of bettering his position through his industry; it stimulates the eagerness to work through the reward of a reasonable gain; it respects civil and religious rights. Of course that system is not perfect; there are deficiencies and many imperfections, but such imperfections can be remedied and the deficiencies can be made good. There are frequently unfathomable injustices, but they can be remedied.

I know of no other system which by its very object and its flexibility is more calculated to suppress abuses and promote useful reforms. Our system of modified democratic government, if it were applied by men of goodwill, could ensure to the Canadian people good administration. The right-minded people of Canada rely especially on the Senate for the task of ensuring the triumph of sound demo-

cratic principles, checking subversive ideas and restraining dangerous theories which would only spell disaster in this country.

The Hon. Joseph Rainville, my predecessor in this House as the member from Repentigny, was a shrewd business man. He played an important part in Canadian politics. I became acquainted with him at the time when he and I were reading law at the University of Montreal. He sat in the Model Parliament of that period; he was one of the Ministers, and I also held a portfolio, which, of course, entailed no heavy responsibilities. Even during that early period, Mr. Rainville was noted for his eloquence. He had a natural bent for liking and helping his fellows. He was one of the organizers of his party and I believe that at the close of his career he enjoyed the friendship of all. His friends, who were quite numerous, will keep a favourable remembrance of him. He was warm-hearted. He was fond of the arts, especially music. He helped many causes and a number of people. The demise of Hon. Mr. Rainville is accordingly a great loss.

I take much pleasure, Mr. Speaker, in congratulating you upon having been selected by the Government to preside over the deliberations of this House. No one was better qualified nor had a greater measure of experience for the high and honourable office of Speaker of the Senate. I hope that the performance of your duties will afford you nothing but satisfaction. We know that your rulings will ever be the exemplification of right, justice and fairness, and we ought to be pleased to have a Speaker of your character. The Government deserves our compliments for that appointment. You are succeeding a worthy Speaker, Hon. George Parent, who for more than a quarter of a century played an outstanding part in Parliament. He was one of the public men who have best served their fellow-citizens and their country. We know, Mr. Speaker, that you will maintain the same traditions of kindness and understanding as your predecessors, and I tender you my best wishes.

The speech which His Excellency the Governor General read in this honourable House on January 28 last is a most comforting and satisfying message. It heralds measures which will prove helpful to our country in many fields. One of the main measures announced is social insurance, which, provided the right formula is found, gives us the hope of being able to afford our people the protection they have a right to expect. We already have several social measures within Dominion jurisdiction, but the new project will be much more comprehensive.

I feel justified in saying that the social security insurance project, protecting the people of this country against fear and want, is excellent, and that it is in principle acceptable to all; but what must be found is the method, the sound course to be followed in reaching the desired objective. It is important that the Canadian nation should ponder this matter, so as to avoid mistakes. We are all eager to protect our fellow-citizens against fear and destitution, and if this objective is to be reached, as mentioned in the Speech from the Throne, it is essential that a national plan be worked out to provide insurance against the inevitable effects of the principal economic and social risks.

We already have in Canada social security measures enacted by the Dominion Parliament: unemployment insurance, old age pensions, pensions for the blind and for disabled soldiers. And there are provincial Acts providing against accidents and sickness, and relating to hospital treatment, mothers' and widows' allowances and maternity assistance, but the Dominion Government now wishes to establish a social security plan for the entire nation, and to this end it intends to work out a complete national system of social insurance which, in the words of the Speech from the Throne, will constitute a charter of social security for the whole of Canada.

The Government intends to recommend the early appointment of a select committee to inquire into and report upon the measures to be taken for the establishment of social insurance, as well as the means whereby they could be included in a nation-wide plan. That committee will be instructed to study such a nation-wide system.

I believe that such a recommendation on the part of the Government is quite wise, for it is not sufficient to desire something useful; the manner in which it can be obtained and the way to make it most useful must also be examined. You all know, honourable senators, that in the field of social measures, the provinces enjoy certain rights, and that consequently it is imperative that a survey be made of what can be accomplished and of the manner in which it can be done without encroaching upon those provincial rights.

It is of the utmost importance, in connection with those post-war economic and social reconstruction plans for Canada, to establish a system which shall meet the particular conditions existing in this country. The idea is not to copy schemes which, although useful in some other country, would be useless in our own. The advice given to the Canadian Club by Mr. Cyril James, Principal of McGill

University, in a remarkable talk on the plan submitted to the British authorities by Sir William Beveridge, should be heeded: to copy this plan closely would be the wrong thing to do. We can and must, according to Mr. James, inaugurate a system adapted to the peculiar conditions obtaining in our country. Although we should find it advantageous to adopt some points of this scheme, which is a thorough and methodical study of the whole subject, we could not, without running the risk of serious mistakes, adopt it as a whole. Before going ahead we should make sure that we are on solid ground.

It is of primary importance that our whole population be secured against destitution and that all able-bodied persons find steady and reasonably-paid employment. The Government knows that unemployment must be avoided so far as possible.

Our first duty is to secure employment for our people. The discharge of this important duty is bound to bear fruit. Work ensures public contentment and happiness and carries its own reward. Work is beneficial to man. Idleness is degrading, and work, being in accordance with a natural law, is indispensable for a healthy population. We must fend off the disastrous situation in which we found ourselves a few years ago, when the available jobs were not numerous enough to go around.

The Government realizes the extreme importance of considering means of finding work for our men after the war, and every province, city, town and industry must co-operate to this end. The State should assist individuals only when private enterprise fails to do so. The Government is thoroughly conversant with this situation, and the Speech from the Throne states, among other things, that nothing should be neglected to insure that after the war the men and women of our armed forces and war industries shall find useful and remunerative employment; that the Ministers are already studying international agreements and domestic measures that would assure reasonable incomes to primary producers and general employment at the close of hostilities.

Honourable senators, the Speech from the Throne proposes, among other things, that we take the necessary steps to procure employment for everyone after the war. A committee will be set up to consider the best means of drafting a social security programme and a national health insurance scheme.

In connection with the war, the Speech from the Throne states that the Government will see to the maintenance and reinforcement of our two overseas army corps, at the same time insuring the maintenance of various units and formations required for the territorial and coastal defences of Canada and other Western territories; that the Air Force will pursue its triple mission; that our naval strength will be further increased. All these measures, forecast in the Speech from the Throne, are praiseworthy.

Honourable senators, we must contribute to the maintenance and the improvement of our social welfare, of our standard of living. We must have faith in the future of democracy.

In a recent statement the Vice-President of the United States, Mr. Wallace, speaking on post-war plans, described the great future that he foresaw for his country: he told us of an America where everyone could become a member of the middle class and enjoy all its prerogatives.

Mr. Wallace is also the chairman of the Economic War Board. Here is part of his statement:

> The spirit of competition will and must continue to be one of our main driving forces.
>
> We can have full employment in this country without destroying private initiative, private capital, or private enterprise.
>
> Government can and must accept the major responsibilities for filling in whatever gaps business leaves. The more private enterprise succeeds in maintaining full employment, the less Government spending will be required.
>
> Individual initiative and enterprise, and Government responsibility for the general welfare, will continue to contribute jointly towards a better life for our people.

Mr. Wallace scoffs at those who whisper about the collectivization of American life and the destruction of free enterprise. We need, he adds, the driving force of self-interest in order to produce as much work as possible.

> Businessmen will be encouraged to do what competition has always tended to make them do—to reduce prices as the costs fall, to increase the level of sales and employment, to use profit only as an incentive to increase production or to lower costs.
>
> One of the war aims of the allied democracies would be to give everyone the advantage of enjoying the privileges heretofore reserved for the middle classes.

Canada is also contemplating the adoption of a vast reconstruction programme in its effort to attain to a fuller economic life. As early as the beginning of 1941 a select committee of the Federal Cabinet was appointed to study the problem of post-war reconstruction. At a later date the responsibility of studying and recommending definite measures was vested in a reconstruction committee, headed by Dr. F. Cyril James, Principal of McGill University. Dr. James gathered around him representatives of labour and industry, as well as members of university

faculties (Dr. R. C. Wallace, Principal of Queen's University, and Mr. E. Montpetit, of the University of Montreal).

This committee is to co-operate with other Government agencies. There is also a parliamentary Reconstruction Committee, made up of members of various political parties. The Reconstruction Committee, under the chairmanship of Dr. James, has already done a certain amount of advisory and research work. Among other problems this committee deals with matters of a purely national character. It is concerned with employment possibilities in Canada, conservation and utilization of our natural resources, development of publicly financed construction projects, rehabilitation of agriculture and industry, problems vitally affecting the future prosperity of Canada, world economic structure, fiscal and financial policies, external trade, etc. The two main objects of this programme seem to be the following: first, to secure employment for all those who are employable or who desire work, and, second, to maintain, as far as possible, and in the measure in which total employment will permit, the basic tradition of free enterprise and private initiative in our political and economic life. There is no reason to doubt that the work of this committee will be most interesting and really constructive.

Honourable senators, we must continue to love and cherish the privileges enjoyed under the democratic system. The present war is waged to safeguard freedom and democracy. Our democratic institutions deserve to be guarded jealously. Consequently, we must be loyal to them and give them the opportunity of benefiting our population to the utmost.

(Text) Honourable senators, the paramount question which to-day interests Canadians is the winning of the war, and we all wish the Government to take the most effective measures to this end. Within the last few months fortune has favoured our armies and those of our Allies, and the successes achieved so far are of a nature to give us assurance of ultimate victory.

The magnificent Russian offensive has filled us with admiration for the heroic soldiers who have so stoutly resisted the Axis forces; and our warm sympathy goes out to the people of Russia for the fortitude with which they have borne the calamities of war and invasion. They have written a page of history that will rank with the glorious traditions of their forbears.

In Africa, the armies of Britain, the United States, and the Free French, with a certain number of Canadians, have won victories which fill our hearts with pride. In Asia, the forces of our good neighbours the Americans have checked the Japanese advance and assumed the offensive. We must thank God that at last the conquering German, Italian and Japanese armies have been checked, and we are confident that in the near future our Allied forces will defeat the enemy on all fronts.

The civil population must be so organized as to sustain to the utmost the morale of our fighting men on land and sea and in the air.

I think I can affirm that our Government has fulfilled its promise to do its best to win the war. The magnitude of the war effort is shown by the great number of men who have enlisted in the armed forces; by the many men and women engaged in numerous war factories in supplying our armed forces with the necessary weapons, munitions and mechanized equipment; by the farmers producing the necessary food of all kinds to meet the needs of our armed forces, and those of our Allies, and the needs of the civil population; and also by the colossal sums of money our people have paid in taxes and in war loans, all of which have been over-subscribed.

We really can say to-day that Canadians have generously responded to our Government's appeals for funds to ensure victory. All Canadians desire to win this war and so end the terrorism in the countries overrun by the Axis powers. Our aim, and that of our Allies, is to assure freedom and justice throughout the world.

I think we can affirm that to this date our country has achieved the greatest effort for the war that could be accomplished. Our programme has been fulfilled; the war objective that we had in view has been reached.

The programme which was planned by our Government for the year 1942-1943 is the greatest effort that this country could undertake, bearing in mind our means in human and material resources.

Our plan is composed of different parts and each of these must be balanced so that it will not interfere with the success of any of the other parts. If our effort is to be practical and effective it must be well directed and understood. According to my view, our first thought must be given to the strength and potentialities of our human and material resources and the best way in which they can be utilized to give the best results.

In framing this plan we must take into account the needs of the civil population, labour for agriculture and industry, voluntary enlistment for our overseas forces, and men for our home army. Our population is about eleven million and a half, and of course we

must take into consideration the many old and young people who are not capable of heavy work. The number of persons available is therefore limited.

The Government must see as far as possible that the men or women required to carry out each part of our programme are supplied. In other words, our resources in men and material must be so allocated that each part of our plan works well and brings about a well balanced and harmonized effort.

In this plan, as you know, all the parts are important, and if one did not function properly the others might be paralysed. If, for instance, we had not food or ammunition in sufficient quantity, our armed forces would be handicapped to the extent of the deficiency.

All these factors must be well considered and thought out. We must act quickly, but not too quickly.

During the present struggle there has been a demand for a total war effort. To many this meant putting every able-bodied man into the armed forces. In other words, our effort was measured by the number of men in uniform, and particularly by the number of men overseas. The Prime Minister, however, had realized the world-wide nature of the struggle long before his critics had, and from the outset he decided on a balanced war effort. This meant, not a restricted effort, but rather an effective one.

Now in recent months the general public are appreciating what a balanced effort means and what bad results would follow if any particular part were allowed to get out of balance. We appreciate more and more the wisdom of the Prime Minister and of his colleagues in formulating a plan that would assure to our armed forces munitions, fuel and food. We realize more and more perhaps that we need men on the farms, in the war industries, in the mines, in the forests, as well as men in uniform.

The plan of the Government must, I repeat, be balanced and well considered beforehand, in order to attain its objective. The Government must always have before it this thought: "How many men or women can we dispose of? What war materials or food can we depend upon?" It is only after such a review that it can act wisely.

We need so many men and women in different places that it is a great task for our Government to ensure that all is well done. It must see to it that our armed forces are supplied with the necessary recruits and at the same time that they have what is required for fighting and for sustenance. It must see to the transport of all these goods; it must think also of the needs of the civil population, not only of Canada, but of some of our Allies as well. So the Government must not in some cases be too hasty in action.

The Government must keep within the scope of what is possible if it wishes to retain a balanced effort. Otherwise, its aim may be defeated.

I believe that the Government has accomplished a great deal up to date. Its work has been widespread and effective. It has given to our Allies all the help that this country is capable of, and I think we as Canadians should be proud of what has been done to further the war.

It is vital to preserve national unity in this country, and this should be one of our objectives. The Government in its war effort seems to have followed a line of conduct which, on the whole, is the most effective and profitable for this country and our Allies, while at the same time maintaining national unity. For the Government knows that with national unity Canada will accomplish its utmost for the successful prosecution of the war.

It is results that count, and the success obtained in every province is most gratifying. Facts speak for themselves. Our Active Army to-day, overseas and in Canada, is about 400,000, with a reserve of 200,000. According to statistics, in December last the total enlistments in the Canadian forces were 732,000. Our Navy, up to January 1, 1943, numbered about 49,000 men and 500 vessels. The Royal Canadian Air Force has an effective strength of more than 150,000 men; the Royal Corps of Cadets, 96,000. About 225,000 women work directly or indirectly in war industries. Women in uniform, in the three services, number about 20,000. There are 900,000 persons engaged in war industries, and 150,000 in essential war services; so that more than one million Canadians are engaged in this war effort, which compares favourably with that of any other country.

The British Commonwealth Air Training Scheme has been considerably expanded. It will cost $1,500,000,000, of which Canada will pay half.

War production in 1942 amounted to $2,600,000,000, and the maximum production for 1943 is estimated at $3,700,000,000. Equipment and material delivered amounted to $3,000,000,000. Metal, food, wood etc., were exported to the United States to the value of $1,500,000,000. The value of munitions and other material exported during the war of 1914-1918 amounted to $1,002,672,413.

In 1942 Canada exported 60 per cent of its cheese production to Great Britain and 15 per cent of its eggs. Great Britain has also received 75 per cent of the pork inspected in 1942.

On the financial side Canada has spent 40 per cent of its economic resources. It is estimated that for the year ending the 31st March, 1943, Canada will have spent $4,500,000,000 instead of $3,900,000,000 as estimated.

Actually Canada spends every day $12,330,000 or $391 for each man, woman and child in the country. During the period from 1914 to 1920 Canada spent $1,670,406,000. This included the cost of war and demobilization. From the beginning of this war to November 30, 1942, the war cost to Canada amounted to 4 billion 776 million dollars.

The following figures are extracted from a pamphlet issued by Wood, Gundy & Company, dated January 7, 1943:

The Dominion's direct debt to-day (excluding Treasury bills) is estimated at 7 billion 200 million dollars compared to 3 billion 417 millions at December 31, 1939, before large-scale war borrowing began.

The average interest rate payable on direct and guaranteed debt is approximately 2·96 per cent, whereas it was 3·63 per cent at December 31, 1939. Eighty per cent of this debt is payable in Canada only, whereas less than 65 per cent was so payable at December 31, 1939. The interest charges on this debt are approximately 237 millions, or 74 millions greater than the interest charges of 163 million dollars three years ago.

Money has been raised at an average rate under 2·25 per cent, whereas interest rates in the last war were 5·25 per cent. All war loans in the period 1914-1918 were tax-free, whereas the interest on war loans since that date is subject to taxation.

I have tried to show that we have reason to be pleased with the work accomplished by the Government, and that we have made and are making a great effort to win this war. I am sure that if our Government continues this gigantic effort, this country and our Allies should be satisfied.

We must prepare this country for the period after the war. There are great problems that already are being studied or thought of. These problems concern the welfare and happiness of this country and its inhabitants. It is important that when the days of peace come back on this earth, this country should be so placed that it can give well remunerated employment to all our workers. We must have in mind what is to become of our war industries, and how they can be converted into peace industries. We must consider the future of our farms, and how farm products are to find an export market. Business in general must be looked after. These are important problems to be studied. The financial resources of our country must be sound and good, so that they may meet the after-war situation.

This war is being fought to keep our freedom and to save democracy. Our democratic system is worth fighting for and preserving; therefore we must be true to it and give it an opportunity of operating at full efficiency. Our country will progress provided we assure a fair and adequate profit to capital and to labour.

Honourable senators, I believe that we should be pleased with the policy followed by our Government during these hard times. The measures forecast in the Speech from the Throne by His Excellency the Governor General should be helpful to this country and aid in winning the war.

We must be thankful to God that so far we have escaped the havoc of war in our land. We can see victory ahead, but to attain it we must continue our great effort. There are still clouds in the sky, but they seem to be less dark than a year ago. We must have confidence, and carry on—always carry on. In difficult circumstances we must always show confidence and a cheerful face. I know you all remember the beautiful old verse:

> The inner side of every cloud
> Is bright and shining,
> And so, I turn my clouds about,
> And always wear them inside out
> To show the silver lining.

Hon. W. R. DAVIES: Honourable senators, I rise this evening with some trepidation to second the Address in reply to the Speech from the Throne, so eloquently moved by the honourable senator from Repentigny (Hon. Mr. Du Tremblay). I have not the advantage possessed by the honourable gentleman who preceded me, of having had earlier experience in a legislative body of this kind; I am unlearned in the ways of Parliament; I shall therefore ask you to bear with me if I should unwittingly transgress any of the rules of this House while addressing you this evening. As I say, I rise to my feet with some misgivings, because I am much more used to expressing my views with a pen than orally before such an august assembly as the Senate of Canada. I should have preferred to sit and listen for a few weeks. As a matter of fact, I feel this evening somewhat in the position of a Presbyterian minister preaching for a call. There is a story, perhaps a legendary one, about Charles Stewart Parnell, the "uncrowned king of Ireland." It is said that on the very day on which he was introduced to the British House of Commons Parnell delivered one of the most brilliant speeches of his career. But Charles Stewart Parnell was a very exceptional man, as you all know, and possibly, when he got into the British House of Commons, he dis-

covered that the members knew very little about the Irish question, and he thought he had better enlighten them.

At the outset of my remarks I should like to say how deeply I appreciate the honour of having been appointed a member of this distinguished assembly, and particularly of having been appointed from the city which gave to this great Dominion one of the Fathers of Confederation and the first Premier of United Canada, Sir John A. Macdonald.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVIES: I am fully cognizant of the responsibilities which such an appointment lays on me, and I assure you that I will endeavour to discharge them to the best of my ability.

May I be permitted to preface what I have to say on the Speech from the Throne by some references to one or two other matters? I should like, first of all, to associate myself with everything that has been said here this evening with regard to the passing of the late senator from Eganville (Right Hon. George P. Graham). I knew him well, though possibly not as intimately as some of those who have paid tribute to him this evening. I did know him, however, for many years, as did the honourable senator from Lethbridge (Hon. Mr. Buchanan), as a newspaper publisher and good neighbour in the publishing business. On several occasions when we were in difficulties in connection with our printing plant in Kingston, we received the kindest co-operation and assistance from the honourable senator from Eganville and the staff of the Brockville Recorder-Times. The passing of Senator Graham, as you have been told by the honourable senator from Lethbridge, is regretted not only by the members of this House, but also by every newspaper publisher from one end of Canada to the other.

I should like to congratulate the honourable senator from Delorimier (Hon. Mr. Vien) upon his appointment to the high office of Speaker of this House. I am sure that his experience in another place has well fitted him for the onerous duties of his office, and that the affairs of this House, under his guidance, will be conducted with honour, dignity and fairness.

There is to me a significance to the proceedings this evening which may, possibly, have escaped the notice of other honourable senators. This is because of the fact that the two senators who have been chosen to move and second the Address in reply to the Speech from the Throne are both daily newspaper publishers. I hope, honourable senators, that this is an indication of a change of heart on the part of those high in authority in the Government of this country as to the relative importance of newspapers and the radio.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVIES: I trust that I am not taking too much for granted when I assume that those in high places have decided to give to the Press of this country the place of honour in their minds which it formerly occupied, and which it still occupies in the minds of the public.

I cannot let this opportunity pass without telling honourable senators that the newspaper publishers of this country have not appreciated being relegated to second place by those in authority when they have important pronouncements to make to the people of this Dominion.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. DAVIES: Newspaper publishers realize, as everyone does, that broadcasting over the air is here to stay. They realize that it is a quick and convenient method of spreading "spot" news across the continent, but they do not admit that it is the best way for those in high positions to give to the people of this country long and important messages which they desire them to read, mark, learn and inwardly digest.

A distinguished Canadian who until quite recently was a brilliant member of this assembly, in speaking with regard to radio recently, said that the Press is still a mighty influence, but that radio reaches more people. This statement was given a lot of publicity, particularly by commercial radio interests; but, fortunately for the newspapers, it is not quite correct. The total number of radio licences recorded with the Department of Marine in the last fiscal year, ending March 31, 1942, was 1,623,439; whereas the total circulation of the 88 daily newspapers which are members of the Canadian Press is 2,364,844, or nearly three-quarters of a million in excess of the total of radio licences in Canada.

I am not trying to depreciate radio broadcasting. It has a very definite place in our modern life, both as an entertainment and advertising medium. I am merely pointing out that to-day the daily newspaper is still the most powerful factor in the dissemination of news. If this were not so, one would naturally expect a falling off in newspaper circulations, whereas daily newspaper circulations show an increase of between ten and twelve per cent all across Canada since 1938. May I impress upon this House that when a family buys a newspaper, it buys it to read.

In 1920 there were 111 daily newspapers published in French and English in this country, with a total circulation of 1,681,326 copies.

To-day the 88 dailies which are members of the Canadian Press have a circulation of 2,364,844. When we realize that the latest available figures give the number of homes in Canada as 2,660,000, it is seen that even after allowing for some duplication there are fewer than half a million homes in this country which do not take either an English or a French daily newspaper.

There is a growing tendency on the part of those who occupy high and responsible positions in this country to expect the Press to use its columns—its news columns, by the way—to whet the appetites of the people for important announcements which are to be made over the air; also for some which are not so important.

Might I emphasize that the Press is still a mighty factor in this land, and that the daily newspapers with their two and a half millions of circulation are still the most powerful and important medium through which the thinking and responsible people of Canada can be reached. I do not for a moment suggest that the newspapers of Canada are not willing and anxious to co-operate with those in authority when important announcements are to be made to the public, particularly during war-time. I do say, however, and say emphatically, that it is most unfair to expect the newspapers to build up the audience for a network evening broadcast and then expect them to carry the contents of that broadcast in their columns second-hand the following day. And make no mistake: unless the daily Press carried these announcements which have been previously broadcast, three-quarters of their effectiveness would be lost.

Might I suggest that in future the Press of this country, which has co-operated so wholeheartedly in connection with victory loans and other important national endeavours, and which will continue to do so, should be treated more fairly in this respect. Is it too much to ask that when important news develops it be given to the Press immediately, and not held back to make possible an evening or Sunday broadcast?

There is another point of significance to which I should like to refer this evening, if I may be permitted, and that is, that for the first time in many years a Welshman, or rather, a Welsh Canadian, has been appointed to the Canadian Senate. I hesitate to refer to this, because the Welsh to-day are a most humble people, a people about whom little is known. They put up a valiant fight for hundreds of years against the invaders of their country, but eventually were forced to capitulate and retire to their hills and valleys beyond Offa's Dykes. Here they till their soil, raise their sheep, and mine their coal, but, sad to relate, since the decay of the flannel industry, many of them have to send their sons and daughters into England and to countries across the seas in order that they may make a living.

As I say, I hesitate to refer to the Principality of Wales, for I realize that it has little to do with this House. I recollect, however, that a few years ago when the honourable senator from Peel (Hon. Mr. Marshall) was occupying the position which I am occupying to-day, he did a little mild boasting about the part which the Scotch had played in the development of this country and of the British Empire. Let me hasten to say that I find no fault with what the honourable senator from Peel said on that occasion. He only paid tribute where tribute was due, and he was really more modest on that occasion than he has been on many other occasions when I have had the pleasure of listening to him on that same subject, which is so dear to his heart. On that occasion the honourable senator reminded this House that Scotland had given our beloved Queen to England. I might humbly remind this House that Wales gave to England the most enlightened and progressive dynasty which it had had up to that time: its Tudor Kings and Queens. The first of these kings, let us not forget, was responsible for John Cabot sailing from Bristol on his epoch-making voyage of discovery to North America in 1497, when he landed at Cape Breton.

Too, we Welshmen never forget that our representative at Runnymede was Llewellyn the Great, who, despite the fact that he had married King John's daughter, Joan, stood firm with the English barons in demanding the King's signature on Magna Charta.

I am sure, honourable senators, you will realize that I refer with great diffidence to any exploits of the Welsh. But the Welsh Canadians were so pleased when they learned that a Welshman had again been appointed to the Canadian Senate that I hope you will forgive me if I trespass upon your patience for a few minutes longer in making one or two further references to my own people. We have been cheered recently by the annulling of an unjust law, which did not recognize the Welsh language in Welsh courts, despite the fact that there are still in Wales 75,000 people who speak no English, and nearly a million who speak English, but who claim Welsh as their mother tongue. I regret that I am not one of them. The Welsh people have been refused a Secretary of State for Wales, but

they are a patient people. They have waited long years for all reforms, and some day perhaps again their patience will be rewarded.

I am sure I do not need to remind any honourable senators that Wales gave to the British Empire in its time of stress and trial David Lloyd George, who two or three weeks ago celebrated his 80th birthday and who, I am sure, we all hope will be spared to enjoy many more years of health and happiness. It may, however, be news to some of the members of this House to learn that the wife of John Graves Simcoe, the first Governor of Upper Canada, was the daughter of a Welshman; and also that David Thompson, one of our earliest explorers and a map-maker for the Northwest Company, was the son of a Welshman named Thomas. The father adopted the Welsh style of ap-Thomas, but the son Anglicized it to Thomas's son.

I would not for a moment suggest that anything the Welsh have done for this country is in any way comparable to what has been done towards the development of this great Dominion by the Scotch pioneers—ancestors of my own, by the way, on my mother's side. Nevertheless, there are nearly 75,000 Welsh people in this great Dominion. They are all good citizens and come from a country which in the Great War of 1914-18 had a most honourable record of men enlisted in the armed services, and which, according to the Welsh newspapers I read, has done equally well in this war. The exact figures, which I tried to obtain, are not available. Perhaps the strength of the Welsh Guards and the Welsh Fusiliers is one of the secret weapons of the war.

Turning now to the Speech from the Throne and leaving for a few moments the references to the Casablanca Conference and the part Canada is playing in the great struggle for freedom, I am sure that the social security program outlined in the speech was welcome news to every senator in this House. It was, I am confident, music to the ears of every citizen of Canada who was associated during the depression of 1930-1935 with relief work. I sat for six years as a member of a welfare board, and for two years of that six I was chairman of the board. Our task was not an easy one. We tried to deal in as sympathetic a manner as possible with the needs of those unfortunate men and women who were unable to earn a living for themselves and their families at that time. We also had to think of Dominion, provincial and municipal taxpayers, who were providing the money which we were spending. It was a most difficult and, at times, a heart-breaking task. I hope sincerely that never again will honest, hard-working Canadians have to come begging for the bare necessities of life.

I am not an economist. I cannot explain the whys and wherefores of the depression. I merely know that it descended upon us, and no government seemed able to cope with it. It was not peculiar to Canada. As a matter of fact, in the United States the situation was as bad as, if not worse than, in this country. Only those of us who have known what it is to be poor can appreciate the humiliation and the suffering which people had to endure in the terrible years of the depression. For that reason I am delighted to know that the Government of this country is preparing a nation-wide plan to provide against what is referred to as "the inevitable consequence of major economic and social hazards."

I hope that when this plan is being prepared this House will have ample opportunity to discuss the details of it. In a land of plenty such as Canada there should be no difficulty in providing for everyone; and we can do this, honourable senators, without regimenting and dragooning our citizens into a specialized way of life which may appeal to doctrinaires, but which, I am sure, can have no serious appeal to the practical business man, the thrifty labouring man or the independent tillers of the soil who are the backbone of this country. It is all very well to talk about spending huge sums of money when the war is over, but one of the first duties of any post-war government will be to give industry a chance to recover from the result of the severe war taxation.

Canada is a great country, a country where a man can be free and independent. If he is willing to work hard and save hard, and help to build this country, he should have no fear of the future. Canada has been made great by the energy and ability of those who believe that every man is entitled to the rewards of his initiative, his ingenuity and his industry. I am a firm believer in the capitalistic system, in private enterprise. I believe that it encourages thrift, and also industrial and agricultural development. Nevertheless, in my opinion, if the capitalistic system is to survive in competition with the socialistic tendencies of the age, it must set its house in order and make sure that the primary producer and the working man get adequate compensation in good times, and protection against fear and want in bad times.

We have to remember that while all men and women in this country are born free, they are not all born equal, either in

ability or in desire to work. Therefore, no matter under what economic system we plan for social security, we have to be careful to encourage thrift and industry and to discourage laziness and shiftlessness. Thomas Carlyle said that he honoured only two men; the man who works with his hands and the man who works with his brain. That, I think, expresses the Canadian attitude. We have no place in this country for loafers.

I realize that this is a very big question and one upon which the brightest minds of this country will have to collaborate to work out a proper solution. I would warn, however, against certain pitfalls. We must guard carefully against the possibility of young men when they leave school, going on the "dole," spending the formative years of their lives idling when they should be learning a trade. I believe that to this end, in connection with any social security plan, the Government of the day should examine into the advisability of establishing more technical and agricultural colleges across this country to equip properly for the battle of life our young men who will be demobilized when the war is over. After the last war we had a plan whereby young men were trained in factories and offices and given a practical mechanical or business education, largely at the expense of the Government. This had its advantages and its disadvantages. I believe that something more valuable can be worked out this time if sufficient thought is given to it. Canada also granted to some 20,000 veterans loans totalling over $80,000,000. If we again plan to settle returned soldiers on the land, should we not first give them at least elementary instruction in farming, in order that they may to some extent avoid learning to farm by the ancient system of trial and error?

On one thing I am sure we are all agreed, and that is that when our young Canadians return from the war this time they shall find that the phrase, "a country fit for heroes to live in," is no idle platitude so far as this Dominion is concerned.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DAVIES: Turning for a moment, and only for a moment, to health insurance, this is another advance in social legislation which should be examined with the greatest care. It is one thing for the people of a country to be taxed week by week in order that when ill they will be properly taken care of. It is, however, an entirely different thing to make such a scheme work to the satisfaction of all concerned.

Health insurance is in effect in Great Britain to-day. I have had some little contact with it over there, and there are certain features of the scheme which have made me feel that it is far from perfect. If we adopt health insurance, we should endeavour to make sure that those who contribute to it receive the same beneficial medical attention which they would receive if they were private patients. From my own experience I am not at all sure that the panel system as operated in Great Britain is the proper way to operate health insurance.

It is gratifying to note the fine attitude which the medical profession is taking towards this problem. Dr. G. C. Lindsay, of Kingston, president of the Kingston and Frontenac Medical Association, has publicly stated that he is in favour of health insurance if it is properly planned. He is not in favour of the panel system where payment is made to a doctor on the size of his panel of patients, regardless of whether he does anything for them. I am sure you have all seen, too, what Dr. Harvey Agnew, secretary of the Committee on Economics of the Canadian Medical Association, has had to say on this subject. Dr. Agnew believes that any scheme of health insurance should provide a high standard of health service for the people; the plan should be sound actuarially; and the patient should be allowed a free choice of his medical attendant. All this is indeed most encouraging.

In conclusion, honourable senators, let me turn for a few moments to the great struggle in which Canada with the other United Nations is still engaged. It is very gratifying to us all to realize that the tide of war has at last turned in favour of the champions of freedom and democracy. The past year has been a momentous one for the United Nations. Our armies, our navies and our air forces have been increased and strengthened in every way. Here in Canada we have made great strides in the manufacture of munitions and supply. Whereas in 1939 and 1940 our total expenditure on merchant and naval vessels was only $23,000,000, in 1942 we spent $274,000,000; in 1939 and 1940 we spent on aircraft some $42,000,000, whereas last year our aircraft products cost us $235,000,000; our expenditure on mechanical transports jumped in the same period from $119,000,000 to $404,000,000; and on miscellaneous supplies, including clothing, personal equipment, foodstuffs, etc., it rose from $97,000,000 to $390,000,000. It is really remarkable to realize that while our total expenditure in the last war on munitions and supplies exported was slightly over one billion dollars, in 1942 alone we spent over two billion dollars on these necessaries of war, most of which we sent overseas.

We have all been greatly heartened and encouraged by the magnificent campaign of the British and United States forces in North Africa, a campaign which has almost cleared North Africa of the enemy. North Africa since the historic Casablanca Conference of a week or two ago, at which Premier Churchill and President Roosevelt laid momentous plans, has become for us all a symbol of victory.

The highlight of the war, however, a very brilliant highlight, has been the magnificent stand of our Russian allies against the barbaric hordes of the Axis powers. Never before have so many of the free peoples of the earth owed so much to so many of the free peoples of the Soviet Republics. The heroic stand of the war-weary Russian people at Stalingrad and at Leningrad is a worthy subject for an immortal epic, which I hope will be written after the war is over.

The year 1943 will undoubtedly be the decisive year of the war. Battles will be fought in which the flower of the youth of this country will be participating with the same daring, the same courage, and the same resolute determination which they showed at Dieppe. Let us hope and pray that the great majority will come back to us.

As we enter the New Year, the sun of victory is rising. Let those of us who remain here at home count no sacrifice too great in order that as a result of the efforts of the United Nations and particularly of our own soldiers, sailors and airmen, the close of the year shall find the sun of victory high in the heavens, shining down once again with encouraging warmth upon the free nations of the world.

On motion of Hon. Mr. Ballantyne, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, February 3, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate resumed from yesterday the consideration of His Excellency the Governor General's Speech at the opening of the session, and the motion of Hon. Mr. Du Tremblay for an Address in reply thereto.

Hon. C. C. BALLANTYNE: Honourable senators, my first pleasant duty is to convey to the mover (Hon. Mr. Du Tremblay) and to the seconder (Hon. Mr. Davies) of the Address my very heartiest congratulations. They both acquitted themselves in a most creditable manner. I could not agree, of course, with everything they said; but in the main their addresses were able, well delivered and most informative.

Honourable senators, this new session of Parliament is opening under war conditions much more favourable than those which prevailed a year ago. Very important, indeed brilliant, victories have been won by the United Nations on the land, on the sea and in the air. We can truly say that the tide of battle has turned in our favour and that ultimate victory is assured. But we must also realize that there is a long and hard road ahead and that great sacrifices have yet to be made before our enemies are ultimately defeated.

Since war broke out, we on this side of the House have only performed our duty by giving loyal support to the Government's war measures and other legislation brought before this Chamber. At the same time I want to make it clear that we reserve our right to criticize where we think criticism is fair and just, and to offer constructive suggestions. We feel—at least I do—that since war broke out the Government have not kept Parliament as fully informed as they should have done. We are all in this war together, yet much information that could not be deemed of benefit to the enemy in any way has been refused Parliament. I hope that when we hear from my honourable friend opposite (Hon. Mr. King), of whom we all think so highly, he will give this Chamber much more information than we have been in the habit of getting. In another place and in this Chamber, during past sessions, honourable members have listened to the reading of long memoranda containing generalities about the country's war effort, but nothing that I should consider concrete and definite. Let me make myself clearer. No doubt, like myself, a good many other honourable senators follow the debates in the Imperial Parliament. I have been impressed by the number of questions that are always asked the Government over there at the beginning of every sitting, and the frank and apparently complete information given by the Ministers. I have also been cheered to read what their wonderful Prime Minister has said on more than one occasion about the high

regard he has for the House of Commons, its rights and privileges, and its criticisms, whether fair or unfair.

I would suggest to my honourable friend opposite that the Government be more frank with us—take us more into their confidence. The other day the President of our gallant ally to the south, when addressing the Senate and House of Representatives, made this remarkable statement, among others. He said, "We have built in this country 48,000 combat planes, and we are building them at the rate of 5,000 a month." Imagine what would happen if any honourable member of this House or of another place inquired of the Minister in charge how many combat planes had been built in Canada since the war broke out, or how many it was expected would be built during the coming year! The only response to the question would be the subterfuge that it was not in the public interest to give the information.

Personally I believe that Parliament and Government would stand stronger with the public if more definite information were given out. No one in Parliament has any desire to ask the Government for information that could reasonably be considered secret, or beneficial to the enemy, but surely we are entitled to be told more than we have been told so far.

I wish to refer to a few major problems that are agitating our people at large, and also Parliament. The first problem to which I will address myself is that of man-power. I apologize to honourable senators for speaking on this subject now, because I had something to say about it at the last session. I wish to point out again that in my opinion, unless it is changed by anything the honourable leader of the House (Hon. Mr. King) may say, the Government have not an accurate registration of man-power. My reasons for that opinion were given at the last session. The 1940 registration was accurately done, but that is three years old now. The census that followed was taken very inaccurately, and the same can be said of the registration of unemployed between the ages of sixteen and sixty-nine. No doubt some honourable senators opposite will say that according to law these men are called up in the various categories from time to time. I do not dispute that fact, but I do say the lists are so inaccurate, and such large numbers of men in the various categories have changed their addresses, that there are thousands and thousands of men whom it is impossible for the Government to find. What is the remedy for that? The remedy is to take a new census immediately. The other day I read that this is opposed by the Minister of Labour, who thinks the census would cost too much and take too long. No expenditure necessary for the purpose of obtaining an accurate registration of man-power in war-time should be considered too high. And a census could be taken quickly.

I again urge upon the Government the appointment of a strong man to be given complete charge of man-power, as has been done by our neighbour to the south. In the United States Mr. Paul McNutt has complete charge of man-power and is vested with extraordinary authority. I never met Mr. Little, who resigned some time ago as Director of National Selective Service in Canada, but I have read the correspondence that passed between him and the Minister, and also his views in regard to man-power. He impressed me as being a very strong and able man, the right man in the right place. From what I could gather he was asking only for the powers of a deputy minister under the Minister of Labour. I regret that Mr. Little is no longer holding office.

The next subject that I wish to bring before this Chamber is the greatest war menace, which, as we all know, is the U-boat. Ship sinkings are very serious. This menace will be overcome, but, as the experts say, in only two ways: first, by increasing the patrol, which will necessitate more naval vessels; and, secondly, by the construction and putting into service of more cargo boats. Honourable senators have often heard me speak about cargo boats. I do not think that anyone in this House knows how many of these vessels have been built in Canada since war broke out, and how many have been put into commission. It is interesting to note—if I may refer to Washington again—that the President announced that eight million tons of shipping had been built in the United States since war began, and the objective is another eight million tons, or sixteen millions in all. That is a further instance of the kind of cheering information given out in Washington. It certainly could not be said for one moment that it is not in the public interest to tell the people about these things. I understand there is or was an order in this country for 125 Liberty ships, of ten thousand tons dead weight each, for the United States. Why not tell us how many of these ships have been delivered to our neighbour and put into commission? Why not tell us how many ships have been built here for England? Why not tell us how many have been built for Canada, and how many more the Government expect will be built this year?

The genial countenance of my old friend the honourable senator from Lunenburg (Hon. Mr. Duff) recalls many memories of another place

at the time of the last war. He has a great deal of experience and knowledge with regard to ships; so it was only natural that when I was Minister of Marine he launched at me a great many questions. I always endeavoured to give him honest and prompt replies. If he had asked me how many ships were built and I had told him it was not in the public interest to give that information—well, the great blizzard that struck these parts a few weeks ago was nothing compared with the cyclone that would have struck the House of Commons in those days.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. BALLANTYNE: As to naval vessels, time and time again in this House, before war began and since, I have urged the Government to adopt the Jellicoe minimum plan and build three cruisers. Our naval forces have been greatly increased, and I congratulate the Government on that. We are all proud of the splendid record of our destroyers, corvettes and mine-sweepers in this war. But why should we not build cruisers with four-inch and six-inch guns, and, if at all possible, eight-inch guns? We certainly need such ships for escort work.

I come now to our overseas forces. Canada has every right to be proud of the large number of men who have so promptly enlisted for overseas service. We have, I am sure, a most efficient and well-equipped body of troops in England. No doubt they will be getting into action this year and, much to our regret, we must expect very heavy casualties. Naturally not only the mothers and fathers and wives of our men overseas, but also Canadians generally are wondering whether sufficient reinforcements are at hand. The Minister of Defence, quite properly, had no hesitation in stating the strength of the Canadian corps in England. Very often the people of this country have but a vague idea of the strength of an army corps in terms of fighting men. For instance, we are told that 600,000 men have joined our armed forces. True, 600,000 men have enlisted, but that includes also enlistments in our naval and air forces. In addition there are ancillary troops over there, such as the forestry and medical branches, and so on. After allowance is made for these non-combatant troops, the number of men who will actually take the field when that great day comes will be between 80,000 and 90,000. To quote the Minister, it means three infantry divisions, two mechanized divisions and a tank brigade. Now, if it is not against the public interest for the Minister to say how many troops we have overseas, why does he say it is not in the public interest that he should tell Parliament the number of our reserves in England? I know of no reason in the world for refusing Parliament the information. I know that when the honourable leader opposite rises we shall hear the usual story: "A steady stream of reinforcements are going over from time to time, according to the shipping available." There is a good deal of truth in that statement; but we have been at war for three years and there has been ample time to have the necessary reinforcements overseas, and I hope that when he rises he will tell us whether we have 10,000, 20,000 or 50,000 men overseas as reinforcements—not here, but actually in England.

I should like to say a word about the army in Canada. Honourable members will please understand that I do not pose as a military man at all, though I have had some military experience. We have asked over and over again, "What is the strength of the army in Canada?" No answer. We have asked over and over again, "How many men in Canada have signed on for overseas, and how many have stated that they are willing to serve only in Canada?" Again, no reply. I think we ought to be told the size of our army in Canada, the number of enlistments for overseas, and the number of enlistments for service in Canada alone. I realize we must have a sufficient armed force on both coasts for defence, but I should like to know how many of the thousands of men who have signified their intention to serve in Canada only are serving in the interior of Canada at great expense to the taxpayers. If those men are not willing to serve in other theatres of war, then, since we are so short of manpower, I would let them out of the army, subject to call, and put them into war industries, or other industries, or on the farm.

An Hon. SENATOR: Hear, hear.

Hon. Mr. BALLANTYNE: It may be the honourable leader will give us that information. I hope so.

Coming to another subject, I do not know whether honourable senators have seen the January number of Industrial Canada. It contains, I understand, the most accurate count to date of Government-owned companies, controllers, boards and interlocking boards. Before I proceed further on this subject I want it clearly understood that I am not criticizing Hon. Mr. Howe, the very efficient and capable Minister of Munitions and Supply. I do feel, however, that he is a much overburdened Minister, and notwithstanding the assistance he has in the way of deputies and other officials, I do not think it is possible

for him to keep in touch not only with twenty-seven wholly owned Government companies, but also with controllers and other organizations. I wish also to pay my tribute to the many able business executives, chartered accountants and others who as dollar-a-year men are rendering such able service in our war effort. There is a rising tide of public opinion that the Government have delegated too much authority to these Government-owned companies and controllers that I have just mentioned. No doubt honourable members on the other side will say, "Oh, but bear in mind that all these controllers and Government-owned companies are responsible to a Minister of the Crown." But, I ask, how is it humanly possible for a Minister, no matter how capable, to keep even remote control over so many activities? No wonder there is, as I have said, a rising tide of public opinion critical of what is regarded as too much bureaucratic rule and not enough governmental supervision.

I was pleased to note in the Speech from the Throne that the Government have under consideration the appointment of under-secretaries. I hope speedy action will be taken along that line, because at least five members of the Cabinet have far too much to do. I refer to the Minister of Finance, the Minister of Defence, the Minister of Defence for Air, the Minister of Defence for Naval Affairs, and the Minister of Munitions and Supply. The appointment of under-secretaries should bring welcome relief to those very busy Ministers.

A matter in which we are all interested, because it touches our pocket-books, is the Ruml plan of collecting income tax. I am glad to note in the Speech from the Throne that the Government are giving this plan consideration. I had the pleasure and privilege about two weeks ago of attending a meeting of the Canadian Club in this city and hearing Mr. Ruml explain his proposal. I was much impressed by his speech, and I have no hesitation in saying that I am heartily in favour of his plan. Thousands of our taxpayers are in desperate straits in meeting their obligations respecting income tax. No doubt, should the Government make the change, it would apply to 1943 income. Besides affording much-needed relief, it would, I believe, result in the collection of more revenue in the long run. As late as yesterday I heard a chartered accountant in Ottawa cite the case of a man who in 1942 was earning $15,000, but whose income this year will drop to $5,000. Unless a change is made in the system of income tax collection, his 1943 income tax will be based on an income he no longer enjoys.

In regard to social service and other matters mentioned in the Speech from the Throne, I shall reserve comment until the legislation reaches this House. We are all in favour of everything that can be done for the health of the people, and also for their social betterment. Doubtless some honourable senators have heard of a convention held at Winnipeg recently, and if they will take the trouble to look up the views on social service of those who gathered there, they will be encouraged to make progress along similar lines.

In conclusion, honourable senators, I have only to add that we are all in this war for victory. That is the goal we all want to reach. We will support the Government to that end. But give us your confidence—give us the information that I have asked for.

Hon. J. H. KING: Honourable senators, I desire to extend a hearty welcome to the new members of this Chamber. I had an opportunity last week of welcoming His Honour the Speaker.

Last evening the honourable senator from Repentigny (Hon. Mr. Du Tremblay) and the honourable senator from Kingston (Hon. Mr. Davies) moved and seconded the Address in reply to the Speech from the Throne. Both gentlemen are well and favourably known in their respective communities, where their views are read in the daily press which they so ably edit. In fact they are known to a much wider public, as their writings are frequently quoted by Canadian newspapers. We are indebted to them for the excellent speeches they delivered yesterday. We have every reason to expect that this Chamber will be greatly benefited by their ripe experience and broad knowledge in dealing with various matters that will come before us from time to time.

I would also extend to the honourable member from St. Catharines (Hon. Mr. Bench) a hearty welcome. I am informed that he is the youngest member of the Senate. Though young in years, he comes to us as a man of mature judgment, his counsel and advice being sought and accepted not only by laymen, but also by members of his profession.

The honourable leader opposite (Hon. Mr. Ballantyne) has made some criticism of Government policy, and that is to be expected. He is eminently qualified to offer criticism and advice to the Administration. He was a member of the Cabinet during the last war, and undoubtedly he is familiar with the strain and worry to which members of the Government are subjected in war-time, and I think it is largely because he realizes the difficulties encountered by those charged with the grave responsibility of directing national affairs in these critical days that he has been mild and fair in his criticism.

He has suggested that the Government has been disinclined to furnish information. Well, is that quite true so far as members of Parliament are concerned? Only yesterday I tabled all the Orders in Council that have been passed since the last session, and they are at the disposal of honourable members. The Government also publishes from time to time a journal, copies of which are sent to members of this House and of the House of Commons. This issue, dated November 26, 1942, sets forth Canadian war orders and regulations. These booklets contain a great deal of information, and anyone who would give enough time to reading and digesting them would have considerable knowledge of what is going on. In addition, the Government has set up bureaux which supply information to the members of the House of Commons and of the Senate. At one time, when those offices were sending out reams of paper advising as to contracts, setting forth prices, and so on, I thought the practice was rather wasteful. There is, further, a committee of the House of Commons which sits not only during the sessions of Parliament but also in the intervals between sessions, and makes a complete and exhaustive investigation of expenditures and such matters, and it sends out sub-committees to investigate the various war industries throughout the country.

We all know that every time we are travelling up or down in elevators we see notices advising us to be cautious in our talk. In England also the public is advised not to talk on war matters. It was only last year that in the city of Boston it was found necessary to form clubs of restaurant-keepers and others who come into contact with the public, to report cases of persons who were talking too freely and might possibly be disclosing information that should not be made public. It is the desire of the Government to prevent careless talk.

I do not agree with my honourable friend that information has not been made available to Parliament. Last year Mr. Howe, the Minister of Munitions and Supply, gave full information in regard to shipbuilding and the construction of guns, tanks and other equipment. Similar information has been made available to Parliament within the last few days.

I should like now to refer to the question of man-power. There is perhaps no problem more difficult for a Government to deal with in a free and democratic country. We are a free people, not subject to regimentation. When this war broke out we had made little or no preparation for war. The Government tried to meet that situation. If there had been someone with supernatural powers, or some group with sufficient knowledge to plan and say where people should be placed, it is probable that no mistakes would have been made. But such things are not humanly possible. Consequently, in this as in every other country some mistakes have occurred and there has been much grief with regard to the distribution of manpower. Two years ago the cry was raised that every man should go into the Army; that farmers' sons were being favoured; that we were not raising men for the armed forces rapidly enough; that the Army, Navy and Air Force should be strengthened and that the question of men on farms and in industry should be a secondary consideration. But what do we find to-day? We find that there has been a great shortage of labour on our farms and in our mines, especially the coal-mines, with the result that last year the farmers had great difficulty in harvesting their crops, and during the present winter people are having difficulty in keeping warm in their homes. But is that situation peculiar to Canada? Does it not exist also in the United States and in Great Britain? Is it not true that even in countries where regimentation is the rule the same conditions prevail, and men have to be moved from the armed forces back to the farms, the factories and the mines? Such a condition can hardly be avoided in any country.

A reference has been made to Mr. Little. I am not going to become involved in any controversy in that regard. He was employed by the Government and came here as a Director. He has presented his own case, it is before the public, and he will be judged by the public.

My honourable friend has spoken of the dangers of bureaucracy, and at the Winnipeg Convention the gentleman selected to lead the Progressive Conservative party expressed the fear that a bureaucracy was growing up in this country. If all the proposals contained in Mr. Little's memorandum to the Prime Minister had been accepted and one man had been allowed to build up his control, there might have been something in the nature of a bureaucracy. But it cannot be said that the Civil Service of this country has become bureaucratic, and it is only when the men in the permanent Civil Service take it upon themselves to suggest and dictate Government policy that you have a bureaucracy. I spent some nine years in the Government of Canada, and during that time had an opportunity of getting to know our Civil Service. I found the civil servants of Canada to be a very able body of men. I found also that when there was a change of government those men, irrespective of what their politics may have

been, swung in behind their Ministers and the Government, accepted the policies of the Government, and did all in their power to make those policies successful. The Civil Service of this country has worked hard and long, as have also the men who of their own volition and from a desire to serve have come to Ottawa to offer their services. Many of these men held high and responsible positions in the financial and industrial life of the country, and their advice and assistance have been gladly accepted. I think that anyone who reviews the situation since 1939 and considers the change-over in our financial and industrial life will agree that Canada may well be proud of what has been done by her professional men and scientists. There may be some among them—there are almost sure to be a few—who upon being made controllers would assume more authority than they were intended to have. But all these appointments are made under Order in Council, and the authority is controlled. This is plain to be seen by anyone who cares to familiarize himself with those Orders in Council. If it is thought that an official has exceeded his authority—and there have been examples, such as the case in Ontario in which a magistrate so found in regard to certain orders made by the officials of the Wartime Prices and Trade Board—the matter can be referred to the Supreme Court. In the case I refer to, the Court upheld the validity of the Order in Council and the order made by the official.

My honourable friend spoke of certain information that should be supplied now. He mentioned shipbuilding for example. In 1941 Canadian shipyards built 85 corvettes and 9 mine-sweepers. In 1942 they built 74 ships for the Navy. This was a decrease of 11, but in that year many of the largest shipyards were devoting their attention to the building of cargo ships.

Hon. Mr. BALLANTYNE: If my honourable friend will allow me, I would say that I was speaking of cargo ships.

Hon. Mr. KING: In that year over 80 ten-thousand-ton cargo ships were built.

Hon. Mr. BALLANTYNE: And put into commission?

Hon. Mr. KING: The information I have is that every three days Canadian shipyards built a ship ready to sail—a record that has not been surpassed even in Great Britain.

Hon. Mr. BALLANTYNE: My honourable friend surely does not mean that within three days of the laying of the keel of a ten-thousand-ton ship she was ready to go to sea.

Hon. Mr. KING: That is what is happening.

Hon. Mr. BALLANTYNE: Henry Kaiser, that wonderful man in the United States, takes six days to build a ship.

Hon. Mr. KING: That is what is happening, and it can be confirmed: a ship every three days. I do not mean that a ship is being built in three days, but ships are going to sea from Canadian yards at the rate of one every three days. This is no mean accomplishment for a country that was not building ships before the war.

My honourable friend has asked why there should not be some information given as to the number of ships that are being built for the Government of the United States and the Government of Great Britain. I may tell my honourable friend that I asked the Minister that very question, and the Minister said that, according to the request of the governments of the two countries, he could not divulge that information. That is a fair answer.

Hon. Mr. BALLANTYNE: I do not want to interrupt too often. I know the Minister gave that answer, but the Deputy Minister gave the full information.

Hon. Mr. KING: He may have done so. If he did, he went outside his field; and if my honourable friend has full information I do not think he has any cause to complain. I asked for that information and was told that the governments of Great Britain and the United States did not want it disclosed. One can well understand why that would be so.

As to the armed forces, I think we can find some information for my honourable friend. Such information was given very fully by Colonel Ralston in the House of Commons last year, and similar information is available now.

Hon. Mr. McRAE: May I ask a question?

Hon. Mr. KING: Certainly.

Hon. Mr. McRAE: I endeavoured to follow the Minister's statement in the House last year and was unable to find definite information anywhere as to the number of reinforcements we had overseas. Figures were given as to the forces we had there, and, as you may remember, I attempted late in the session, by the process of deduction, to arrive at the number of reinforcements. The figure I reached was approximately 12,000, but there is no assurance that it is anywhere near the mark. I think you will find that in the information given in another place last session there was no definite statement as to reinforcements.

Hon. Mr. KING: If I remember rightly, Colonel Ralston gave the number of our troops and auxiliary forces overseas. He also indicated that we had a division here being trained to go overseas, that an armoured division would go over, and that the present strength of the overseas army would be maintained. I think it is being maintained as far as humanly possible. We know that to-day the movement of troops overseas is difficult. With American troops moving as they are, not only over the Pacific, but also over the Atlantic and to the African coast, accommodation for the movement of our soldiers is limited. When one considers the munitions and other supplies that have to be transported to seats of war, one realizes something of the tremendous task it is to send armed forces abroad. Every now and then we hear of another contingent of Canadians arriving in the Old Country. That news is, of course, withheld until the contingent arrives. The Speech from the Throne says that our army overseas will be maintained and reinforced, and no doubt the Ministers will confirm this in the other House. I think my honourable friend can rest assured that reinforcements are being trained in Canada and will be sent overseas as need arises.

The honourable leader opposite suggested that in the interior of the country there are a lot of troops who could be temporarily discharged from the Army in order to relieve the labour shortage in various industries and on the farm. As to that, I am not in a position to judge; the matter is one that must come within the purview of the military authorities. We know that a large number of troops are assembled on our eastern coast, that many others are in Newfoundland and in the Pacific area. We have troops co-operating with American troops in Alaska and in British Columbia for the defence of our Pacific coast. In the course of their training our men are transferred from place to place, many of them going to Camp Borden and Petawawa, for instance, then to the coast and overseas. I think honourable members may rest assured that the Government is fully conscious of the necessity of maintaining our troops in the Old Country at full strength, and that in Canada we have trained troops that may be moved to seats of war when required.

Hon. Mr. HAIG: Will the honourable gentleman allow me?

Hon. Mr. KING: Certainly.

Hon. Mr. HAIG: From time to time I notice that in certain military districts there is a call-out of single men of nineteen or twenty to forty years, and in certain other districts married men from twenty to twenty-five are called out. I should like to know how the basis for calling out is arrived at. Certain sections of the country, where there were a large number of volunteers, have naturally run short of single men, and now married men are being called out in those sections, but not in others. What is the basis of the policy of calling men out?

Hon. Mr. KING: I am not sure that I understand my honourable friend. I think he has indicated that there is a variation in the call-out in various districts.

Hon. Mr. HAIG: Yes.

Hon. Mr. KING: With that I am not familiar. I will try to obtain that information within the next day or two.

I do not wish to delay the House longer in replying to the very proper question of my honourable friend from Vancouver (Hon. Mr. McRae).

As to information, I think that all of us who require facts properly available to members of Parliament may obtain them. It is true that in Great Britain a number of secret sessions have been held, but it must be remembered that over there they are very near the seat of war. I did not think that in Great Britain the Ministers give information more fully or more freely than our Ministers here do; but my honourable friend (Hon. Mr. Ballantyne) states to the contrary, and I must take his word.

The Speech of His Excellency refers to certain phases of this war, which is now in its fourth year, and portrays the Government's policies and intentions. On these, Parliament will be asked to deliberate and, if they are acceptable, to confirm them.

I am not sure the people of Canada fully realize the important part this country has played in the war. When we adjourned last August, although we had had some successes, the British having taken Madagascar, there was a feeling, not only in Canada, but in the United States and Great Britain as well, that co-ordination among the Allies was lacking, and people were calling for a joint command. Governments were criticized for inactivity. We had had reverses in Africa. Rommel had driven us out of Libya back into Egypt, and had come within striking distance of the great naval base at Alexandria and of the Suez Canal. The Russian army was being thrown back well into the Caucasus. Leningrad was surrounded and besieged; Stalingrad was under siege, with Hitler proclaiming that he would take that great city soon. In Great Britain crowds paraded through the streets and

held public meetings, insisting that the Government should open a second front. It was asserted that there was no united command on the part of the Allies and things were drifting.

But now the picture looks different. To-day we know that at the very first conference of the Prime Minister of Great Britain and the President of the United States, with their chiefs of staff, plans were laid for united command and action. There were further meetings between those two great leaders, and last summer when Mr. Churchill returned from the United States he went to Moscow. At that time it was being said by the German propaganda bureau that there was lack of confidence and co-operation on the part of Russia, Great Britain and the United States. On his return trip to London, Mr. Churchill made a stop-off in Egypt and visited the British troops entrenched at El Alamein. He handed the command of these troops over to General Alexander, and appointed as field commander General Montgomery. Mr. Churchill convinced himself at that time that the immense planning which had been going on over a period of months—the plans having been discussed by the President and himself and their chiefs of staff—had increased the strength of the armed forces in that area, and that munitions, airplanes, and other equipment and supplies had been assembled and made ready for use.

Then the picture began to unfold. Alexander and Montgomery, thanks to the planning done at the various conferences, had equipment in readiness for a drive. Montgomery struck, and we know with what effect. Rommel's forces, which had driven within sixty miles of their objective, were checked and turned back, driven not only out of Egypt, but out of Libya and Tripolitania, and now they are in full retreat in the former French possession of Tunisia. Rommel's retreat, a distance of some 1,400 to 1,500 miles, was probably the longest of its kind ever to have taken place in the short space of three months. The plans that forced Rommel back at this pace were not made overnight; they resulted from long and careful study and consideration. Then one morning in November we were thrilled to learn that the greatest armada the world has ever seen had landed on the shores of northern Africa, at Casablanca and Algiers. Because of planning that had been done in advance—

Hon. Mr. COPP: And quietly.

Hon. Mr. KING: —and quietly, the landing was effected with but a few casualties. As we now know, very careful preparations had been made by an American general, accompanied by British officers. The resistance offered was not great, and our troops took over and immediately advanced towards Tunisia. These forces of the United Nations are to-day developing a plan that will force the Germans into the areas around Tunis and Bizerte, and it is confidently believed they will expel the German and Italian armies from these areas. Once that is accomplished we shall have not only cleared the field for operations in southern Europe, but driven the enemy out of the Mediterranean and made possible the use of that much shorter route to assist our Allies in the East.

Since the landing of our troops in Africa our Russian allies have been relieved of some pressure and have been able to carry on a more aggressive campaign. They have broken the siege of Leningrad and corralled the German army in and about Stalingrad. We read yesterday that that army had been completely destroyed, over 300,000 men having been either killed or captured in the last few weeks. The Axis troops in the Caucasus are also on the run. Mr. Stalin has recently issued an order to his troops to make sure that the Germans are driven outside the borders of Russia. I do not want to spend more time upon this subject, although it is one of deep interest to us all, as part of the United Nations.

Surely recent successes have driven from all our minds the fear that there is lack of consultation and planning on the part of the Allies. Only last month, as we all know, there was another conference between Prime Minister Churchill and President Roosevelt, this time at Casablanca. Mr. Roosevelt flew some 14,000 miles from the United States, and Mr. Churchill made the long journey from Great Britain. These great leaders did not go to the conference alone. They were there with their military experts, and had it been possible, Premier Stalin and Generalissimo Chiang Kai-shek would doubtless also have been present. They were invited to attend the conference, and have been advised of the proceedings and the plans decided on. I have no doubt that when these plans are consummated victory will be ours.

The meeting at Casablanca will undoubtedly have a splendid psychological effect upon the people of those countries now under Axis domination. The people of France, Greece, Czechoslovakia, Poland, are to-day encouraged and heartened by that historic meeting. But Mussolini was not so well pleased. He characterized the meeting of President Roosevelt and Prime Minister Churchill as a "criminal propaganda of mystification." It is evident that our enemies have received such a psychological jolt that it will take them some time to recover from it.

The Speech from the Throne directs our attention to the subject of social security, and the Government purposes recommending the early appointment of a select committee of the House of Commons to make an exhaustive study of what further measures may be necessary to develop a national plan. I am inclined to think that this Chamber might very well set up a special committee to consider what is necessary to be done in this regard.

It will be recalled that at the first meeting of Prime Minister Churchill and President Roosevelt they laid down certain cardinal principles in what is now known as the Atlantic Charter. I desire permission to place this charter on Hansard, for convenience of reference, since the principles therein set forth were declared to the world, and doubtless they will be the governing principles at the peace table. These are the eight points of the Atlantic Charter:

1. Their countries (British Empire and United States) to seek no aggrandizement, territorial or other.

2. They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

3. They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

4. They will endeavour, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victorious or vanquished, of access, on equal terms, to the trade and to the raw materials of the world, which are needed for their economic prosperity.

5. They desire to bring about the fullest collaboration between all nations in the economic field with the object of securing for all improved labour standards, economic advancement and social security.

6. After the final destruction of the Nazi tyranny, they hope to see established a peace which will afford all nations the means of dwelling in safety within their own boundaries and which will afford the assurance that all the men in all lands may live out their lives in freedom from fear and want.

7. Such a peace should enable all men to traverse the high seas and oceans without hindrance.

8. They believe that all the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea or air armament continue to be employed by nations which threaten, or may threaten, aggression outside their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burdens of armament.

I would direct particular attention to point No. 5: "They desire to bring about the fullest collaboration between all nations in the economic field with the object of securing for all improved labour standards, economic advancement and social security." That is international in its scope. In the Speech from the Throne the reference, of course, is to social security within our own country and to what might be done to improve that condition.

While on the subject of the Atlantic Charter I should like to quote a short statement by the Vice-President of the United States, Mr. Wallace. He is one of the advanced students along this line in his country, and his views will, I think, be of interest to honourable senators. He is reported to have made these suggestions:

For the international unity that is a requisite of peace, the United Nations will need: 1, machinery to keep aggressor nations disarmed; 2, machinery to prevent economic warfare; 3, probably an international court to settle disputes; 4, a world council, so that whatever world system evolves will have enough flexibility to meet changing circumstances as they arise.

To achieve international liberty, regional problems should be left in regional hands. The aim would be the maximum of home rule that can be maintained along with the minimum of centralized authority that must come into existence to give the necessary protection.

That is, each state in dealing with domestic problems must not be so nationalistic as to ignore the interests of other countries.

I quote again:

The United Nations must back up military disarmament with psychological disarmament—supervision, or at least inspection, of the school systems of Germany and Japan.

We know what has happened in those countries during the last ten or fifteen years. Their young people have been instilled with doctrines of hatred and of racial superiority which profess to justify the most brutal treatment of so-called inferior peoples.

To continue:

The first concern of each nation must be the well-being of its own people. That is as true of the United States as of any other nation. Maintenance of full employment and the highest possible level of national income should be the joint responsibility of private business and of government. When the war is over, the more quickly private enterprise gets back into peacetime production and sells its goods to peacetime markets here and abroad, the more quickly will the level of government wartime expenditures be reduced.

That fairly well confirms what my honourable friend from Kingston (Hon. Mr. Davies) said last night about employment in Canada. There should be no idle men in this Dominion. There are great opportunities here for young men who desire to play their part in the development of our vast resources. Young

men of ambition will not be content to stay in the cities; the bright lights will have no attraction for them.

In directing our attention to social security, I think, it would be well to review our social legislation, both Dominion and provincial, which will be found impressive both in content and volume. As of course honourable senators are aware, our divided Dominion and provincial jurisdictions make approach to these matters more difficult than in England. There the whole country knows but one legislative authority. Under our Constitution we have joint control exercised by the Dominion and the provinces in their several fields, as set out in the British North America Act. The much heralded Beveridge report and findings on social conditions in Great Britain would scarcely be applicable to Canada, on account of this divided control. But in spite of these difficulties we have made substantial progress.

In the Dominion field Government annuities are available to Canadians of moderate means who make small payments over a period of years.

In 1926, when Minister of Labour, I was asked to prepare an old age pension Bill. I did so, and it passed through the House of Commons; but this Chamber did not see fit to accept the Bill, and therefore rejected it. However a similar Bill was enacted in 1927. The original measure provided that the Dominion Government should contribute 50 per cent of pensions to the aged of any province that cared to adopt the legislation. By an amendment passed in 1934 the Dominion assumed 75 per cent of the cost, and under the provisions of the Act the Dominion in 1941 contributed a total of $29,611,796. The provinces contributed the remaining 25 per cent, amounting to $9,870,599.

Hon. Mr. HAIG: Has the Government given consideration to increasing the rate of pension?

Hon. Mr. KING: I might say that some of the provinces have already increased the rate of pension. Mr. Ilsley spoke of that last session. I do not think the Government has reached any decision as to what shall be done. Representations have been made from various quarters that the Government should increase the amount of pension and reduce the age limit. That is a matter which a committee of this House might well consider.

After the last war, pensions were provided for our soldiers, and when I was Minister of Pensions and National Health we were paying on this account, I think, about $52,000,000 a year. I notice that in 1941 we paid out $41,514,838 for military pensions. This pension requirement will be increased very materially by the necessity of making provision for men wounded and disabled in the present war.

The Veterans' Allowance Act was passed in 1930. It provides allowances for those who did not sustain disabilities from wounds or illness, but who were found in later years to have broken down in health because of the nature of their service. They were not pensionable under our pension legislation. In 1941, under the Veterans' Allowance Act the Dominion paid out $8,903,654.

Then we have the Civil Service Superannuation Act, under which civil servants pay into a fund, along with the Government, in order that on their retirement from the Service they may have a fair degree of financial security. In 1941 the Dominion paid into this fund $2,836,587.

In the same year the Dominion Government contributed to the various provinces in support of pensions for the blind to the amount of $1,067,239.

It will be noted that these various pension schemes cost the Dominion Government in 1941 a total of $85,034,110. It may be said that the veterans' pensions should not be included in the total. With that I agree. However, veterans' pensions are part of the cost to every nation that goes to war; and in this connection I would say that the provisions of Canada's pension laws are as liberal as, if not more liberal than, those of most other countries.

Unemployment insurance is carried on under a Dominion statute. Large sums of money are being collected from employees and employers, and these moneys are supplemented by Government grants to build up a huge fund against the time when unemployed persons are in need through no fault of their own.

Most of the provinces of Canada have adopted what is known as the Workmen's Compensation Act. This provides security in case a man is injured while performing his duties in the industry in which he is employed. In 1941, under this legislation, the provinces made the following contributions:

Nova Scotia	$ 1,502,882
New Brunswick	557,102
Quebec	6,548,452
Ontario	9,898,893
Manitoba	1,093,881
Saskatchewan	609,108
Alberta	814,186
British Columbia	5,537,232
	$26,561,736

In addition to this, most of the provinces are contributing to-day under the Mothers' Allowances Acts. I have here the figures prepared according to provinces. Honourable senators may be interested in seeing them on Hansard. During 1941 the contributions were as follows:

Nova Scotia	$ 418,286
New Brunswick	.....
Quebec	6,534,026
Ontario	4,318,536
Manitoba	406,304
Saskatchewan	488,701
Alberta	618,837
British Columbia	798,097
	$13,582,787

Hon. Mr. HAIG: Before the honourable senator leaves that subject, may I ask another question?

Hon. Mr. KING: Certainly.

Hon. Mr. HAIG: I have heard personally, and I notice by the records of the other House, that it is the intention to appoint a committee to go into the whole question of social service. Would the honourable gentleman recommend to the Government that this House be represented on that committee? I think that is of great importance under present conditions. I wonder what the honourable gentleman's personal views are. I am not trying to tie him down, but if there is not a Government policy, I should like to have his opinion on this.

Hon. Mr. KING: I have already taken the opportunity to throw out the suggestion that we might have a committee of our own to study these questions. I should be glad to consult with the members of the Government and see if we could join with the committee of the Commons and carry on our inquiries together. There is one thing, however, to be borne in mind. I have here a memorandum prepared in the time of Sir Robert Borden, the effect of which is that it was found that joint committees of the House of Commons and the Senate did not seem to get on very well and were not very satisfactory. I should be glad, however, to consider my honourable friend's proposal and bring it to the attention of the Government. I think there is an opportunity there, and that we as senators should give careful thought and study to this problem, which will be placed before us very shortly.

All these figures I have given seem to be large, but I do not think that any public man, or any man of influence who is not in public life, would care to suggest for one moment that we discontinue these services. One thing which may be said about them with perfect truth is that there is no economic loss to the people of Canada or to any Government in Canada through the giving of these services. In the past these services were provided by individual effort or in some other independent way; but the fact that we have these moneys for such purposes has done much to make life better and happier for many of our people. Take old age pensions for instance. In days gone by, men or women who had to depend on their families at a certain age were pushed more and more into the background, and their situation was a most unhappy one. The fact that two old persons to-day may be eligible for a pension of $40 a month has done much to remove the fear of old age and to enable our people to enjoy life more fully.

I am pleased to note that the Speech from the Throne refers to the establishment of a national system of health insurance in Canada. I think that what the Government has in mind is a fund to be built up by contributions from the individual, from employers and from the Government. In many countries such a system is in effect to-day; and it would probably provide a sound basis on which to build a health insurance plan.

I might speak of my own experience as a medical man in British Columbia. I went into that country during the construction of the Crowsnest Railway. Many men were engaged in that work, but there were scarcely any hospital facilities. It was the responsibility of the company employing them to find surgeons or physicians to look after them, and a system grew up—what was known as "contract practice"—under which a deduction was made from the employees' wages. That system worked very successfully, and the people in the community, numbering some thousands, received good medical and hospital care at very little cost to themselves.

I am glad to know that the medical fraternity throughout Canada have been in conference with the officers of the department and that the executives of the Medical Association, who met in Ottawa only a few days ago, indicated that they would be favourable to the scheme if the Government would provide that there should be no lowering of the standards of the profession. I do not think the panel system should be adopted in Canada. We have not sufficient population. I think it is the hope of the medical profession that some scheme may be worked out whereby the individual will be assessed, his payments to go into a fund supported by the federal and provincial governments. Under such a scheme every man or woman living in Canada would have the assurance of hospital care and medical and surgical treatment—something which those

of moderate means have not to-day. Let us take the case of a man with a salary of, say, $1,500 or $2,000. If a member of his family is taken down with illness and requires hospitalization and medical or surgical treatment, with the benefit of such scientific advances as have been made, including laboratory tests, laboratory practice, X-ray and radio, which are now regarded as necessary, he will be placed under a burden he can ill afford to carry. He will be wrecked financially for one, two, three or four years. Under the system proposed, the burden would be spread over the whole people, and I believe we shall see such a system developed in this country. It should not be developed too hastily, but should be very carefully considered.

In certain sections of Western Canada health insurance has been provided. My honourable friend from Saskatchewan (Hon. Mr. Calder) could tell us more about that than I can. I believe it has worked to the satisfaction of the people in that part of the country, and I know that some of the medical men who have served under it, and to whom I have spoken, are satisfied with it.

I am afraid I have spoken at too great length. I had not intended to detain you so long. I am sorry that I have not been able to give my honourable friend (Hon. Mr. Ballantyne) all the information he desires, but I am confident that it is in the records and can be furnished to him.

Hon. F. B. BLACK: Honourable senators, I have a few remarks to make on the Speech from the Throne which was delivered in this House on Thursday last. I shall be very brief.

I desire first of all to pay my compliments to the mover (Hon. Mr. Du Tremblay) and the seconder (Hon. Mr. Davies) of the Address. I was unable to follow the remarks of the mover as well as I should have liked, but I read his speech afterwards, and I have not very much criticism to offer. On the contrary, I want to congratulate him on the fair and broad-minded manner in which he made his first speech in this House. It was a fitting address for this Chamber. It is true that he lauded the Government and its action to an extent to which, I am sorry to say, I cannot go, but that is only to be expected from a man who is speaking as a supporter of the Government.

I congratulate the Government of the day on everything it has done towards the successful prosecution of the war. I go even further: I say that since the Government got into its stride it has been doing a good job. The criticism I have to make is the same that I made in this Chamber last year, namely, that the Government did not start soon enough. As a matter of fact, I do not think it started soon enough to please some of its own supporters. Certainly it did not start ahead of public opinion. My complaint against the Government is that since the war began, instead of giving the lead, it has waited for public opinion to force it to take action. The best evidence of that was the plebiscite that was taken not quite a year ago. There should not have been a plebiscite at all. The Government should have led the people, but instead it asked the people to tell it what to do. That is not the kind of thing we expect from those in authority in war-time. I do not want to make any further criticism of the Government. Having got into its stride, it has done well in the production of munitions, ships, guns, airplanes, tanks and all the other equipment required by our armed forces.

The honourable leader on this side (Hon. Mr. Ballantyne) gave clear expression to the feeling that so many of us have with regard to the Government's failure to give information. The gist of his remarks was that we do not get concrete information—that our questions are not directly answered. The only point I want to make at the moment is this, that when we ask how many combatants are in our army overseas we should get an answer. If I ask the honourable leader of the House how many men we have in Great Britain ready to go to France or elsewhere in Europe, I am entitled to an answer; not an evasive answer, not a statement that we have so many divisions and so many auxiliary troops. I should be told that the number of our fighting men who are ready to cross the channel is 200,000, or 300,000, or 100,000—whatever it may be. I ask that question now.

Hon. Mr. KING: It is understood there are overseas two corps, with auxiliary troops. My honourable friend is a military man and can work out the number easily.

Hon. Mr. BLACK: I may be a military man, but there are many honourable members on each side of the House who have not been in the army and to whom the kind of information my honourable friend has just given does not mean much. What constitutes a division, and what are the auxiliaries which make a division complete as a fighting unit in the field? In common with all other honourable members of this House, I am entitled to that information.

Another question I ask is: how many reinforcements we have in England for those divisions we say we are going to send overseas. How many men are equipped and ready to go? We should have an answer.

A third question, which is important to me, is this. I should like to know how many trained troops we now have in Canada as reserves who are to be sent or who can be sent at a moment's notice as reinforcements for our army overseas. I know the Minister of National Defence well, and have a high regard for him. We have been friends for a long time. I only want to say now that these questions have not been answered directly by the Minister or by any other person whom I have heard speaking, or whose speeches I have read.

Hon. Mr. KING: I think my honourable friend is not quite fair. The Minister did give that information last spring, in the House of Commons, and it is in Hansard. He has not made a statement on the subject this session as yet, because there has not been an opportunity.

Hon. Mr. BLACK: I am sorry to say to the honourable leader that if what he says is correct I must be unable to read the English language properly, for I did not see that information in the Minister's speech as recorded in Hansard. I do not want to get into a controversy, because in general I approve of what is being done in our war effort at the present time; but I cannot give complete approval where complete approval is not merited.

I come now to the speech of the honourable seconder of the Address (Hon. Mr. Davies), whom I wish to congratulate on his very able contribution. It was an excellent speech, non-partisan, non-political, constructive and suggestive—the kind of speech I like to listen to. It might have been made with equal propriety by any honourable member of this House, though perhaps few could have delivered it so well. I go with him nearly all the way. He made some reference to the radio, and to its relations with the Press, on which subject I am not competent to speak. We all know that the radio is an effective means of transmitting news and information, but I regret to say that in my opinion the Canadian Broadcasting Corporation is not doing its duty to the public of Canada. The radio is a great medium for advertising and propaganda. I suppose everyone here has heard altogether too much about the Bulova watch. Did anyone ever turn on the radio without being urged to buy a Bulova watch? Well, why buy a Bulova watch in preference to any other? My reaction to that sort of thing is that I would not have a Bulova watch in my pocket, because I am sick and tired of hearing it advertised over the air.

Hon. Mr. HORNER: What about Chipso?

Hon. Mr. BLACK: I do not know how many brands of soap are advertised, but I think there are at least five. They are advertised day and night, everlastingly. Soap is an excellent thing, good for the health, when used in moderation, but we do not want to be soaped all the time. A notable thing about all these soap advertisements is that each of the five or six varieties is said to be the best that ever was made. I do not know why the ears of Canadian people should be soaped morning, noon and night. I am inclined to think that our propagandists have listened to soap advertisements so long and so continuously that they have become soap-minded, and they are now applying soft soap to everything the Government does.

I think honourable members on both sides will agree with me that the Canadian Broadcasting Corporation is a Government broadcasting agency. That is a deplorable state of affairs, which should not have been allowed to develop. I agree that the Prime Minister should have access to the public ear whenever he desires to state his views upon some important question. I say also that whenever Ministers have important announcements the facilities of the radio should be available to them. But the leaders and prominent members of other parties should have the same privilege. In December we had a convention at Winnipeg, which I attended. It was a good convention. Testimony to the soundness of policies adopted there is given through the Speech from the Throne, wherein the Government announced its adoption of certain of those policies. I commend the Government for having taken good advice. That great party convention was refused access to the air by the Canadian Broadcasting Corporation. In all honesty and sincerity, honourable senators, I say that the Government should see to it that the Broadcasting Corporation is used, not as a medium of Government propaganda, but as a general means of distributing and disseminating views to the people. If that policy is followed there will be no complaint, but if the condition which has existed for the past year or two continues there will be an uprising against it, because it is a disgrace. Perhaps I have got a little bit away from the speech made by the seconder, but he opened up a subject upon which many of us feel very deeply.

I agree with all that the honourable gentleman said as to improved social services and increased facilities for the medical treatment of our people. I think every person in Canada

should be assured a good living, if he deserves it, as fortunately most of our people do. Our young men who return to us after the war are entitled to the assurance that in this country they shall have an opportunity to make a good and honest living, with sufficient income to maintain themselves and their families in health and happiness. Indeed, every Canadian, whether he serves in the armed forces or not, should have that assurance.

But there is a limitation. As the honourable senator from Kingston (Hon. Mr. Davies) said last night, all men are not born equal either as to their mental or their physical equipment. A sub-normal or deformed person is incapable of gainful occupation and should be well taken care of by the State. The normal person must earn his or her own living. There should be no place in any scheme of social service for the sluggard who will not earn his bread. The man who works should be assured of a good living wage; but he who refuses to work should not be maintained by the State. Take away the spur of individual effort, and you take away all energy, initiative, invention. But fortunately no legislation can kill the incentive to individual effort; it is innate in most people.

Some Hon. SENATORS: Hear, hear.

Hon Mr. BLACK: I would go as far as anybody in assuring to every worthy Canadian health and strength, and equal opportunity and happiness, to such a degree as is humanly possible. I do not think anyone could be asked to do more.

Trades unions have been instrumental in improving working conditions. I believe in trades unions because they have opened our eyes to the injustices of the industrial world, as I think will be generally admitted. I do not know whether trades unions have always followed the wisest course on any given occasion. But it must be conceded that this must be left to their own judgment. I suspect they have worked along the lines of least resistance in order to get where they are to-day. It has always been a question in my mind whether the minimum wage is a fair basis of remuneration. For the average worker there should be a minimum wage high enough to assure him a good living. But unfortunately a minimum wage penalizes the skilled and industrious workman. I am well aware that the unions do not follow the principle absolutely. I think this holds good, that, taking for instance a minimum wage of 50 cents an hour. you will find in one group many men who do not earn it, while in the same group there are men who are worth 70 or 80 cents an hour. In other words, the inefficient worker shares the advantage of the better worker's additional skill. It seems to me that a minimum wage should be on a sliding scale, so that the man who does eight hours' real productive labour should reap the fruits of his industry, as compared with the man who stays on the job eight hours and does perhaps only two or three hours' real work. I should like to see those inequalities straightened out by the labour unions, for I am with them every time, and I believe a move in this direction would be worth while.

I do not like the term "social service scheme," but I believe all well-thinking men in this or any other country will subscribe to any plan for the creation of a post-war world in which every person will get what he deserves. If the Government introduces legislation along this line, I am confident that those of us on this side will go hand in hand with honourable members opposite in working out a practical scheme.

With regard to medical treatment for all the community, I wish I had some suggestions to make, but I am not sufficiently familiar with the subject to do so. We must leave it to honourable senators who are members of the medical profession and to those who have studied the subject to evolve a workable plan to provide medical treatment and hospitalization for persons who are unable to pay for such services. Though these services would be free, it does not follow that doctors and nurses should be expected to work for nothing. They perform a national service in safeguarding the health and strength of our people, and should receive adequate remuneration. Any scheme of medical treatment and hospitalization should be broad enough to cover the whole community and to meet the needs of any patient. After that is provided for, if a patient is able to pay for special accommodation and special treatment, he should do so. In other words, those who are prepared to pay for the frills, or whatever the extras may be termed, should pay according to their ability.

I look forward to a committee of this House or a joint committee of both Houses considering these questions, and I hope that when we come to discuss its report we shall arrive at conclusions which will be a credit to ourselves and, above all, a benefit to every citizen of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: Honourable senators—

Some Hon. SENATORS: Order!

Hon. Mr. CALDER: I thought my honourable friend had concluded his remarks.

Hon. Mr. BLACK: That is an intimation that I ought to stop. I shall be through in a moment. I did not prepare any speech. A gentleman whom we all know came to me and said, "Will you speak?" He is the boss. What was I to do? I had to get up and say something.

To sum up, I disagree with honourable members opposite and their party on certain policies, but I agree with them on other policies. I commend everything the Government has done towards the effective prosecution of the war. It is a war to the death. We in Canada did not realize that at the start, but we know now that defeat means slavery, and slavery is death to the individual, to the community and to the nation. It is, I repeat, a war to the death. But we are all confident that we shall not lose the war. True, the outlook was not as rosy ten months ago as it is to-day. And, honourable members, it does not look too rosy yet. We have a long way to go to final victory. The Axis powers are still strong. They have lost 350,000 men in Stalingrad, and in the Russian campaign as a whole their losses exceed a million and a half men in killed, wounded and prisoners. But Germany alone, at the outset of the war, had an armed force of 8,000,000 men, and has since added 2,500,000. We must also take into account 3,000,000 soldiers from Rumania and 5,500,000 from Italy. Nor should the Japanese forces be overlooked. These are colossal figures. We must fight on with all our might. Let us do everything we can to aid ourselves, our Empire, and our Allies to bring this war to a successful conclusion.

Hon. J. A. CALDER: Honourable senators, I do not wish to enter into the general discussion that has taken place, but one or two ideas have been running through my mind. I think we have to thank the honourable leader of the House for having given us a fairly broad picture of the social legislation that has been placed on the Statute Books of this country, both federal and provincial, during little more than the last quarter of a century.

We are inclined to think from the discussion that goes on throughout the country and in the Press that social legislation is something new. That is not correct. It would have been largely true, say, a century ago, but during the last century, from time to time, this country and other countries have made great progress along socialistic lines. I am not going to bother you with many illustrations; I will take only one. I suppose I should be safe in saying that sixty years ago, yes, even fifty years ago, all parents had to pay for the education of their children. Then there were no public schools such as we have to-day. There were private schools, and parents chose the school to which they would send their children, and they had a good deal to say about what those children should be taught. That is not so to-day, except to a very minor degree. All democratic countries have the public school system, paid for by the State, federally, provincially or municipally, and standards are laid down in the interests of the child and of the State. I mention that in order to make a comparison.

Would anyone say that health is of less importance than education? Health is probably the most important thing of all. A brainy child without health is nothing. Yet throughout the entire world the State has not taken hold of this question of health as it has taken hold of education. To-day if a child is sick it is up to the family of that child to work out its salvation. Is that right? Is it not absurd? Is it not of great importance that the State should interfere in the field of health as it has interfered in the field of education?

I can well remember that when I went to Western Canada as a boy there was not a public health institution in the whole West. There were a number of private hospitals and institutions of that kind. But when I came down here in 1917, or a few years later, there was not, I think, a private general hospital in all that Western country: all the hospitals had been taken hold of by the State. As has been said by the honourable leader of the House, provision has been made in the province of Saskatchewan—and I dare say this is true also of Alberta—to permit the municipality to set up its own little local hospital, paid for by all the people in the municipality. Furthermore, it has been provided that the municipality may employ a doctor or two or three doctors to look after the health of the people. The State has stepped in and the people are not left entirely to their own resources in the matter of health. I am convinced, as surely as I am standing here, that it is only a matter of time until this question of public health is handled by every democratic country in the world in such a way that all the resources of the State will be at the call of all the people who need treatment. I believe the same may be said also with regard to many other things that are talked about to-day. There is no question as to the general principle which underlies the Atlantic Charter and in so far as it is humanly possible you must take that into consideration, because it lies at the very foundation of this whole problem. Man is a wonderful animal but he varies tremendously in his capacities

You have the two great poles, the imbecile on the one hand and the genius on the other. Between these two extremes you have a thousand variations in the capacities of men. This must be taken into consideration in social legislation of any kind.

That there are many problems which must be dealt with and shall be dealt with, there is no doubt at all. That is the feeling of the democratic world to-day, and that feeling is of such force and character that there is bound to be a long step taken before very many years have passed.

On motion of Hon. Mr. Hugessen, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, February 4, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CHIEF JUSTICE OF CANADA BILL

FIRST READING

A message was received from the House of Commons with Bill 2, an Act to amend an Act respecting the Chief Justice of Canada.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: When shall this Bill be read a second time?

Hon. Mr. KING: With the consent of the Senate, I would ask that the Bill be given second reading now.

Hon. JAMES MURDOCK: Honourable senators, personally I am entirely in favour of the Bill. Since, however, in another place passage of the Bill was opposed by a substantial vote, it seems to me that if the Senate is to retain in some measure its reputation for giving adequate consideration to all questions brought before it, Rule 23 should be observed.

Hon. C. C. BALLANTYNE: Honourable senators, speaking for myself, I have no objection whatever to the passage of this Bill. The proposed extension of the Chief Justice's term of office will not cost the country anything; in fact the country will gain. We all know from the long record of Sir Lyman Duff what a distinguished jurist he is, and I understand that to-day he is just as alert and active mentally and physically as he ever was. Therefore I am not opposed to the Bill being given second and third readings to-day.

Hon. Mr. KING: I am sorry the honourable senator from Parkdale (Hon. Mr. Murdock) has raised objection to the Bill being read the second time now. There is some urgency in regard to this measure. The original Bill extended the term of the Chief Justice to January 7, 1943. On that date the Houses of Parliament were not in session, and until Parliament met again there was no opportunity to enact a further extension of the term. If my honourable friend insists on his objection, I am placed in the position of having to give notice of motion for to-morrow, that Rules 23F, 24B and 68 be suspended in so far as they relate to this Bill.

Hon. Mr. CALDER: May I inquire as to the necessity for haste in this matter? The honourable gentleman has not given the reason.

Hon. Mr. KING: I have tried to explain to my honourable friend and to the Senate that there is no Chief Justice in Canada to-day, his term having expired, and it is urgent that we should have a Chief Justice.

Hon. Mr. CALDER: There must be an Acting Chief Justice.

Hon. Mr. KING: There is, but there is no Chief Justice of Canada.

Hon. Mr. CALDER: Then may I say that if there is an Acting Chief Justice the work of the Court can proceed. Are there any special duties that must be performed by the Chief Justice himself and that cannot be dealt with by the Acting Chief Justice?

Hon. Mr. KING: I think not.

Hon. Mr. CALDER: Then there is no real reason for haste in this matter. I have not followed what has occurred elsewhere, but it has been intimated to this Chamber that there has been considerable opposition to the present Bill. I am not opposed to the second reading. However, it seems to me that if there are reasonable grounds for not passing the Bill, we should at least have time to consider the matter, unless there is an absolute necessity for haste. Apparently haste is not necessary.

Hon. Mr. MURDOCK: I hope no one will misunderstand me. I am not opposed to the Bill; on the contrary, I am heartily in favour of it; but in view of what developed in another place I do not think we should trample our rules under foot. If the majority of the

Senate think the second reading should proceed, I will withdraw my objection. Nevertheless, I still think we should not ignore the rules.

Hon. Mr. HAIG: I am opposed to this Bill, but I think it important that the Bill should be considered by the House as soon as possible, because, as I understand, in a number of cases tried before the Chief Justice judgments have not been delivered, and those cases will have to be tried over unless the Bill is passed.

Hon. Mr. COPP: I think my honourable friend from Saltcoats (Hon. Mr. Calder) misunderstood my leader. There is no Acting Chief Justice in Canada to-day. The Supreme Court of Canada is without a Chief Justice, the term of office having expired on January 7 last. That is the reason why the honourable leader was asking us to pass this measure to-day.

Hon. Mr. CALDER: There must be power to appoint an Acting Chief Justice.

Hon. Mr. COPP: There may be power to do so, but I am informed that there is no Acting Chief Justice at the moment. Of course, if the honourable senator from Parkdale (Hon. Mr. Murdock) absolutely objects to our putting the Bill through to-day, we shall have to wait until to-morrow. It is not a matter of particular urgency, but there is an anomalous position which should be rectified, and this is to rectify it.

Hon. Mr. CALDER: I must assume that there is power under the law to appoint an Acting Chief Justice. If the Chief Justice takes ill with typhoid fever and is in the hospital for weeks and weeks, what happens then? In such circumstances there must be power in the law to appoint an Acting Chief Justice.

Hon. Mr. COPP: I may say to my honourable friend that the Chief Justice is still Chief Justice even though he may be ill in hospital.

Hon. Mr. CALDER: Certainly, but some person acts for him in his absence.

Hon. Mr. COPP: I do not know the details of the procedure, but I have no doubt that the Court's work would go on. In all probability the senior Justice would substitute temporarily for the Chief Justice.

An important consideration at this time, as was mentioned by my honourable friend from Winnipeg South-Centre (Hon. Mr. Haig), is that the Chief Justice has a number of judgments to deliver, but he cannot deliver them until this Bill is passed.

Hon. Mr. MURDOCK: Honourable senators, I withdraw my objection to second reading of the Bill on the understanding that the Bill will be sent to a committee, so that the honourable gentleman from Winnipeg South-Centre (Hon. Mr. Haig) and others may present their arguments.

Hon. Mr. COPP: They can present their arguments on the motion for second reading.

Hon. Mr. KING: I thank my honourable friend from Parkdale (Hon. Mr. Murdock) for his consideration and courtesy. The matter is of some importance, and if it is agreeable to the Senate I should like to move second reading now.

Hon. Mr. DUFF: Honourable senators, it seems to me that before we consider a motion for second reading we should have the Bill before us. I cannot find it on my files, and on inquiring for a copy I am informed that it has not been printed. In any event, the Bill has been given first reading here this afternoon, and it seems to me that unless there is a special reason for taking second reading now it might stand over until to-morrow.

Hon. Mr. KING: I rather think we should make better progress if we had second reading to-day.

Hon. Mr. COPP: My honourable friend from Lunenburg (Hon. Mr. Duff) will probably find the Bill among his mail.

Hon. Mr. KING: I can let my honourable friend from Lunenburg (Hon. Mr. Duff) have my copy of the Bill if he wishes. I made inquiry beforehand and was informed that copies of the Bill were in honourable members' mail this morning.

It will be remembered that an Act was passed in 1939, extending the tenure of office of the Chief Justice for three years, until January 7, 1943. The first section of that statute provided:

> . . . the person holding the office of Chief Justice of Canada at the passing of this Act may continue to hold the said office for a period not exceeding three years from and after the seventh day of January, one thousand nine hundred and forty.

The Bill before us is a very short one. Section 1 strikes out the word "three" in the part of the Act that I have just read, and substitutes the word "four." The second section of the Bill makes this amendment retroactive to the seventh day of January of this year.

Since the beginning of the war, if the Deputy Minister of a department has certified a desire to retain the services of a capable official beyond the normal retiring age, it has been the custom of the Government to ask

that official whether he will continue to serve the State. That explains the original extension of the term of Chief Justice Duff, and the present request for a further extension. I do not need to dilate upon the Bill. Chief Justice Duff is recognized as one of the outstanding jurists, not only in Canada, but throughout the English-speaking world, where his opinions and judgments are held in high esteem by all judicial bodies and lawyers. The extension having expired on January 7 last, the Chief Justice was asked whether, if Parliament consented, he would continue in office for another year, and with his customary devotion to the public service he said, "I should be glad to serve another year."

In order that there may be no misunderstanding, I may say that the Chief Justice could have retired in 1939 on full salary. His consenting to carry on for three years represents a saving to the country of $45,000, and this will be increased to $60,000 if he serves for another year. I am not putting this forward as having any bearing on the case, but the saving effected might appeal to some persons.

The full mental and bodily vigour of the Chief Justice renders him eminently qualified to preside over the Supreme Court, and, in view of the probability of cases involving international issues being referred to the Court for decision, I think it would be wise that his period of office should be extended for another year.

I move the second reading of the Bill.

Hon. JOHN T. HAIG: Honourable senators, I am opposed to the general principle underlying this legislation, not to the man himself. The present Chief Justice—if I may so refer to him—had a distinguished career at the Bar, and early in life was called to the Supreme Court of British Columbia. In September, 1906, Sir Wilfrid Laurier appointed him a puisne judge of the Supreme Court of Canada. In 1924 he became senior judge of that Court, the only exceptions being Sir Louis Davies, the Chief Justice of that day. On the death of Sir Louis it was generally supposed that Sir Lyman Duff would succeed him, but the present Prime Minister, who was then in power, passed over Sir Lyman Duff in favour of Mr. Justice Anglin. When Mr. Justice Anglin died, in 1933, Mr. Bennett made Sir Lyman Chief Justice. In perusing the biographical sketch of Sir Lyman Duff I am struck by one statement in particular, namely, that he is a Liberal.

Hon. Mr. DUFF: That does not hurt him.

Hon. Mr. HOWARD: That is not so bad.

An Hon. SENATOR: It is quite a handicap.

Hon. Mr. HAIG: Apparently Mr. Bennett, that great lawyer who was then Prime Minister, thought so much of Sir Lyman Duff's ability that he promoted him to the Chief Justiceship. By so doing, Mr. Bennett re-established a precedent which I believe should be observed in future, that when a vacancy occurs the senior judge of the Court should become Chief Justice.

It is not a question whether Sir Lyman Duff is an eminent jurist. His eminence is recognized in all legal circles. But the first Parliament of Canada enacted the legislation under which the Supreme Court was instituted, and by an amending Act passed in 1927 it was provided that a judge should cease to hold office upon attaining the age of 75 years, or immediately if he had already attained that age. The first exception to that statutory rule was made in 1939, when an Act was passed to extend the term of office of the Chief Justice for three years from January 7, 1940.

I think honourable senators will agree with me that an able judiciary is the keystone of the arch of democracy. Every lawyer recognizes that the most important appointments in the gift of the Federal Government are appointments to the Bench, for you get a proper administration of justice only so long as you have able men acting as judges in our courts, whether they be district courts, trial courts, appellate courts of the provinces, or the Supreme Court of Canada. By able men I mean, not necessarily those who have distinguished themselves at the Bar, but men who with their legal attainments combine a wide experience in general affairs.

I am ready to admit that some men at 75 still enjoy full vigour of mind and body, but they are the exception. Often a man once intellectually brilliant is no longer so, because of physical weakness. In my own province we have two judges who are over 75. Their brains are clear, but their bodies tire out in about an hour and a half. As a result, the administration of justice is impaired. Sometimes I have been told, "But, my dear senator, some of the members of the Senate are over 75 years of age." I reply: "True, but many of our members are under 75, and three, four or six aged senators are not a large proportion in a membership of 96. If in a court of five members two have passed the age of 75 and three are under that age, you have virtually only half a court."

I do not think we shall ever be asked to extend the Chief Justice's term again. My honourable friend from Parkdale (Hon. Mr. Murdock) has mentioned the substantial vote in the other House in opposition to this Bill.

In my judgment the majority of our lawyers do not think that any man over 75, however eminent his abilities, should sit in so important a court as the Supreme Court of Canada. I hope the day is not far off when that will be the ultimate appellate court for this country. True, there is still a considerable body of opinion in favour of the Privy Council as our last court of appeal, but I believe that as the Supreme Court of this Dominion continues to grow in stature it will attract the ablest of our lawyers to its membership.

I shall not ask for a division, but, I repeat, I am opposed to the Bill. The great men of other days, Macdonald, Mackenzie, Blake, Tupper, Cartier, may have been wrong, but they said 75 should be the limit—

Hon. Mr. SINCLAIR: Oh, no; that limitation was imposed much later.

Hon. Mr. HAIG: Well, that is the limitation at the present time, and if we pass this Bill we shall, I think, be taking a retrograde step. There is no demand for extending the age limit for members of the Bench, and again I say I am opposed to legislation of this character.

Hon. Mr. CALDER: Before the honourable member takes his seat, may I ask if I am correct in understanding him to say that in no case has any judge been permitted to sit on the Supreme Court Bench after reaching the age of 75?

Hon. Mr. HAIG: Just as soon as a judge attains the age of 75 he goes off the Supreme Court of Canada—unless we pass legislation of this character.

Hon. Mr. CALDER: Have we passed such legislation?

Hon. Mr. HAIG: I can find none except the Act passed in 1939 extending Sir Lyman Duff's term of office.

Hon. Mr. HARDY: There is only one Sir Lyman Duff.

Hon. Mrs. WILSON: I believe the matter first came up at the time Mr. Justice Anglin was appointed Chief Justice. Mr. Justice Idington was then the senior judge.

Hon. Mr. HAIG: I think the honourable senator is right.

Hon. A. B. COPP: Honourable members, I do not rise to take issue with what my honourable friend (Hon. Mr. Haig) has just said, though it seems to me his argument is not quite consistent. He apparently finds fault because of the present Chief Justice not having been elevated to the office in 1924, and then he advances it as a reason why his term of office should not be extended now.

Hon. Mr. HAIG: Can you tell me why he was not made Chief Justice at that time?

Hon. Mr. COPP: No, I cannot; but that apparently is the argument my honourable friend advances. He says that Viscount Bennett tried to make up for the mistake by appointing Sir Lyman Duff Chief Justice in 1933. He argues that because Prime Minister Bennett at that time conferred on Sir Lyman an honour which should have been bestowed on him in 1924, his term of office should not now be extended. I think we are all in agreement with my honourable friend on the general principle that judges of the Supreme Court should be retired on attaining the age of 75. But there are exceptions in all cases, and I am sure that the Justice Department considered the matter very carefully before coming to the conclusion that it would be in the interest of the administration of justice, as well as in the national interest, to have Sir Lyman's term of office extended for another year. It does seem to me that in the case of such an outstanding jurist as the present Chief Justice it is not at all an unreasonable step to take.

Hon. J. A. CALDER: Honourable senators, I have the very highest respect and regard for Chief Justice Duff. I have known him for a long time and recognize his eminence as a jurist. I do not intend to vote against this measure at all, but I do think there is danger in establishing a precedent of this kind. If the honourable member from Winnipeg South-Centre (Hon. Mr. Haig) is correct, it was not until 1939 that the Parliament of Canada passed the legislation we are now asked to amend by this Bill. I do hope that, whatever Government may be in power in future years, it will exercise the greatest prudence in bringing a measure of this kind before Parliament. I fully concur in the viewpoint of the honourable gentleman from Winnipeg South-Centre that our Parliament laid down a principle which is obvious, namely, that once a judge of the Supreme Court of Canada reaches the age of 75 he must retire. Without speaking to the present situation, let me say this: no matter how important the work carried on by any man in the Government service, should he pass along there is always someone who can take his place. We all know that, and we must act accordingly. Notwithstanding the very great ability of the Chief Justice, I have no doubt at all that there are at least twenty very able men who could step into his shoes, and, after a short period of time,

carry on the work just as well as he has done it. We must not get into our minds the idea that this kind of thing is essential just because a man has done well in a certain job, and I do hope the Government will seriously consider the situation before this legislation is carried.

Hon. WILLIAM DUFF: Honourable senators, now that we have the Bill before us, we can see better what we are dealing with. My honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) told us in an able speech about the principle laid down by previous legislators, namely, that when a judge has reached the age of seventy-five he shall retire. But a later generation of legislators with more modern ideas, including my honourable friend, some three years ago decided that in the interest of the country the term of office of the Chief Justice should be extended for three years. That term expired and was extended, presumably because we were at war. Though I do not pretend to be in the confidence of the Government at all, I take it that the present extension is asked for the same reason.

This country is in a serious condition, and while I agree with my honourable friend from Winnipeg South-Centre that there are in this country many able lawyers, constitutional and other, it may be that they are engaged in war work, on commissions and in various other organizations, and that the Government feels that it is better to leave them where they are, for the time being, than to retire the Chief Justice and appoint someone else in his place, or to promote one of the present members of the Court.

Like my honourable friend here, I cannot see any objection to this Bill. If I opposed it I should be going against my clan, and if I did that nobody in the Duff clan would forgive me. That is a Scotch characteristic.

Hon. Mr. LACASSE: It saves money.

Hon. Mr. DUFF: Yes, and that is Scotch too.

Now I am going to make a suggestion. There are many people who do not think the war will end this year. If that is true—and I am afraid it is—it seems to me that we are not going far enough in this Bill. The present incumbent of this very important office is a fine specimen of the Duff clan and is good for another ten years. This being so, in order that a similar Bill may not have to come before us next year, and that the Government may not be worrying about having to take a man from some other position to put him into the Supreme Court, I would suggest that we amend the Bill by inserting in the last line the figure "5" instead of "4." It is only a few months until next January, when the extension provided by the present Bill would expire. Under my proposal no harm would be done. If the war should end in the meantime and our learned, esteemed and distinguished friend should decide next year not to carry on any longer, the Bill would have no effect on his position or that of the Government. What I suggest would obviate further discussion in this House or in another place next year about an extension for a further term.

Hon. P. R. Du TREMBLAY: The law says that judges shall retire at the age of seventy-five years. I think that is a good law, speaking generally, but there are exceptions to most rules. In the present instance there is only one Chief Justice; he is in perfect condition physically and mentally; he was asked to continue to give his services as Chief Justice of this country for one year more, and I do not see why we should be deprived of those services. This is one of the cases in which I think we might make an exception.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

EVIDENCE IN DIVORCE CASES

MOTION

Hon. A. B. COPP: Honourable senators, on behalf of the Chairman of the Standing Committee on Divorce I move that a message be sent to the House of Commons requesting that House to return to the Senate the evidence adduced before the Committee on Divorce during the last session of Parliament upon which the following Bills were founded, namely, Bill C4, an Act for the relief of Bessie McKenzie Balfour Whiteley Willard; Bill D4, an Act for the relief of Ada Lahn Corber; Bill E4, an Act for the relief of William Taffert.

The motion was agreed to.

THE LATE SENATOR COTE

TRIBUTES TO HIS MEMORY

Hon. J. H. KING: Honourable senators, it is with deep regret that I have to bring to your attention the passing of another distinguished colleague, the Hon. Senator Louis Coté, who died on Tuesday night, February 2.

Senator Coté was born in 1890, a son of the late Pierre Martial Coté, K.C. He was a graduate of the University of Ottawa, and of Osgoode Hall, Toronto. He was called to the Bar in 1913, and at the time of his death was senior partner in the law firm of Coté and Hardy. He served as Crown Attorney and Clerk of the Peace for the United Counties of Prescott and Russell from 1919 to 1922, and rendered distinguished service as one of the commissioners appointed by the Ontario Government in 1925 to report on French-English schools in the province. In 1928 he was created a King's Counsel. He occupied a number of eminent positions, being a director of Banque Provinciale du Canada and a Commander of the Order of St. John of Jerusalem.

The late senator was one of our youngest members when summoned to this Chamber, in December, 1933. From that time on he participated in most of our important debates and in the work of a number of committees. I had the good fortune to be associated with him not only in the Senate, but also as a fellow-member of the executive of the St. John Ambulance Association. His sudden passing is a great shock to us all, and on behalf of all honourable members of the House I desire to extend to Madame Coté and the family our deepest sympathy in their very great bereavement.

Hon. C. C. BALLANTYNE: Honourable senators, it is with a deep sense of sorrow and regret that I rise to pay, not only my own personal tribute, but that of all honourable senators on this side of the House to my late desk-mate and friend, Senator Coté.

The sudden and tragic death of our late colleague is an irreparable loss to the Senate of Canada and to the whole country. The late senator passed away at what might be truly termed an early age, and at a time when he was at the height of his usefulness in the prominent and important role which he played in public life. Brought up in this city and province, he did much for the welfare of the Canadian people, more particularly for the youth of this country, in regard to education. Honourable senators are aware of what he accomplished in getting the Ontario school problem settled in a satisfactory manner.

Senator Coté was a gentleman of high ideals and lofty motives. He took a prominent part in the St. John Ambulance Association, and to many charitable institutions he rendered valuable service. He was not only learned in the ordinary law of this country, but was as well a profound constitutional lawyer. Indeed, few members of the legal profession had made a more exhaustive study of the Constitution of Canada in its bearing upon this country, both as a separate entity and as an integral part of the British Empire.

Our late colleague was a devout Roman Catholic and a strong believer in that faith. He held, however, most tolerant views in regard to those who belonged to other religious denominations.

All on this side of the Chamber join with the honourable leader and those associated with him in expressing our sincere sympathy to Madame Coté and her family.

Hon. GUSTAVE LACASSE (Translation): Honourable senators, this is the second occasion on which it has been my sad privilege to pay a tribute of sympathy and deep respect to the memory of a French-speaking fellow senator from Ontario during the few years that have elapsed since I had the honour of becoming a member of this House. The first victim of the Grim Reaper was our ever lamented colleague Senator Belcourt, and, grieving as deeply to-day over this new bereavement, I again voice feelings of sincere fellowship.

The late lamented senator was the successor in this House of our departed friend Senator Belcourt, but that was not the only tie between him and us. Senator Coté laboured with us in the same field of activity—a fact which I shall emphasize in a few moments.

A sincere Christian, an outstanding citizen, an able lawyer—he soon became prominent at the Bar, as well as in the business world, when still comparatively young—and a worthy father, Senator Coté was, besides, a shrewd political man and a resourceful debater. His oratorical gifts were quickly recognized by the leaders of his party when, a short time after the resignation of the former leader of the party which sat at the left of this House, his successor chose him as his first lieutenant.

From a political standpoint, honourable senators, that is not the only outstanding feature in the life of Senator Coté. It is especially in the provincial field, and from the point of view of the part he played in the rectification of an irritating and unfair situation which formerly obtained in the province of Ontario in the field of bilingual teaching in our schools, that I commend the devotion, the ability and the zeal of our lamented colleague. We all remember how Hon. Howard Ferguson, then Prime Minister of Ontario, singled out our colleague and entrusted to him the task and responsibility of being his main exponent of co-operation in connection with the school settlement I have mentioned. We all remember the important part he played at the outset of that settlement, and his name

will ever be linked with the historical document known in our province as the Merchant-Scott-Coté report. For that marked, honourable senators, the beginning of a new trend toward justice and common sense from the standpoint of the improvement of bilingual schools in our province, and it was that first official action, undertaken under the direction of Senator Coté and his two colleagues, which prompted the adoption of a more equitable and generous policy in the teaching of French in our Ontario schools, a policy one of whose first salutary effects was the repeal of the well-known Regulation XVII, which limited to one hour per day the teaching of French in our schools. That first trend was succeeded by a series of improvements, which were followed up and considerably extended by the administrations which followed Hon. Mr. Ferguson's Government in power. That explains why to-day, thanks to the devotion of Senator Coté and of all his fellow-members of the Ontario French Canadian Educational Association, the teaching of French has assumed much importance in my province. We take pride in having to-day in our Ontario schools, as a result of further equitable measures taken since that time by the Hepburn Government, a system of French teaching which is perhaps superior to any other in Canada outside the province of Quebec. You will thus understand, honourable senators, why I chose, this afternoon, to use the French language in paying tribute to the memory of our departed colleague, who co-operated so heartily with us in increasing the prestige and ensuring the survival of that language in my province of Ontario.

I therefore heartily and sincerely join those who have already expressed their grief on this occasion, and I also join them in tendering to the stricken wife of our dear colleague, and to the children partly orphaned by his demise, as well as to his venerable uncle, the honourable senator for Grandville (Hon. Sir Thomas Chapais), whom we are fortunate in having still with us in this House, the tribute of our deep respect and our heartfelt and fraternal sympathy.

Hon. C. P. BEAUBIEN: Honourable senators, lately Fate has laid a heavy hand on this House. It is but a few hours since we bowed our heads before two graves freshly filled. The flowers of respect and friendship laid on those tombs have scarcely faded, yet again we are assembled to mourn the passing of another colleague from our midst.

This time also Fate has struck swiftly and mercilessly. We had special reason to expect that the career so abruptly cut short would pursue its happy course for many years to come. Indeed, from its inception it was already heavily freighted with useful and meritorious work.

For many years Senator Coté was the youngest member in our midst. His slow and somewhat hesitant words carried the weight of thought and judgment and a rare sense and knowledge of the law. He has been spared a slow ebbing of life, whose glow would gradually diminish as the emptying lamp flickers to extinction. As with so many of our late departed colleagues, a sudden commanding blast from the eternal shore has summoned him away for ever. He has left us, but has joined many of our friends who have entered the realm of memory, peaceful and oblivious of all but what is good; and with him there was no lack of the best.

Our heartfelt sympathy will go out in its fulness to his bereaved wife and family.

Hon. NORMAN P. LAMBERT: Honourable senators, on behalf of the many friends and acquaintances of my late senior colleague in this city (Hon. Mr. Coté), as well as on my own personal account, I should like to join with other members in expressing sincere regret and sorrow at his untimely passing.

I did not have the privilege of friendship with him so long or so intimately as many others here have had; but since I entered this Chamber five years ago my contacts with him became increasingly numerous and friendly. Conversation and argument were favourite avenues to an appreciation of our colleague. He was well versed in the law and had a mind which loved to probe and penetrate its phraseology for fine distinctions. He also had a student's genuine appreciation of art, and his memory was filled with a rich store of literary references from the classics, which he had widely read, and which he could quote with apt facility to fit any occasion.

Public spirit and an unmistakable patriotism characterized his work as a senator, as well as his active interest in worthy causes outside Parliament. In his demise we have lost an able and effective member, and his city and province a loyal and useful citizen.

Hon. CAIRINE WILSON: Honourable senators, little remains for me to add to the tributes that have been paid to our late member, but as his senior colleague in the city of Ottawa I should like to say a few words of appreciation.

We know that Senator Coté was one of the most faithful and indefatigable members of this Chamber, and that his advice was eagerly sought on every committee on which he served.

He came of a very distinguished family, a family which had its roots deep in Canadian soil, his ancestors having been among our earliest settlers. For some years I had the privilege of serving with Senator Coté in the St. John Ambulance Association, and I know the interest he unfailingly showed in its work. His advice was generously given to every worthy organization, and I know he gave liberally of his time and talents to his Church, and to educational and philanthropic institutions.

I should like to extend my sympathy to his wife and his two very fine sons in their irreparable loss.

Hon. ARTHUR MARCOTTE (Translation): Honourable senators, the tragic character of the present times seems to inure us to shock. Death, the ever-present reaper, strikes with assurance in our world steeped in blood. Haunting the battle-fields where men slaughter one another is not enough for him. He seeks victims everywhere, even in the peaceful ranks of the Canadian Senate. Our colleague, who was struck a few minutes after bidding good-night to his fellow travellers, did not realize at the time that he was saying his last farewell.

If I join my voice to the eloquent concert of personal homage already heard, it is for one purpose only: to express my esteem and friendly feelings toward our late colleague and to convey my sincerest sympathy to his wife and children, as well as to my venerable friend Sir Thomas Chapais.

Louis Coté will rest in peace, for he has been one of those men of good will to whom peace has been promised by One Who never forgets.

Hon. L. M. GOUIN: Honourable senators, as we belonged to the same generation, I had known intimately and for many years our late colleague and was in a position to appreciate his rare qualities as a lawyer and a friend. He was indeed a good citizen, a worthy Canadian. He loved his country sincerely, and was devoted to his fellow-countrymen.

In the opinion of Louis Coté all our national problems could be settled peacefully. He proved this by his own example, and we shall never forget his praiseworthy attitude towards the school question in Ontario.

With his sound judgment and his quiet and friendly manner, he contributed much to re-establish co-operation and harmony between our two great races. The name of Louis Coté will remain a precious memory for all his many friends. We shall always remember his broad and tolerant patriotism, his sincere convictions, his constant moderation.

To the widow and family of our deceased senator, and in particular to his uncle our venerable colleague from Grandville (Hon. Sir Thomas Chapais), I wish to offer my heartfelt sympathy.

Hon. A. DAVID: Honourable senators, death strikes in our midst harshly and violently. It spares neither those whom age has not yet deeply marked, nor older persons whose apparent health seems sufficiently robust to resist its attack. It passes like a torrent, uprooting one and the other in its impetuous course. Irresistible, it leaves gaps that are sometimes hard to fill, and always a distressing reminder to those who remain.

In the short space of less than three years that I have been a member of this Chamber a considerable number of our colleagues have passed on—have been stolen, so to speak, for ever from our friendship, our esteem and our admiration. It seems to us sometimes that certain persons are so useful, or the need of their continuing to live is so great, that the hand of death should not touch them; but, no—nothing can obstruct the course charted by the Sovereign and Supreme Power. And at times we cannot help wondering why some individuals, whose lives appear to us to be useless, enjoy an astonishing longevity, while others, whom we look upon as necessary, even indispensable, are cut down on the very threshold of their maturity. The secret is in God's keeping and it is useless to try to fathom it.

Growing old can be sad in itself, but the saddest part of it is to see our colleagues, our friends and the members of our families fall around us like leaves in autumn. Old age is made sadder still by the haunting prospect of bitter loneliness and bereavement. What can we do but bow our heads in sorrow over the closed tomb, and resign ourselves to the Divine will, whose purposes ever remain beyond our ken?

The views of our late friend and colleague Senator Côté were not shared by all of us here. We were aware of his boundless and whole-hearted attachment to the principles and doctrines of the old Conservative party. On some points we may occasionally have considered him an extremist, even uncompromising. But who among us would be the first to criticize him for that? Neither in conversation nor in debate did he ever derive satisfaction from the use of language that might injure or offend anyone. Being convinced himself, he sought to convince others. Delighting in the clash of ideas, he earnestly

expounded his own. Bearing a deep love for the plain people from whom he sprang, he always championed their rights. Deep as was his attachment to his own nationality, he nevertheless subordinated that attachment to his love for the great Canadian homeland.

May his grieving family find in the memory of his wholesome and fruitful life the consolation that will enable them to bear the sore trial of parting; and may they know that everyone in this Chamber shares in their deep affliction.

Having accomplished on earth his duty as he saw it, having been devoted and faithful to his family and his religion, loyal and steadfast towards his nationality and his country, he now rests in the peace of the Lord. Farewell!

Hon. LUCIEN MORAUD: (Translation): Honourable senators, nothing that I could say would add to the homage rendered to our departed friend. However, I have had the sad privilege of being the last one to speak to him. We were both on the train, coming back from Montreal, and when I wished him good night at the station I was far from foreseeing the tragic end that would be his lot a few seconds later.

It is with sorrow that I find myself the only one left of the senators appointed on December 31, 1933. At that time we were, I thought, a goodly number, all about the same age. All have gone but me: first Senator Fripp, then Senator Hocken, followed by my friend Senator Fauteux, and now Senator Coté, who has been my close friend for over thirty years.

Without lengthening indefinitely the concert of praise to the memory of the late Senator Coté, I wish to convey first to his venerable uncle, the honourable senator from Grandville (Hon. Sir Thomas Chapais)—who has been more than an uncle of his, and has been regarded by us as a father and counsellor—and to every member of our late colleague's family, my deepest and most heartfelt sympathy.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate resumed from yesterday the consideration of His Excellency the Governor General's Speech at the opening of the session, and the motion of Hon. Mr. Du Tremblay for an Address in reply thereto.

Hon. A. K. HUGESSEN: In resuming the debate on the gracious Speech from the Throne, perhaps you will allow me in the first place, Mr. Speaker, to offer you my sincere congratulations on your elevation to the important office you now occupy. I am sure we are all very pleased to know that in this and coming sessions we shall have the advantage of being led and guided by you and of profiting from the great experience which you have gained in a similar capacity in another Chamber.

May I also add my small meed of praise to the mover and seconder of the Address, the honourable senators from Repentigny (Hon. Mr. Du Tremblay) and Kingston (Hon. Mr. Davies). I am sure that when listening to them we were convinced that they constitute a distinct addition to the debating strength of this assembly, and we look forward to hearing them often in the course of future debates. The remarks of the honourable senator from Kingston on the history and tribulations of the people of Wales, from which he is sprung, aroused my sympathy, because I too come from an oppressed people, the people of England. It is true that we occupy the most important part of Great Britain, but on the other hand we are constantly being harried, invaded, governed and generally oppressed by the outlying tribes from Scotland, Ireland and Wales.

In discussing the Speech from the Throne, honourable senators, may I say that it was the most interesting and perhaps the most encouraging I have listened to on any of the six occasions upon which I have had the privilege as a senator of being present at the opening of Parliament, and that because it offers a prospect of real progress along the lines of social reform. Two paragraphs from the gracious Speech particularly interested me:

> It is in the general interest that freedom from fear and from want should be the assured possession of all. A nation-wide plan which would provide insurance against the inevitable consequences of major economic and social hazards is essential if this objective is to be attained.
>
> My Ministers believe that a comprehensive national scheme of social insurance should be worked out at once, which will constitute a charter of social security for the whole of Canada.

Then there is a reference to the appointment of a parliamentary committee to inquire into this whole question.

I have always thought, honourable senators, that the Unemployment Insurance Act which we passed in 1940 was one of the most useful and important measures it has fallen to our lot to consider in the few years that I have been in this House. I do not think anyone now would deny the wisdom of passing that measure at that particular time. It was a time of very full employment, when contributions by employers and employed could be expected to continue and grow greater, as indeed they have done. These contributions have resulted in the setting up and constant

augmentation of a substantial fund, which will be of great value in easing the troubles and difficulties of the temporary unemployment which is bound to come at the conclusion of the war. Honourable members will recall that in the debate on the Bill in this Chamber an attempt was made to delay its passage until after the war, on the ground that it would be unfair to impose upon industry this additional burden at a time when it was attempting to change over to war production. I do not think that argument would be used today. Unemployment insurance has come into force; its machinery is working well; the burden, if burden it be, is being cheerfully borne both by employers and employed, and the measure has become an essential and integral part of our industrial life.

I say that because we are now faced with the prospect of additional social legislation, and I do not think anyone would now use the argument that we should not proceed with social legislation just because we happen to be at war. In that connection I should like to refer honourable members to a sentence from an address by Mr. Winston Churchill in 1919, shortly after the last war. Like so many of his sentences, it is significant and pregnant with meaning. He said:

> The true measure of nations is what they can do when they are tired.

True, we are engaged in a life-and-death struggle, but this, I say, is no time to abandon schemes of social reform. In fact, as I think my honourable leader (Hon. Mr. King) and the honourable senator from Saltcoats (Hon. Mr. Calder) pointed out yesterday afternoon, we in this country have an obligation to continue with measures of social reform. As one of the Allied nations we have assented to the Atlantic Charter, and two of the points of that charter set out by those two great leaders of democracy, President Roosevelt and Prime Minister Churchill, are freedom from want and freedom from fear. It seems to me that as one of the Allied nations we are called upon to do everything we can to free our citizens from want and from fear.

Mr. Churchill's phrase that the true test of a nation is what it can do when it is tired is surely a yard-stick by which we can measure the people of Britain at the present day. Look at the situation there. They have had three and a half years of war; their cities have been bombed; their ships have been sunk; they have been in constant danger of invasion; their armies have been thrown back in different parts of the world and only now is the tide beginning to turn. They are tired, yet this is the time when the British nation puts forward, in the report of Sir William Beveridge, perhaps the most far-reaching scheme of social amelioration and reform that the world has ever seen. I think that perhaps is an example which this country should follow, and that, to use Mr. Churchill's phrase, we should see what we can do when we are tired, along the lines of social reform.

Incidentally, there is one rather interesting thing about the Beveridge report: its propaganda value. I venture to say that it has been one of the most important points of propaganda for the Allied side that have come out for many months past. It is a clear demonstration to the people of occupied Europe of the sort of social policy and social progress which Great Britain stands for. The proof of its propaganda value is not far to seek. From the moment it was made public the German radio of Dr. Goebbels has constantly been doing its best to cry down that report and minimize its value.

I therefore heartily welcome that part of the Speech from the Throne which refers to the appointment of a parliamentary committee to go into the whole question of social reform. Evidently our Government realizes that we need some general all-embracing plan for social security, similar in essence to the plan which Sir William Beveridge has proposed for Great Britain.

It is not my intention to discuss in any detail the Beveridge report. It is a lengthy document. But basically, to use the words of its author, it involves "the determination of British democracy to free itself once and for all of the scandal of physical want, for which there is no economic or moral justification." In brief, it proposes to set up one central insurance fund administered by a central authority, to which payments are to be made in varying proportions by employers, employees, independent traders and workers, and the State. Out of this fund there will be granted unemployment allowances, disability allowances, medical treatment, old age pensions, workmen's compensation, maternity expense, family allowances for children in excess of one, and funeral expenses. As has been said, it is designed to provide for the minimum economic wants of the average man between the cradle and the grave.

It would be well here perhaps to emphasize the word "minimum." I should like to quote for the benefit of honourable members a few lines of what Sir William Beveridge says on that particular point. This is one of the bases upon which the suggestions contained in that report are founded. These are his words:

> Social security must be achieved by co-operation between the State and the individual. The State in organizing security should not

stifle incentive, opportunity, responsibility; in establishing a national minimum it should leave room and encouragement for voluntary action by each individual to provide more than the minimum for himself and his family.

There is no reason why we in this country should slavishly follow the Beveridge report. In fact it would be difficult, if not impossible, to do so. We are a federal country; Britain is a unitary country.

I was much interested in those parts of the Speech from the Throne which referred to certain elements of social security which already exist in this country, and furthermore in my honourable leader's elaboration of them yesterday afternoon. It is true we already have certain important elements of social security in this country. It might be interesting to inquire into these from the point of view of administration.

Administratively, they fall into three separate classes. First those under federal jurisdiction; such as unemployment insurance, dependants' allowances, veterans' pensions, and a few others. The second are under joint federal and provincial administration, such as old age pensions and pensions for the blind. In these cases, though the actual administration is in the hands of the provinces, important contributions are made by the federal authority, which for that reason has a certain measure of control. The third are under provincial administration alone, the most important being workmen's compensation, mothers' allowances, and such things as hospitalization of indigents.

That is the present picture of the social security in this country, and it leads to certain observations. First of all, there is and there must necessarily be a lack of uniformity. In the provincial field certain provinces, as we know, are much wealthier than others and can afford to give to their citizens larger benefits than the poorer provinces are able to provide. Secondly, there are certain gaps, defects, and inadequacies. Yesterday afternoon the honourable senator from Winnipeg South-Centre (Hon. Mr. Haig) asked about a possible increase in old age pensions, and I think it will be generally admitted that the present scale is inadequate. But in addition to that there is a large field for measures of social service which so far is not covered in this country at all. For instance, there are no funeral benefits and no family allowances for children. As yet, too, there is no health insurance.

The third observation I should like to make about administration is that there is imperfect co-ordination. There are a number of authorities, both federal and provincial, dealing with different subjects, sometimes different branches of the same authority dealing with different branches of the same subject. In short, there is no co-ordination of the picture into one national whole, and there is no responsibility in any one body or authority for the whole picture of social service.

I think it will be the duty of the parliamentary committee which is mentioned in the Speech from the Throne to attempt to evolve a well rounded out and all-embracing scheme. If I might be allowed to use a simile from the building trade, the committee should try to pull the building together, install central heating and add a number of modern conveniences. It will also have to devise machinery by which the plan can be made workable. As I pointed out a few minutes ago, the provinces occupy a considerable part of the field, but by reason of the difference in their financial ability they do so in a rather irregular and unequal fashion.

The Speech from the Throne refers to the ideal as being the working out of a comprehensive scheme for the whole of Canada. Now, it seems to me that in order to be workable, fair, and financially sound, such a scheme should answer at least three requirements. First of all, it should be nation-wide. People should be required to pay the same contributions and entitled to receive the same benefits in whatever part of the country they may choose to live. I think anyone on reflection will agree with me. We are still somewhat of a migratory people. A man leaves a job in Halifax to take up work in Montreal. A farmer's son leaves the ancestral home in the province of Quebec and goes to work in a prairie province. I think it will be obvious that a man should be obligated to pay the same premiums and have a right to the same benefits both in the place from which he came and in the place to which he has gone. Therefore, it should be a nation-wide scheme.

Secondly, it will be expensive and will require large annual contributions. The only authority from which those contributions can be expected is the Federal Government, which alone has the necessary resources and taxing power.

Thirdly, there must be some sort of central co-ordination in the hands of the Federal Government. I do not say "central control," because that is not precisely the term I need. I think the control can remain very largely in the separate provincial fields, but there must be some central co-ordination in the federal field.

This may and likely will involve some encroachment on the fields now occupied by the provinces. On the other hand, it is quite

ikely that a broad scheme of this kind would relieve the provinces of the financial burden of a great deal of social legislation which at the time of Confederation it was not contemplated they should undertake, and which it is becoming more difficult, particularly for the poorer provinces, to meet, as demands for more and more social services come along year by year. That problem of the extent to which the Dominion should take over the provincial field is one that will require profound study by the parliamentary committee. It may become necessary to set up some sort of Dominion-Provincial authority. It may, and I hope it will, be found possible to carry on in very large part with the present provincial administrations, leaving a large proportion of the control to them. But an attempt will have to be made to dovetail the present machinery into a new national scheme. Sir William Beveridge proposes and strongly recommends that there should be a Ministry of Social Security in Great Britain, and, in view of the vast extent of our own country, if we are to have a truly national scheme here, I think a ministry of that kind will be even more necessary for us.

Broadly speaking, a national scheme of social insurance must mean a large measure of national co-ordination, if not national control. Faced as we always are with the bogey of the Judicial Committee of the Privy Council in London and its unpredictable decisions about the constitutional rights of this country, it may well be that we shall have to seek an amendment to the British North America Act. Honourable senators will recall that that is what was done in the case of the unemployment insurance measure. It will also be recalled that the governments of all the provinces unanimously assented to the assumption by the Federal Government of the necessary power to administer that measure; and we all are aware of the highly co-operative spirit shown by the provincial governments in the last two or three years in the matter of Dominion-Provincial finances. I hope and sincerely believe that in this matter, too, the provincial governments will show a broad national spirit and will consent either to give up to or share with the Dominion such constitutional powers as may be necessary in order to provide our people with a truly national system of social insurance that will ensure freedom from want and freedom from fear.

I wish to discuss for a few moments the financial implications of such a scheme. It will be a heavy burden. There is no sense or reason in our denying that. It will be a burden upon the individual, upon industry, and upon the State. An example of the sort of burden contemplated in Great Britain is the degree to which Sir William Beveridge proposes that present contributions be increased, namely, the contribution of the Government by 95 per cent, that of the employers by 55 per cent, and that of insured persons by 275 per cent.

It is the Government's contribution I wish to discuss here for a minute or two. It will entail a considerable redistribution of the national wealth. It will involve high taxation; not as high as the sort of taxation to which we are subjected at the present time, when more than 50 per cent of the national income is devoted to purposes of war, but I should say measurably higher than the scale of taxation to which we were subjected immediately prior to the war.

Hon. Mr. ASELTINE: May I ask the honourable gentleman a question?

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. ASELTINE: Can the honourable gentleman tell me whether or not a measure of this kind would do away with the present Unemployment Insurance Act, or shall we be taxed in that respect also?

Hon. Mr. HUGESSEN: I should anticipate that the Unemployment Insurance Act would be a part of the whole thing. The machinery that has been set up and is now in operation under that Act could and would probably be used and expanded to take in, to some extent, the additional services contemplated by a national undertaking along the lines of Sir William Beveridge's scheme. Unemployment insurance is one of the things covered in his scheme.

I do not regard with any great alarm the prospects of high taxation. I am a believer in higher taxation for purposes of social service, and in a redistribution by that means of the country's wealth, provided always that the taxation is fair and that the social objects sought to be achieved are worthy of attainment. You can do a great deal by high taxation devoted to useful social purposes. An illustration of that fact is to be found in England itself, where in the last thirty or forty years high taxes have been collected and devoted to great measures of social justice.

Now, this is a rich country, and I can see no justification for the extremes of wealth and poverty that still exist in our midst. Perhaps I should state a little more clearly just what I mean. I have no objection to inequalities of wealth, or to accumulation of wealth by the fortunate few, but on one condition: that there be a first charge on the national income

to provide for all a decent minimum standard of living, with security against want, sickness, unemployment, and old age, subject, of course, to necessary safeguards against abuse. After that first charge has been met there will be, in a rich country like ours, an ample margin left as reward for individual initiative, enterprise and talent.

I should like to quote to the House some remarks by Sir William Beveridge about the capacity of Great Britain to undertake a great and expensive scheme of social insurance such as this. Referring to a number of investigations carried out during the last few years in various industrial towns in Great Britain, he says:

> While in every town surveyed substantial percentages of the families examined had less than the bare minimum of subsistence, the bulk of them had substantially more than the minimum. Want could have been abolished before the present war by a redistribution of income within the wage-earning classes without touching any of the wealthier classes.

There is no question that we can establish in this country a satisfactory minimum standard of living for all. In saying that ours is a wealthy country I am talking not in terms of money, but in terms of what is produced by our farms and factories, our fisheries and our mines, our water-powers and so on. Our ability to produce wealth has been largely increased during the last few years and is capable of being still further increased. From the Dominion Bureau of Statistics I obtained an estimate of the national income in the five years beginning with 1938. These figures, which represent the total value of everything produced in this country in the years mentioned, are interesting:

1938		$4,310,000,000
1939		4,575,000,000
1940		5,406,000,000
1941	approximately	6,500,000,000
1942	(estimated)	7,500,000,000

On the basis of these figures I think it would be fair to assume that for the future our national income is not likely to fall below five billion dollars annually. We have a population of eleven and a half millions. Dividing one figure into the other will give you an amount of $435 per annum for every man, woman and child in the country. To take an average family of five persons, that would be a yearly income for the family of $2,175, or $181 a month. Now, as every honourable senator knows, a large proportion of our population lives in comparative comfort on less than $181 a month. That is clearly demonstrated by income tax figures. Unfortunately the figures have not been brought up to date, and the last I was able to obtain are those for the fiscal year 1939-40. They divided into classes the number of people who paid income tax that year. They are rather interesting, because they show that in that year slightly fewer than 169,000 persons had an income of $2,000 a year or more. That is less than one and one-half per cent of our total population. It all goes to show what I was trying to demonstrate a few minutes ago, that the national income is amply sufficient to provide all our people with a decent standard of living.

May I refer to a recent experience of my own which goes to support the same conclusion? Honourable senators will remember that recently the Government increased the allowances to dependants of men in our fighting forces to an amount which we are assured is higher than any comparable scale paid by any other country in the world. Under that increased scale the wife of a private soldier with four children now receives a monthly allowance of $102, including cost of living bonus. As Joint Chairman of the Advisory Committee for Military District No. 4 of the Dependants' Board of Trustees, I have had in the last few months the task of examining into the budgets of more than 1,000 soldiers' families, and I can tell the House that a monthly income of $102 for a family of five persons is on the present scale of prices sufficient in city districts, and is perhaps on a somewhat generous scale in country districts, where the cost of living is generally lower. I am speaking, of course, of the province of Quebec.

I want to emphasize that the Beveridge report is designed for the absolute elimination of want. I have already quoted to the House what Sir William Beveridge says about the possibility of eliminating want in Great Britain—a country with far less resources than ours—merely by redistribution of income which would be within the limits of the working classes in the few towns he investigated.

With reference to the capacity of this country to support such a scheme, I wish to quote a local authority. As honourable members will recall, Dr. Cyril James, Principal of McGill University, was last year appointed by this Government as head of the Committee on Post-war Reconstruction. He is an economist of wide renown. He made a speech to the Canadian Club of Montreal on the 18th of January last, one or two quotations from which were given, I think, by the honourable senator from Repentigny (Hon. Mr. Du-Tremblay) on Tuesday last. This is what Professor James said on that occasion as to the capacity of Canada to support such a minimum standard of life:

If it is possible for the people of Great Britain by their own initiative and enterprise, working with the limited natural resources of that Island, to derive from their efforts an annual income large enough to provide a basic minimum standard of subsistence for every man, woman and child over there, it would be foolish for any one of us to suggest that 12,000,000 enterprising and vigorous people over here are doomed to a smaller per capita return from their scientific exploitation of the gigantic natural resources of this Dominion. Even before the war, Canada's national income was statistically adequate to the task of eliminating want, if Canadians had been willing to undertake that partial redistribution of income which social insurance requires; and every one of us knows that during the present war the intensification of our economic activity, in spite of the fact that 600,000 men and women are in the armed forces, has increased total national production to a figure never dreamed of before 1939. The problem that faces Canada is clearly one of human vision and courage, rather than one of material resources; since it becomes increasingly apparent that we have as yet scarcely scratched the surface of our potential wealth.

In view of what Professor James says, and of the knowledge that every honourable senator has of conditions throughout this country, I do not think anyone will venture to deny that we have it in our power, with our resources, to provide a decent minimum standard of living for all our people by some all-embracing system of national insurance such as that contemplated by the Speech from the Throne.

Not only can we do it, but I venture to think that this Government is right in suggesting that it should be done with the least possible delay. What is the reason for that? I think one answer is to be found in a consideration of two large and important classes of our people. The first class is the workers in our war industries. As the Prime Minister stated in another place three days ago, we have now more than one million people working in our war industries. Those men and women are afraid that their jobs will come to an end when the war comes to an end. There has been a certain amount of labour trouble in some of our war industries in the past few months, and I think it is common knowledge that we are threatened with more trouble of the same kind. I am convinced one of the fundamental causes of that trouble is the uncertainty in the minds of those men and women as to what is going to happen to them after the war. They are afraid of being thrown out on the street, with no resources, or only with the small limited resources which they have been able to accumulate during the last few profitable years. That is a very natural fear. I venture to suggest to honourable members that there will be a tremendous increase in the confidence and self-reliance of the workers in our war industries if before the war ends they are assured of protection against the hazards of life during the period of reconstruction, and that the provision of such a scheme would go a considerable way towards eliminating further labour troubles in our war industries.

The second class of our citizens to whom I wish to direct your attention is the nearly 700,000 men and women in our war services. At the present time those men and women are receiving adequate pay, and, generally speaking, their dependants are receiving a sufficient allowance for their needs. But they, too, are wondering what will happen to them and their families when the war comes to an end. Remember, many of those men went through the depression years of the nineteen-thirties and they had to exist with their families on the miserable pittances of a few dollars a week, grudgingly bestowed, to which the honourable senator from Kingston (Hon. Mr. Davies) referred so feelingly a couple of evenings ago.

Now, may I be permitted to refer again to my experience as a member of the Dependants' Board of Trustees? Applications for assistance have to be submitted to us on forms for the purpose of obtaining certain information. That information includes the occupation of the soldier before he enlisted, the monthly budget of family expenses, and the amount of debt incurred both before and after enlistment. In a great number of cases, in answer to the question as to the occupation of the man before enlistment, the answer is "Unemployed and on relief" for a period varying from a few months to eight or nine or ten years. In nearly every one of those cases where men had been unemployed, if you turned to the column of debt incurred after enlistment, you would see what happened. As soon as the man joined the Army and his family came again into possession of a regular income, the first thing he and his wife did was to go out and buy $100, $200 or $300 worth of furniture on the instalment system. That, honourable senators, tells a lamentable story, the story of families which during the depression period had to get rid, piece by piece, of their furniture. Once the man enlisted and a regular income was coming in, they hastened to reconstitute the home and make it something which they could be proud of, and live in with human dignity.

Hon. A. L. BEAUBIEN: Is that condition general?

Hon. Mr. HUGESSEN: In nearly every case where the man stated he had been unemployed before enlistment that is what happened. It is indeed a significant fact. I think honourable senators will agree with me that

our men have a right to expect something better after they return from this war. It is quite true that social insurance will not cure unemployment, but it will provide a fairer distribution of the national income, and it will ensure a decent standard of living being maintained by returned men and their families while they are readjusting themselves in civil life.

In what I have said in the latter part of my remarks I have tried to show two things: first, that Canada can afford a system of social security which will provide a decent standard of living and reasonable insurance against the ordinary hazards of life for all our people; and, second, that the time is ripe for us to set up such a system. The working out of the plan will of course involve much effort and much goodwill; and it will also involve a considerable redistribution of the national income.

In closing, may I refer once more to that pregnant sentence of Mr. Winston Churchill's, that the true measure of nations is what they can do when they are tired. We have had three and a half years of war: we are tired: and we shall be more tired yet before the final day of victory comes: but I suggest that we take up Mr. Churchill's challenge. Let us see what we can do as a nation when we are tired. Let this Government and this Parliament act now to procure for all our people freedom from want and freedom from fear.

On motion of Hon. Mr. Aseltine, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, February 5, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 3 p.m. for the purpose of giving the Royal Assent to a certain Bill.

EVIDENCE IN DIVORCE CASES

MESSAGE FROM COMMONS

The Hon. the SPEAKER informed the Senate that a message had been received from the House of Commons in the following words:

Resolved that a message be sent to the Senate to acquaint Their Honours that this House agrees to their request for the return of the evidence taken before the Senate Committee on Divorce during the last session of Parliament upon which the following bills are founded: Bill 118, Bill 119 and Bill 125.

DIVORCE COMMITTEE REPORTS

REFERRED TO COMMITTEE

Hon. Mr. COPP: Honourable senators, I move that reports Nos. 77, 78 and 80 made by the Committee on Divorce during the last session of Parliament be referred to the said committee, and that the said committee be empowered to take into consideration all the evidence submitted to it during the last session of Parliament with respect to the petitions referred to in the said reports.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Honourable Thibaudeau Rinfret, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bill:

An Act to amend an Act respecting the Chief Justice of Canada.

The Honourable the Deputy of the Governor General was pleased to retire.

The House of Commons withdrew.

The sitting of the Senate was resumed.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate resumed from yesterday the consideration of His Excellency the Governor General's Speech at the opening of the session, and the motion of Hon. Mr. Du Tremblay for an Address in reply thereto.

Hon. W. M. ASELTINE: Honourable members, at the outset of my remarks I wish to congratulate His Honour on his elevation to the important position of Speaker of this Chamber. I am confident that his wide parliamentary experience will stand him in good

stead and that he will always preside over our deliberations in a fair and impartial manner.

I desire to congratulate the mover (Hon. Mr. Du Tremblay) and the seconder (Hon. Mr. Davies) of the Address in reply to the Speech from the Throne. They acquitted themselves with distinction. I have no doubt that their extensive experience in the newspaper and business fields will enable them to make very valuable contributions to the work of this Chamber. I hope they will have many opportunities to share in our labours.

I listened very carefully to the excellent speech of the honourable gentleman who has preceded me in this debate (Hon. Mr. Hugessen), and I must congratulate him on the information and benefit which it is evident he has gained from reading the Port Hope resolutions as well as the resolutions adopted at the recent Progressive Conservative convention in Winnipeg.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. ASELTINE: No doubt honourable members know that recently certain public men have gone out of their way to attack the Senate. I do not think these attacks should be passed over lightly, and I intend to refer to them briefly. I do not intend to deal with the attack made by a former premier of this province, but I do wish to say something about an attack made by a certain member of Parliament. It seems to be a popular pastime with certain politicians who have failed to reach this Chamber to criticize it and ask for its abolition when they have nothing else to discuss.

A few days ago, in another place, the leader of one of our lesser political parties made certain derogatory remarks concerning the Senate of Canada. These remarks were so far-reaching that they were in the nature of an attack. I do not know what prompted him to take this course. Surely there were plenty of other subjects to which he might well have directed his attention, but probably he was seeking political aggrandizement. I understand that his remarks passed without objection in the Commons; so I think there should be no objection if occasionally we become critical of the other House.

In the past we have been in the habit of just considering the source of such attacks and saying nothing in reply, but this time the remarks were in my opinion made with malice aforethought; they were malignant and intended to be damaging. They were, I am convinced, made for the purpose of currying political favour and attracting votes. Obviously the remarks were untrue. It is not my intention to repeat them; they will be found in the Commons Hansard and in the Press.

I for one certainly resent the attack. The Senate is one of the most democratic bodies in the world.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. ASELTINE: Anyone is at liberty to appear before our Senate committees, and anyone who does so receives a most sympathetic hearing. We conduct our business with fairness and impartiality and without rancour. It is very seldom that we decide an issue on straight party lines.

Moreover, the members of the Senate represent the best brains in the country.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. ASELTINE: Senators are chosen from every walk of life, and have every qualification necessary to advise His Majesty in matters of government. It was never the intention of the Fathers of Confederation that this Chamber should sit continuously or be a second debating society. I always remember the first year I entered this Chamber. We made about one thousand amendments to House of Commons legislation. Bills were remodelled and improved, and when they left this Chamber a considerable number of them bore little evidence of being the original Bills except in their titles. In addition, several very important Government measures were introduced in the Senate that year, and as a result of the good work performed by this Chamber much money was saved to the country.

Criticizing the Senate has been described as a popular indoor sport. I well recall that during my second year at the University of Manitoba I was a member of a little debating society and that one of the questions which came up for consideration was, "Resolved that the Senate of Canada should be abolished." At that time I was speaking for the negative, not knowing that later on I was to become a member of this Chamber. In preparing my speech I found a reference in the Canadian Encyclopædia, I think, to the effect that on one particular occasion the Senate of Canada had succeeded, by defeating a Government measure, in saving to this country enough money to pay the salaries of the senators for one hundred years. Later, in conversation about this same matter, the honourable senator from Red Deer (Hon. Mr. Michener) informed me that after he came to this Chamber the question of the alienation of certain coal lands in the province of Alberta came up, and that

as a result of the action of the Senate these lands, which were worth another $100,000,000, were saved to the Crown and to the people of the country.

I also wish to refer to a debate in this Chamber in 1934, during which speeches were made by Hon. Mr. Murphy and others on this subject. I do not think the views about which I have complained are popular throughout the country. There are still many people who thank God that we still have a Senate.

I wish to deal next with the matter of controllers, boards and Orders in Council. I realize, of course, that there is a war on, and that there must be at all times a certain amount of control and regimentation; but in my opinion these things have been carried so far during the present war that the supremacy of Parliament is in greater danger than ever before. In my office in Rosetown, Saskatchewan, I receive the Orders in Council and the orders of the controllers practically every morning. I have in my library a file of them which is, I should say, a foot or two thick. Just when I think I have mastered the latest Order in Council or the latest order of some controller, board or commission, I find that I must look through all the orders again because of the fact that a few days before an amendment has been made with which I must become familiar before it is possible for me to give proper advice to my clients. When you compare the year's statutes with the Orders in Council and the orders of the various controllers and boards passed each year, you find the statutes are contained within a very small volume, an inch or two thick, whereas the orders complained of, if bound together, would make a volume ten or twenty times as large. These Orders in Council and the various boards' orders that I have been complaining of are sometimes made just on the eve of the session of Parliament and often while Parliament is in session, without being considered by Parliament at all. Last fall I picked up one Order in Council having to do with wheat regulations and found it was No. 10,000. A little later I saw another Order in Council, dated November 26, and it was No. 10,793. Since that time the Orders in Council and orders issued by controllers and boards have run into many hundreds more, some of which have even fixed penalties, fines and imprisonment for breach of regulations. It is my considered opinion, honourable senators, that the people of Canada do not like that way of doing business. Take the Oil Controller, for instance. If he is satisfied that there has been a breach of regulations by a filling station, he can order that station closed for three months or permanently, at his discretion. The owner of the filling station, with no charge made against him and no chance to defend himself, may find his living has been done away with. My contention is that that kind of thing should not happen, even in war-time. Everyone should have access and recourse to the courts, and no man should be put out of business without having a charge against him fairly dealt with.

It stands to reason that when Government business is carried on to such an extent by boards, by controllers, by Orders in Council and by orders of controllers there is much less work for Parliament to do. In fact, if we continue along that line it will not be long before Parliament becomes a mere rubber stamp. I well remember that last session one debate—on a very important subject, it is true—went on in another place for the greater part of three months, and even then the question was not solved. Surely we do not wish to have the other Chamber resolve itself into the category of a high-class debating society. But that, honourable senators, is what may happen if things continue as they are.

Honourable senators will remember that last year we had quite a long debate in this Chamber as to the reason why the Senate had not been given more work to do. The question was not solved in the debate, but immediately thereafter the honourable leader of the Senate laid on the Table a pile of Orders in Council about a foot high, which had been passed in the preceding few weeks. That was the answer. The work that Parliament should have been doing was being done instead by these boards and controllers and by Orders in Council. In war-time some of these orders are necessary, but surely not all of them, if the supremacy of Parliament is to be maintained.

Reverting to statements made by a member in another place with regard to the Senate, I think he might have employed his time to better advantage if, instead of attacking this Chamber, he had attacked the Government of the day for carrying on business in the manner I have mentioned. He knows perfectly well that the supremacy of Parliament is being challenged. I can only come to the conclusion that he is satisfied with the manner in which the business of Parliament is being carried on, and that the Co-operative Commonwealth Federation would, if placed in power, continue the practice now in vogue.

I now wish to make some remarks with reference to the Speech from the Throne. In spite of opinions expressed by previous speakers, I must say I was more or less disappointed with that speech. I was not present when it was delivered, but I heard a summary over the radio and read the full text of the

speech in the newspapers, on my way to Ottawa. I was hoping that an editorial prediction in the Saskatoon Star Phoenix of Friday, January 29, would be fulfilled and that there would be a great deal of work for both Houses of Parliament; but upon a careful reading of the speech I find there is going to be very little work for Parliament to do at this session, outside of considering estimates and voting money for the carrying on of the war.

It is true a committee is to be appointed to work out a national system of social security, but, as it took Sir William Beveridge eighteen months to study the question in England and submit his report, it is not very likely that the committee appointed here will make a full report this session. Another committee has been appointed, one on reconstruction, but I call attention of honourable senators to the fact that no member of either House of Parliament is named on that committee. One other committee is to resume work. We are to have an amendment to the Income Tax Act, a Health Insurance Act and a Redistribution Act, and that is about all. I presume the rest of the work will continue to be done by boards and controllers, and the greater part of the legislation will be passed by Order in Council.

An editorial in the Winnipeg Tribune of Saturday, January 30, 1943, calls these matters "Parliament's Little Chores," and the writer is disappointed, as I am, to find there is nothing in the speech to indicate that the Government is even considering the grave manpower crisis now confronting the country. There is complete silence in respect to wartime strikes in essential industries. There is no indication that the Government is aware of the crisis in Western agriculture.

In the same issue of the Winnipeg Tribune I noticed also a report on a Liberal meeting held at Winnipeg. The heading is, "Liberals Hear Speaker on Economic Wartime Controls." Imagine my surprise when I read this:

> "We may as well face the fact that we are going to be governed by control boards after the war," said Mr. A. M. Stinbane, K.C. "It is our just duty to grapple with these problems and solve them ourselves and for ourselves."

That is a startling statement. I hope that Mr. Stinbane had no authority for making the statement, and that it is not to be the Liberal policy after the war, but, if it is, I think this House should lead the fight against such bureaucracy. Otherwise it will be National Socialism, Fascism or something just as bad for all of us.

I wish to refer next to certain Western Canada matters. When I say Western Canada I mean particularly the Prairie Provinces. The first matter in this connection is the income tax in so far as it affects the farmer. During the depression years, from 1930 to 1938, inclusive, there were poor crops in the Prairie Provinces, and the prices for all kinds of farm produce were very low—so low that heavy debts were incurred by the farmers. In many cases farm mortgages were doubled, farmers who had purchased land under agreements of sale were unable to make payments on the agreements, and arrears of interest piled on top of the principal made insuperable obstacles. Machinery and farm equipment got into a bad state of repair and wore out. The farmers were in need of nearly everything that makes life on the farm bearable. Their debts piled up to such an extent that in 1934 Parliament passed the Farmers' Creditors Arrangement Act, under which many proposals were made for reducing farmers' debts, or extending the time for payment, and so on, in the hope that when there were good crops again farmers would be able to pay their debts and replenish their worn-out equipment.

In 1939, 1940 and 1942 the crops in the Prairie Provinces were good, but by that time the Excess Profits Tax Act had been passed and the income tax rate had been greatly increased. I do not think the excess profits tax was intended to apply to farmers at all. In my opinion its purpose was to prevent corporations and others from making fortunes out of the war. Farming was a depressed industry and there was no chance of making a great profit in it. But with good crops and better prices to-day many farmers find themselves in the excess profits bracket. The reason for that in my territory in the West is that last year a large crop of flax was grown. As I say, many farmers are now liable for the excess profits tax, but they are unable to pay this and the high income taxes and also reduce their debts and replenish their worn-out equipment. These men are in a deplorable financial position, almost without any hope at all for the future. As a result, many of them are paying on their debts in order to save themselves from bankruptcy—that is, they are complying with the proposals made by the Board of Review under the Farmers' Creditors Arrangement Act—and are not paying any income tax at all.

In a recent issue of Maclean's Magazine I noticed an article stating that arrears of income tax owed by farmers must be forgiven, and that a committee had been appointed to prepare simple income tax forms, which farmers would find easy to fill out. I understand this committee has met and that the new form is ready. In fact, I saw one of the new forms at Saskatoon a few days ago. Imagine my surprise on finding that instead

of having four closely printed pages, as the old form had, this one has six closely printed pages and is so complicated that the sight of it would discourage any farmer from making out his return. I think something should be done about this matter. I am not prepared to suggest just what should be done, but it is a very important matter and one to which serious attention should be given. The farmer does not want to evade payment of his income tax, but on the other hand he does not want to be unable to pay something on his debts. He is helped somewhat by the fact that payments on mortgage principal or on the principal of his agreement of sale apply on his compulsory savings under the income tax law, but he needs more help than this.

My next remarks will be about that vexed subject, butter. About a year ago the price of butter in industrial Canada commenced to go up, and it was thought wise to have a ceiling placed on this product. I believe the price fixed at that time was thirty-three cents a pound. In Saskatchewan then there was plenty of butter, the price to the average consumer for good dairy butter being about twenty cents a pound in the summer and twenty-five cents in the winter, though some farmers supplied customers at twenty cents a pound the year round. But as soon as the ceiling was fixed at 33 cents by the Wartime Prices and Trade Board the price in the Prairie Provinces immediately went up to that figure; so the consumer had to pay a good deal more than before. True, the farmer who produced butter got some advantage.

Hon. Mr. BALLANTYNE: What is the ceiling now?

Hon. Mr. ASELTINE: I think the ceiling now is about 35 cents. It seems to me that the different boards look at things through the eyes of Ontario and the industrial East, and when a condition arises in those areas they think that a similar condition prevails in other parts, and they proceed to act on that assumption. The result is a hardship on Western Canada. That, in my opinion, shows a lack of planning on the part of the Government, and is my chief complaint in regard to the matter I am now dealing with.

As a result of the rationing of butter, dairy butter has almost disappeared from Western Canada, and where we had plenty before rationing came into effect we have now a shortage. The farmers who have been making dairy butter find difficulty in selling it. Many of them live long distances from town and on account of the gasoline and rubber regulations they are unable to come in more than once a week. They find themselves unable to deliver the same quantities of butter to their old customers as heretofore, for now they have to secure a licence to sell, and their customers must present coupons for their purchases. The stores also in many cases refuse to accept dairy butter.

Many of these farmers decided they would ship their cream instead of making it into butter. You can imagine their surprise when they found that not a cream can was available at any price. Consequently the farmers have turned their calves on the cows and now intend to fatten the cows for beef. Another result of these regulations is that butter-making in Western Canada is now almost entirely in the hands of the creameries; and in Saskatchewan we have only a few creameries. In fact there are none in the district from which I come.

To-day many dairy cattle are being shipped out of Canada. The Government, in my opinion, should restrict the export of dairy cattle. It does not appear to have a workable plan to deal with this serious matter.

I come now to the rental regulations. These have given me, as I believe they have given other senators, a great deal of trouble. At first the regulations affected only the industrial East—large centres where there were air fields and air schools, and where there was a congestion of population. But in the rural parts of Canada, particularly in the West, no rental regulations are necessary at all. There is no congestion of population. On the contrary, many people are leaving the rural areas and going to the large industrial centres in the East in search of work. Depopulation of the West is continually going on and will increase unless industries are opened up there. There is no real objection to the fixing of a ceiling on rent, in spite of the fact that in many areas of the West rents are very low, owing to bad crop years; but there is strong objection to the other rental restrictions. These interfere with provincial rights and therefore are, in my opinion, ultra vires.

Let me give an illustration. Take Rosetown, where I live. It has a population less than 2,000. We have no industries, no air fields or air schools; in a word, we have no activities to attract population, with resultant shortage of house accommodation. The town subsists entirely on the farming community of the surrounding district.

An Hon. SENATOR: Are there no churches?

Hon. Mr. ASELTINE: Yes, we have five. Why should a property owner in a town like that be subject to rental regulations? In many cases the tenant might be objectionable; he might be a bootlegger or a pander, or he might wantonly damage the property; but before the landlord could obtain vacant possession he

would have to go into court and make out his case. Why should the property owner in any of our rural districts have to give a year's notice to his tenant to vacate a house in case of sale? Why, in fact, should there be any rental regulations at all in areas such as I have described? The laws of the province should prevail.

When the Government decided to refer to the Supreme Court of Canada the question of the right of delegation of legislative powers to controllers, we thought the reference would deal specifically with the rental controller and that some relief was in sight, and I for one was surprised when I found the reference was confined to orders made by the chemical controller. His orders were unlikely to affect farmers or property owners. The rental regulations are bearing so harshly upon property owners that they have formed local associations for the purpose of securing legal advice as to exactly where they stand. I should have been glad indeed had the Government decided to bring the validity of the rental regulations before the Supreme Court of Canada. In this connection I think honourable members will be interested in my reading, in part, this editorial which appeared in the Fortnightly Law Journal of December 15, 1942:

We wonder why the choice did not fall on some really controversial dictatorship like the Rent Controller. At least we do not really wonder, we know why. The answer is too obvious. Too many people would be really interested in seeing the powers of that bureaucracy restricted to constitutional limits, and besides that there is in that case a real conflict of powers between the Dominion and the provinces involved. The property owner who is so vitally affected not only by rent control, but also by the inexcusable interference with contractual rights involved in the provisions as to termination of leases and so on, has organized for his own protection and so has the means at hand to obtain representation on the hearing of any such reference, and it is fairly obvious that such representation is not only not desired, but is in fact made as far as possible impractical under the form this reference takes. In other words this reference looks very much like an attempt to apply that well known instrument, the whitewash brush, through the medium of the courts. We suspect all references, as we have said, and this reference more than any other.

I have also under my hand a resolution which was passed by the Hamilton Law Association at a special meeting held on December 21, 1942. A copy of this resolution was, I understand, sent to the Prime Minister and to members of his Cabinet, and also to such Government officials and members of the House of Commons and the Senate as the executive of the association might deem advisable. This is the relevant part of the resolution:

Now therefore be it resolved that the Hamilton Law Association deplores the amendments to said Order No. 108 of the Wartime Prices and Trade Board, which came into effect on December 10, 1942, in so far as the said regulations extend the period of time beyond three months before an owner who has sold his rented property, or a purchaser who has purchased rented property, can obtain possession of the same as against the tenant, and this Association places itself on record as being of the opinion that the amendments to said Order No. 108, which came into effect the 10th of December, 1942, in so far as they extend the period of notice to a tenant and the obtaining of vacant possession of a property, should be revoked and repealed forthwith.

Be it further resolved that if the Government of the Dominion of Canada does not see fit to repeal and revoke the said amendment to said Order No. 108 of the Wartime Prices and Trade Board in so far as they affect the right to vacant possession of rented premises by an owner-vendor or a purchaser, then this Association suggests and asks that there be forthwith brought on for hearing by a proper and competent court, having jurisdiction to adjudicate thereon, the question as to whether the Orders in Council passed pursuant to the War Measures Act and the regulations made thereunder in so far as they assume to incorporate the terms and provisions thereof into any existing leases of real property, are ultra vires of the Dominion.

It is my hope that these matters will come before some competent court for decision at an early date.

Now, honourable senators, what I have been trying to show is that in my opinion there has been a sad lack of planning on the part of the Government. Regulations have been made one day and changed the next; new regulations have been made at a later date and then again changed, until everybody is in confusion as to what is the last regulation, and what it means, and whether or not something has happened that he knows nothing about. I think the Government should have some definite plan which would not benefit one part of the country to the detriment of other parts, particularly the rural parts of Western Canada. Half-planning measures lead to dissatisfaction and discontent. Just because a thing exists in Ontario or the East is no reason why it should exist in Western Canada. It seems to me that the Government should be well informed before taking any drastic action.

I had intended dealing with certain other matters having to do with Western agriculture, but, as I have already spoken at some length, I will defer my remarks to a later date.

Hon. A. L. BEAUBIEN: Honourable senators, it is not my intention to speak at any great length, but there are one or two paragraphs in the Speech from the Throne upon which I want to touch.

First of all, Mr. Speaker, let me offer to you my sincere congratulations upon your elevation to the position you now hold. I am sure you will acquit yourself with dignity and impartiality, and I hope our long association in the House of Commons may continue for many years in this Chamber.

I also offer my congratulations to the mover (Hon. Mr. Du Tremblay) and the seconder (Hon. Mr. Davies) of the Address in reply to the Speech from the Throne. They acquitted themselves very well of a task which is not an easy one, as I know. I had the privilege of seconding the Address in the other House, and found it a rather nerve-racking experience.

The atmosphere in this House and in Parliament to-day is to my mind a great improvement over the atmosphere that existed at the opening of the session of Parliament last year. Everybody seems to be in harmony; the unity of the country is stronger than ever before, and conditions as a whole in Canada are such as we ought to be proud of and try to maintain. This atmosphere is the result of the application of well-thought-out policies, and the leadership of the Prime Minister and his associates, who have refused to be stampeded into adopting ill-considered policies advocated inside and outside of Parliament. I think we ought to be very careful to do nothing that would bring about an atmosphere such as existed at the opening of last session, or would tend to undermine the Prime Minister and his colleagues or our parliamentary institutions. I maintain that if we are not careful to do everything in our power to show our respect for existing authority, parliamentary institutions will be discredited throughout the country; and if they are discredited they are destroyed, and there will be little left.

Another subject to which I wish to refer before I deal with the Speech from the Throne is the vicious attack on the Canadian Broadcasting Corporation made by the Right Hon. Arthur Meighen at the Progressive Conservative convention at Winnipeg. It was not Progressive then; it did not become Progressive until the very last minute. To my mind the names "Progressive" and "Conservative" are each a denial of the other. The attack on the Canadian Broadcasting Corporation, which plays a very important part in our national life, was one of the most vicious I have listened to. In that attack it was not only the Canadian Broadcasting Corporation that was brought into question—

Hon. Mr. ASELTINE: Is the honourable senator sure that the speech was broadcast?

Hon. Mr. BEAUBIEN: I am talking, not about the speech being broadcast, but about the attack on the Canadian Broadcasting Corporation by the Right Hon. Arthur Meighen at the convention in Winnipeg. Not only did he attack the Canadian Broadcasting Corporation, but he left the impression that the Government of Canada was to blame because the Conservative convention did not have the facilities of a national hook-up.

Hon. Mr. HORNER: So it was.

Hon. Mr. BEAUBIEN: Perhaps my honourable friend does not know as much about radio broadcasting as I do. I was the Chairman of the House of Commons Committee which in 1936 formulated the report that brought into being the Canadian Broadcasting Corporation as it is to-day, and its regulations. The committee was composed of members of Parliament from all parties in the House of Commons. The report was a unanimous one and was incorporated in its entirety in the proposed legislation, and this was approved not only by the House of Commons, but also by the Senate of Canada, of which the Right Hon. Arthur Meighen was at the time a member. The purpose of that legislation was to provide that the national broadcasting system of Canada, because of its importance, should not be subject to political interference.

Hon. Mr. BLACK: The complaint made by the Right Hon. Arthur Meighen and by many other persons in Canada is that the legislation has not been adhered to, and that the Canadian Broadcasting Corporation is being made a propaganda machine for a certain party.

Hon. Mr. BEAUBIEN: I do not agree with the honourable gentleman, because the Canadian Broadcasting Corporation to-day is entirely independent of the Government—

Hon. Mr. HAIG: What?

Hon. Mr. BEAUBIEN: —and decides its own policies.

Hon. Mr. HAIG: Will the honourable gentleman answer me a question? Can he tell me the politics of the members of the commission?

Hon. Mr. BEAUBIEN: I do not know them.

Hon. Mr. HAIG: I will tell the honourable gentleman.

Hon. Mr. BEAUBIEN: The honourable gentleman might accuse a person of belonging to a certain political party, but since the Winnipeg convention it has been very difficult to know to what party some people belong. The Board of Governors of the Canadian Broadcasting Corporation is composed of members from all parts of Canada, independently of politics.

Hon. Mr. HAIG: What?

Hon. Mr. BEAUBIEN: I could name several who never took part in any political activities—Mr. W. L. Brockington, and Mrs. Nellie McClung—

Hon. Mr. HAIG: What is her political record? She was a Liberal member.

Hon. Mr. BEAUBIEN: Mrs. McClung naturally opposed the political system that existed in Winnipeg between 1900 and 1914, a system we were glad to get rid of in 1915.

Hon. Mr. HAIG: She was a Liberal member of the Alberta Legislature.

Hon. Mr. COPP: That should not disqualify her.

Hon. Mr. HAIG: No, but she is a Liberal.

Hon. Mr. BEAUBIEN: That does not affect the argument. The Canadian Broadcasting Corporation is not a Government-controlled body; it is an independent body, and the Act was so designed that there should be no political interference. Further, the system of broadcasting on political affairs was arrived at by a conference of all political parties, C.C.F., Conservative, Liberal and Social Credit, so that it would be as fair as possible and give equal rights to all. What did the Broadcasting Corporation do immediately after the conclusion of the Winnipeg convention? It gave Mr. John Bracken, who became the leader of the Progressive Conservative party, time over the national network. My honourable friend from Winnipeg South-Centre (Hon. Mr. Haig) knows that at all political conventions, whether national, provincial or local, many things of a controversial nature are discussed. In Winnipeg, for instance, there was a certain objection to changing the name of the Conservative party. I think that if the convention had not been so well engineered and controlled by certain elements the name would not have been changed. The Canadian Broadcasting Corporation is doing a big job, of national importance. If we continue to attack it and other institutions which are created, not by the Government, but by the Parliament of Canada, we shall be undermining the very institutions we want to preserve. My honourable friend from Westmorland (Hon. Mr. Black) said a couple of days ago that the Canadian Broadcasting Corporation is "a Government broadcasting agency." It is not a Government broadcasting agency. The corporation was created by Parliament and is independent of the Government.

Another thing I want to mention is that part of the Speech from the Throne which deals with social security, social insurance, and so on. The debates that are going on to-day lead me to believe that we talk about these matters entirely from the industrial standpoint. My honourable friend from Inkerman (Hon. Mr. Hugessen) gave us yesterday a very fine address, in which he explained much about the Beveridge report. He is one of those who believe that a young country like this, with all its natural resources and with so much of the pioneer spirit among its people, should jump into a scheme of social legislation such as Great Britain, a country centuries old, has just found out she needs.

Hon. Mr. DAVID: And has not adopted yet.

Hon. Mr. BEAUBIEN: We must not overlook the fact that the Dominion of Canada has a large rural population, which is very important to the well-being of the country as a whole. Let us not be stampeded by advocates of social legislation that might destroy individual initiative and create a situation detrimental to our people. If we are going to have legislation to protect labour and the industrial centres of Canada, the farming population will be asking the Government for insurance not only against crop failure, but also against diminution in the quantity of milk given by cows, and against all sorts of things. The only point I want to make is that if we embark upon a programme of social legislation we cannot have it apply to the urban centres only.

Another interesting paragraph in the Speech from the Throne is this:

> In accordance with the provisions of the British North America Act you will be invited to consider a Bill for the redistribution of representation in the House of Commons.

If there is redistribution on the basis of the last census, Manitoba will lose three seats in the House of Commons, and Saskatchewan four. Why should we lose those seats when the fact is that our population has been reduced solely on account of the war? The number of enlistments from these two provinces in the armed forces is as great as, if not greater than, the number from any other part of Canada.

Besides, thousands and thousands of our men and women have gone to Eastern Canada—to Ontario or Quebec—where the industries are. In these circumstances I think it is unfair to do away with seven of our seats. If this redistribution takes place, then in addition to having our industries concentrated in the East we shall also have representation in the House of Commons concentrated in the East.

I do not know whether under our Constitution a redistribution is compulsory at this time, but if that is a fact I would suggest that the Constitution be amended to provide for postponement of redistribution until after the next census. I think that is only fair when you take into account the contribution that these two Western provinces have made to our war effort, through enlistments in the armed services and the supplying of labour for war industries. When the war is over, the people will return to their homes from the armed services and industries, and along with them will be many new-comers, so that instead of our population being lower than before, as it is now, it will be greater than ever. I submit that in the meantime it would be unfair to Manitoba and Saskatchewan to deprive them of a total of seven seats in the House of Commons, and I hope the honourable leader of the House (Hon. Mr. King) will bring this matter to the attention of the Government, with a view to having redistribution deferred, if at all possible, until after the next census. If the Government can do that, it will be only rendering justice to these provinces.

Hon. R. B. HORNER: Honourable senators, I wish to make a few remarks. Some of them may not be strictly relevant to the Speech from the Throne, but I understand that on an occasion like this we are allowed certain liberties.

First of all, I wish to congratulate Your Honour upon your appointment to the high position of Speaker of this Chamber.

I wish also to congratulate the mover (Hon. Mr. Du Tremblay) and the seconder (Hon. Mr. Davies) of the Address in reply to the Speech from the Throne. I listened with particular interest to the seconder's remarks, and I shall have something to say later on about some of them.

The honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) interjected into his speech certain references to the Canadian Broadcasting Corporation, and this brings me to mention a subject which is a very sore one to me—the refusal of that corporation to allow the Right Hon. Arthur Meighen to reply over the radio to charges made against him. I still maintain that the Canadian Broadcasting Corporation is to some degree controlled by the Government of Canada. I have personally listened to Ministers of the present Government talking politics over the air, attempting to show how well they were doing in comparison with what had been done in the last war. But although an attack was made over the radio on a prominent public man, the Right Hon. Arthur Meighen, who gave thirty-five years of his life to serve the people of this country, he is not allowed to reply by the same medium. I am satisfied, honourable senators, to leave to the people of our country the question whether that is fair treatment.

My honourable friend from St. Jean Baptiste criticized the party to which I belong for adding the word "Progressive" to the party's name. That criticism does not come very well from him. There was a time when he himself was quite proud of that word.

Hon. A. L. BEAUBIEN: I was not criticizing. I said that one word was a negation of the other.

Hon. Mr. HORNER: At many meetings in the West I have been challenged by radical speeches, and have had to bear strongly to the right; but after listening to most of the speeches that have been made so far in this debate I think I can afford to pull to the left. In that way I hope to keep sailing down the centre and avoid being wrecked on either bank.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. HORNER: I remember one meeting held in the West a year or so ago, where the speakers were denouncing all governments and deploring the plight of the farmers. On that occasion I went a good deal further than the honourable senator from Saltcoats (Hon. Mr. Calder) did here a couple of days ago in pointing out the progress we have made along socialistic lines. I reminded the meeting that in Saskatchewan there were three sanitaria at which our people could receive free examination at any time. We also have two large mental hospitals in the province. Perhaps some honourable senators may think we should build an addition to one of those. The fact is that we have gone a long distance in the direction of Socialism. I take the honourable seconder of the Address (Hon. Mr. Davies) to be a rugged individualist and capitalist. The trouble is, as I see it, that capitalism is off the gold standard. We have mixed a great deal of Socialism with our capitalism, and it is something like mixing oil with water.

The honourable senator from Saltcoats (Hon. Mr. Calder), in commenting upon the great variety that there is among human

beings, said they range between the two extremes of imbecility and genius. But he neglected to say there is a great variety in the principles that guide different people. If we are to preserve democracy we must see to it that control over public affairs is taken out of the hands of people who have no principles, or only bad ones. I agree with the suggestion of the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) that putting anything like the Beveridge scheme into effect in a new country like ours, whose people have the pioneer spirit, would be a very difficult thing and vastly different from putting it into effect in England. In my opinion we shall not need such a scheme in Canada if the geniuses without any principle are taken off our backs.

There are always going on a number of deals in which the public play the role of sucker. Take the organization of many of our life insurance companies. When their stock is first sold to the public, the purpose of the game is to rob the ordinary man. I should like to tell honourable members about one instance of this kind, without mentioning the company's name. The men who were taken in by the scheme were poor, and, perhaps you will say, in the imbecile class. Two or three of the brightest salesmen who could be secured combed the entire country for any persons who had a thousand or two thousand dollars to invest, and sold them stock in the company at $45 a share. These salesmen represented that the stock really was not for sale at this price, as it was certain to go to $60 right away, but they had asked their head office for permission to visit their victims, whom they flattered by treating them as outstanding citizens for whom they had received a number of shares at an attractive price. About twenty-two years afterwards this same stock, some of which I held, sold at from $4 to $5 a share.

But that is not the worst part of it. Salesmen of that type are said to be financial geniuses. Many of them are, in the sense that they knew exactly what had happened to other companies, and to them there was nothing wrong in taking money from "the great unwashed."

About four years after those fellows had done their work, another superman arrived in the village, phoned out to the farmers in the district and invited those who wished to sell their stock to see him. He would not take the time to go out to them. He offered the farmers who came in $10 a share for their stock. I said to him, "Did you hear I was starving to death?" "Well," he said, "I have bought 400 shares." That is just a sample of what happened in this instance.

The late Senator Burns told me the story of how his company was sold to the public. The same sort of thing happened in that case. The men associated with that business understood exactly the amount of capital it could pay dividends on—something which, of course, the average Canadian citizen did not know. He was not familiar with the packing business, but he knew the company had been prosperous under the Burns management, and naturally he wished to buy dividend-paying stock to put into the family stocking. In a few years' time all that stock was back in the hands of the men who at the time of floating the company had deliberately planned its manipulation for their own enrichment.

Such has been the practice right along. A few years ago an investment trust company was organized in the city of Montreal. Very intelligent men with sanctimonious faces travelled throughout the West and assured prospective investors that they would get 7 per cent interest on their investment in the company. Many a labouring man asked me when I was going to Montreal to find out what had happened to the company. Well, I found that 93 per cent of the capital had disappeared. By means of interlocking directorates and skilful manipulation the investment of those poor people was virtually wiped out.

Honourable members, this kind of thing must be stopped. The people of Canada are asking for legislation to protect them from these so-called financial geniuses.

I would suggest to the Government that every life insurance company in the Dominion should be nationalized. I said so when Parliament passed the Unemployment Insurance Bill. Now there is a cry for social and health insurance. How are you going to put it into effect? I hope we shall not have to apply to this proposed measure of social security the words we have heard in relation to the war: "Too little and too late."

We need State medicine, particularly in regard to drugs. In several municipalities of Western Canada we have had for a number of years a form of State medicine. Many doctors I have spoken to are strongly in favour of it up to a certain point.

I come now to the marketing of cattle. I should like to see the Government take over every stock-yard. The placing of a ceiling price on beef has proved a money-making proposition for the packing companies, but from the cattlemen's point of view it has been a huge farce. Not long ago Canadian Packers Limited was fined severely in Quebec. If our anti-combine laws were being enforced, that company would never have been organized in

the first place. What purpose do the stockyards serve now that we are at war? The farmer takes in a load of cattle for sale. He finds a whole army of men assembled there, and they pound the animals with canes to separate them and weigh each one in order to take advantage of the odd pounds and the break of the beam. I have killed my own beef and I can tell what weight an animal will dress, and what it will be on the hoof. After the cattle have been weighed as I have described, they are presumed to be sold to the commission men, but after you go back home there is a resale to the packers. That is the way our public cattle markets are being run. Packing companies buy cattle at 9 cents a pound and sell as though they had paid at the rate of 12 cents a pound. The Government should take over the yards, put in inspectors, send the cattle to the slaughter-houses as they can handle them, and credit the cattleman with the proceeds. Our people are dissatisfied with the manner in which the stockyards are conducted to-day.

I would remind honourable senators that the men who have left our province and gone overseas to fight for freedom know the conditions which I am describing, and I honestly believe that for the welfare of this country we must do something to encourage their morale. For this purpose the measures I speak of are, I believe, absolutely essential. We have encouraging evidence from Russia of how well soldiers will fight when they believe they have an organization which is really worth fighting for. I believe, honourable senators, that these reforms should come, and come now, in order, as I say, to build up the morale of the men who are overseas fighting for our freedom. I notice several members in the other House have been referring to what was promised our soldiers in the last war. At that time it was the wish of all public men—and I believe they meant every word of what they said—that this country should be made fit for heroes to live in. But unfortunately, because of the conditions I have mentioned, our veterans were robbed of the very money the Government gave them on demobilization. Although we prohibit betting, thousands of gambling rackets are being operated by men whom we call financial geniuses, but whose poor dupes are referred to by less flattering names. We know of a great genius who robbed his own country of $20,000,000. He robbed thousands of people, even members of his own family.

Hon. Mr. LACASSE: He was a wizard.

Hon. Mr. HORNER: I refer to Ivan Kruger. He was an amazing man. It is the duty of a Government to put a check on that sort of thing.

I do not suppose I shall get any praise from the packing companies or the insurance companies, but I feel I have done my duty in giving expression to these views.

Hon. W. E. FOSTER: Honourable senators, I rise to make a few remarks on the customary document which is before us for consideration and approval, namely the Speech from the Throne. Before, however, dealing with some of the matters referred to therein, I should like to follow the traditional practice of extending my congratulations to those chosen to perform the duty of moving and seconding the motion for the adoption of the Address. The speeches by the mover (Hon. Mr. Du Tremblay) and the seconder (Hon. Mr. Davies) were full of information and demonstrated that these honourable gentlemen can speak as well as they can write, and, as honourable senators know, they are both outstanding newspaper men. They are an added strength to the Senate.

As is the custom also, we have heard the honourable leader of the Government (Hon. Mr. King) and the honourable leader on the other side (Hon. Mr. Ballantyne) on the Speech from the Throne. The honourable leader of the House supported the speech, while, as was to be expected, the honourable leader opposite viewed it critically. I may say that the Speech from the Throne does not leave very much room for criticism, and I have all the more reason to congratulate my honourable friend from Alma (Hon. Mr. Ballantyne) on his excellent address.

We have frequently heard it stated that the debate on the Speech from the Throne is a waste of time and an unnecessary expense, and that it adds little to public information. I have never thought so, provided the debate is confined to a reasonable period of time. We should bear in mind that the member of a legislative body represents the people with whom he is more or less in personal contact, and this enables him to give expression to their views on the floor of the House, so that they may be circulated among the public generally.

I wish, Mr. Speaker, to add my congratulations to the many you have already received from honourable members who have preceded me in this debate. As I once occupied the Chair, I am better able to appreciate the advantages, and the disadvantages, if there be any, that accompany the high position you now occupy. During the term of

office of any Speaker there is sure to arise something of particular importance which makes a deep impression on his mind, that is, something happening outside the usual routine. That occurred in my day on a Saturday evening in September, 1939, and was of such a character that it left a vivid impression on my mind. It was the motion for the adoption of the Speech from the Throne, which, in effect, was a declaration of war on Germany. I shall never forget the tense atmosphere that prevailed and the emotion I experienced when I rose to put the resolution to the Senate. That was an historic occasion. It reminded us that Canada had achieved independence, for there had been written into statute law our right either to remain neutral or to declare war. Parliament voted unanimously to stand by Britain and declare war on Germany.

When I had the honour of being appointed a member of this body I thought it well to ascertain what my duties would be and how I could best perform them. I knew that it was a life appointment and that I should have to plan accordingly. I realized that I was through with the task of endeavouring to persuade the electors that what I stood for was in their interest, or that I was a suitable person to represent them. Of course, I was not always able to persuade them, but the balance was on the right side. The appointment also brought with it a realization that I was not representing any particular unit or constituency, and that I was under no obligation to address myself to the electors, but rather that it was my duty from time to time to give attention to questions as a whole and to their effect on the country and the people generally. I realized that this branch of Parliament was so designed that there should be an equality of representation from the different sections of the country, and that together the members would deal with any sectional questions which might arise, and would safeguard and maintain the autonomy of the provinces. I also learned that the main function of the Senate was to revise legislation coming from the other branch of Parliament, and, in extreme cases, to hold up what might be regarded as hasty or ill-advised measures. Therefore, in my view, I was to become a part of our democratic legislative machinery, which would deal with legislation emanating from a Government that had been chosen by the people to carry on their affairs.

True it is that private legislation can originate here and be passed along to the other Chamber. This is a method, I think, which should be encouraged, as private legislation is something that is shorn of any political complexion and can be effectively and carefully dealt with by this Chamber, particularly in the early days of the session.

My honourable friend from West Central Saskatchewan (Hon. Mr. Aseltine) spoke of certain criticisms which have been made from time to time. I am sure other honourable members have noticed them also. I would not, even if I could, mention the source from which some of those criticisms come, for, if I did, His Honour the Speaker would call me to order. I cannot but feel, however, that some of the criticisms which I have read or heard from time to time must have emanated from among those who would not want a body or a branch of Parliament possessing power to hold up what might be regarded by the majority of the people as ill-advised or hasty legislation. For this reason one can readily understand why such comments are made, and imagine where they originate. It has also been advocated in some quarters that our provincial legislatures should be abolished. May I say that if these suggestions for the tearing asunder of our established institutions are pursued further, it may be that this branch of Parliament will be found more useful than some of our critics believe it to be. As one who is now moving towards the shady side of life, I would say: Hold on to that which has proved good. We have the best form of government in the world. Do not tamper with something that millions of people in the war-torn world would give their souls to possess.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOSTER: Honourable members, there are reasons why this body is not more prominent in the public eye. One is that we are not good advertisers. Possibly, after listening to the words of the mover and the seconder of the Address and considering the line of their activities, we may take a lesson and improve our position in this respect.

Hon. Mr. LACASSE: With their co-operation.

Hon. Mr. FOSTER: We have not been advertisers. We have done our work without any blare of trumpets. Furthermore, in doing that work we have not found it necessary to indulge in a great flow of talk. Of course, the situation at the present time is more apparent, as there is less legislation to be dealt with than there would be in peace-time. The War Measures Act has been utilized, and properly so. You cannot fight a desperate war, such as the one in which we are engaged, without delegating broad powers to the Government.

Prompt action is necessary in innumerable cases in which the delay occasioned by the passing of legislation might jeopardize the undertaking. Therefore the Government is clothed with wide powers under this Act, to bring into being such laws or regulations as are necessary to meet situations promptly when they occur.

The criticism offered at the present time and under the particular circumstances is hardly fair. This is not a good time to give utterance to statements which have a tendency to weaken the faith of the people in our political institutions—and this branch of Parliament is part and parcel of our form of government, which, as I have said, is the best form of government in the world. It provides the greatest degree of protection for the life and property of the individual and for the civil and religious liberties of all. As I stand here giving expression to my views I cannot but think of the freedom which we enjoy and the privileges which are still ours—things of which so many people in this world have been deprived, all through one man's lust for power. I am afraid we do not appreciate or fully realize how close we have been to losing this freedom which we treasure so highly.

Earlier in my remarks I referred to certain events which I had the privilege of experiencing when occupying the position of Speaker of this House. One which will always remain fresh in my memory is that, because of my position, I had the advantage of conversing more frequently with the late Governor General, Lord Tweedsmuir, than otherwise would have been the case. Since then I have also been interested in reading some of his literary works. Recently I have been reading again a book written by this man with the quite ordinary name of John Buchan. It is entitled "Memory Hold-the-Door." In this wonderful book, which was published after the author's death, he wrote something bearing upon the privileges and the freedom of the people—privileges and freedom which we the people of Canada enjoy. I think it might be well at this stage to quote from this publication a statement by this wonderful writer. He says:

> For centuries we have enjoyed certain blessings; a stable law, before which the poor man and the rich man were equal; freedom within that law to believe what we pleased, to write what we pleased, to say what we pleased; a system of government which gave the ultimate power to the ordinary man. We have lived by toleration, rational compromise and freely expressed opinion, and we have lived very well. But we had come to take these blessings for granted, like the air we breathed. They had lost all glamour for us since they had become too familiar. Indeed, it was a mark of the intellectual to be rather critical and contemptuous of them. Paradoxical young men acquired a cheap reputation by sneering at the liberal spirit in politics, and questioning the value of free discussion, toleration and compromise.
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> To-day we have seen those principles challenged in the fundamentals, not by a few armchair theorists, but by great Powers supported by great armies. We have suddenly discovered that what we took for the enduring presuppositions of our life are in danger of being destroyed. To-day we value freedom, I think, as we have not valued it before. Just as a man never appreciates his home so much as when he is compelled to leave it, so now we realize our inestimable blessings when they are threatened. We have been shaken out of our smugness and warned of a great peril, and in that warning lies our salvation. The dictators have done us a marvellous service in reminding us of the true values of life.

That, honourable members, was written by the late Governor General. In addition to his abilities as an author, he was a true sportsman, and I have enjoyed talking with him about the pleasures of endeavouring to induce that king of fish the Atlantic silver salmon to rise to the fly—a pastime at which I think the honourable the Leader of the Government tries his skill with varying degrees of fortune.

Honourable members, it is not my intention to speak at great length. The Speech from the Throne refers to a number of subjects. It tells us that a study will be made of a proposed national system of social insurance and security. Such a study will take some time, and after it is concluded it may be opportune to bring forward some measures of the kind suggested in the Speech. In this respect I think it is well for us to bear in mind that the end of the war is not so near that undue haste is necessary in dealing with such matters. My experience in public life has been that remedies too speedily applied sometimes produce evils greater than those we seek to cure. But I must say I was greatly impressed by the argument advanced by the honourable senator from Inkerman (Hon. Mr. Hugessen) in favour of our taking action as early as possible. It is true that if social legislation of this kind were passed in various countries it would probably bring about a greater spirit of contentment among the peoples and perhaps indirectly help to hasten the end of the war.

But, honourable senators, we must not conclude that the governments of the provinces, under whose jurisdiction health laws and certain social legislation are administered, have taken no action at all to improve the living conditions of our people. The fact is that for the past twenty years or more a steady improvement has been made in this respect. At least, I know that is so in the province from which I come.

I have had some experience in the evolving of laws for social reforms. When I entered public life I may have possessed some ideals, and probably had some illusions. That was not very long ago, but I could not help viewing with alarm the conditions then prevailing with respect to the care of the poor and needy, and the utter lack of regulations for safeguarding the health of the rising generation. I was approached by an eminent medical doctor who was willing to join me in efforts to improve conditions. I mention this because, although it may not be of great interest to honourable members present, I wish to place on the records of the country some testimony to the splendid work done by that gentleman. He entered the provincial Government of New Brunswick for the particular purpose of establishing a Department of Health, and he became the first Minister of Health in the British Empire. He naturally encountered many difficulties. His efforts and plans were opposed—and the schemes suggested in the Speech from the Throne will be similarly opposed—by people who regarded social legislation as encroachment upon the liberties of the individual.

This eminent physician, who became, as I say, the first Minister of Health in the British Empire, agreed to serve for a time in that capacity without salary. As it was not possible to obtain sufficient money to establish the reforms he deemed necessary for properly administering the department he decided to set up, he appealed to one of the generously endowed institutions in the United States, I think the Rockefeller Foundation, to whom he outlined his plans for social services in our province. So impressed was that Foundation with his proposals, particularly with his plan for appointment of district nurses to serve the poor people, that it agreed to furnish, and did furnish for a considerable number of years, a large sum of money to help along his great work. He established medical inspection in the public schools of our province. That was a revolutionary thing in those days, because people did not understand the necessity for regular inspection of children by doctors. He also established district clinics and serum depots, which rendered invaluable service on the threat of any outbreak of smallpox, diphtheria or disease of that kind.

But he ran up against most serious opposition when he tried to bring about compulsory pasteurization of milk. That was something so novel to the minds of the people that when he came up for re-election he was defeated. I should say that up to that time in no province at all was pasteurization of milk compulsory.

In the election campaign his opponent contended that if nature had intended milk to undergo treatment such as proposed, the machine for the purpose would have been within the cow. However, the Minister was later re-elected, and continued his good work, but died in office. A monument stands to-day on the grounds of the Parliament Buildings at Fredericton to the memory of this pioneer in the great public health movement, the Honourable W. F. Roberts, M.D.

I mention this case, honourable senators, because I think it is well to bear in mind that our governments, federal and provincial, have not been unmindful of the welfare of the individual. The proposals made in the Speech from the Throne are but an extension of measures that we trust will eventually be joined, with the co-operation of the provinces, in one great movement.

Honourable members, I will not take up more time just now. At a later date, when these measures of social legislation come before us, we shall be in a better position to discuss the whole question, for then we shall know definitely what steps are proposed. I wish only to say again that I was very much impressed with the speech of the honourable senator from Inkerman (Hon. Mr. Hugessen). No doubt many honourable members are often invited, as I am, to address various societies and service clubs, and it seems to me that whenever we have occasion to discuss the proposed social measures the speech of the honourable senator from Inkerman might well be referred to for information, not only as to the benefits to be derived from them, but also as to their cost to the taxpayers. His speech must have been preceded by very extensive research.

I hope, honourable senators, to deal at a later time with other matters referred to in the Speech from the Throne.

Hon. EUGENE PAQUET (Translation): On January 27 the political party leaders paid tribute to the new Speaker of this House. I wish to join them in tendering him my congratulations on his appointment to the high position he now occupies. I am sure that he will fulfil the duties of that high office in a manner befitting the best traditions of the Senate.

The clouds of unrest which toward the end of the summer of 1942 were darkening the horizon in the United Nations have lifted, if not entirely, at least enough to let us glimpse the dawn of victory. I consider that our young country's achievements have been wonderful. I wish to do justice to our people, who, without any distinction

of party, race or creed, have given their support to the Government. In the tremendous task accomplished we have proved that those races which make up the population of Canada are actuated by the same patriotic feeling that moved their forebears.

Since the last session of the Dominion Parliament the Government has floated its third war loan. Financial sacrifices must be made in order that we may prosecute the war and achieve victory. That is a tremendous task, but it can and must be successfully accomplished.

I wish to quote the following message issued by His Eminence Cardinal Villeneuve in connection with the third Victory Loan:

> The Canadian Government is floating its third War Loan.
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> It is doing this for obvious reasons: the war goes on with vicissitudes that make it more and more cruel and are bound to bring it nearer and nearer to us. Neither courage nor optimism can persuade us that we shall be completely spared on our shores and even inland. Recent events indicate the opposite.
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> Already a great many of our men have shed their blood, and they will expect us at least to support them financially, so that their efforts may be strengthened and victory ultimately won. On the other hand, economists recognize that the investment of our savings in Government bonds is an efficient and necessary way of protecting ourselves against inflation and post-war economic upheavals. That is why we encourage and exhort our faithful to respond according to their means to the appeal made by the authorities. That is essentially an act of high patriotism and economic prudence which supernatural intentions may render quite deserving in the eyes of God.
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> To the sacrifices that are necessary we shall add our prayers, so that the Lord of victory and peace may bestow His mercy and justice on the world and free it from war and iniquity.

In supporting that loan we are taking the course that is necessary for the salvation of our country, for our survival and for the defence of our Christian ideals. On hearing the call to arms, our fellow-citizens have volunteered and joined the Allied troops for the defence of their country and the destruction of Prussian militarism. Since the beginning of this war, the Minister of Finance has exhorted the people to heed the appeals of the authorities, who ask the Canadian people to practise thrift and lend to the Government what they can save. Foresight, which is a personal duty, becomes a national duty in the present circumstances. The Canadian people are prepared to make heavy sacrifices in order to ensure final victory for the Allies, but they would never condone abuses in the handling of the funds entrusted to the Government.

Our country is seriously threatened, and if we are to save her we must accept the greatest sacrifices. The war effort of Canada requires huge sums of money. Taxes alone cannot suffice. Loans must be resorted to, so that the taxpayers' money may help the nation's cause. The enemy spares no effort to maintain the efficiency of his armed forces.

Let us ponder the words of the Minister of Finance:

> All Canadians will generously co-operate in order to ensure a striking success for the next Victory Loan, so that we may give the enemy a further indication of our staunch resolve to vanquish him, while setting at the same time a good example for our neighbours.

French-speaking Canadians ensured the success of the last loan because they considered the threat to the Allies as a menace to freedom everywhere, even in the province of Quebec. In the great task that lies before us, we must show no hesitation whatever. We must fight for the eternal principles laid down by the Creator—for justice, which protects human rights; for charity, which mitigates unavoidable hardships. We must win the war at all costs. Such is the thought that should be uppermost in our minds at this time.

If we lose the war we shall sink into an abyss of untold misery. Freedoms gained through struggle and sacrifice will all be destroyed if we lose the war. As has been said on many occasions, certain people should stop disparaging democracy and endeavour, rather, to save it. Let us make every necessary effort to remedy its imperfections. The Prime Minister of Canada pointed out one of the remedies the other day, when he said that "we ought to utilize our resources and ability to meet the needs rather than the greed of mankind; we should, above all, endeavour to use our natural resources for the conservation of our man-power and the betterment of the health and welfare of the whole population."

It may not be untimely to quote what was said by Mr. E. Bevin, Minister of Labour in Great Britain, in connection with Canada's war effort:

> The British Government are anxious that the Press should properly recognize the effort which Canada is accomplishing in this war. The Dominion entered the conflict at the very beginning, and it devotes all its energies to it. I can assure you that from the standpoint not only of the armed forces, but also of production, Canada is rapidly moving toward the rationalization of armament production. Besides being confronted with problems like those which we in this country must solve, Canada is ready to co-operate promptly in the building of ships, aircraft and so on. In other words, Canada shows her eagerness to collaborate with Great Britain and to meet this country's needs.

That statement constitutes an important tribute to Canada's achievements in the Allied cause.

As has already been said in this House, we are all agreed that victory must be won. However, I am not alone in thinking that, in the circumstances, the utmost clear-sightedness and a well reasoned prudence will be needed to cope with the general confusion that will not only possibly but probably result from the present conflict. Hence the opinions which have been voiced, in Canada as well as in the United States, with regard to post-war problems. It is therefore imperative that we should foresee as far as possible their consequences in every field.

Some people are beginning to discuss the need of immigration. After the war of 1914-18 serious mistakes were made in the matter of immigration. No sooner had the European war come to a conclusion than we were opening our doors to thousands and thousands of immigrants who, ten years later, were on Government relief, either because they had been unable to adapt themselves to the conditions of life in Canada, or because our economy could not absorb so large a number of immigrants.

Here are the immigration figures from the end of the Great War to 1930: 1918, 31,845; 1919, 107,698; 1920, 138,824; 1921, 91,728; 1922, 64,224; 1923, 133,886; 1928, 166,783; 1929, 164,993; 1930, 104,806. At the very beginning of the depression, the Liberal Government having been defeated, there was a departure from such a thoughtless policy. In 1931, the number of immigrants fell to 27,530. During those years, the British Isles were prominent in the immigration figures: 1919, 57,251; 1920, 75,804; 1921, 43,772; 1922, 31,005; 1923, 70,110; 1924, 57,612; 1925, 35,362; 1926, 48,819; 1927, 52,940; 1928, 55,848; 1929, 66,801; 1930, 31,709. But the United Kingdom could not without danger suffer such a loss of population. Consequently, from 1926 to 1930, with the exception of 1929, foreign countries sent us a much larger number of immigrants than Great Britain and Ireland.

What happened to the new-comers? Some of them have had a remarkable success in politics, in the civil service, in finance, in industry and in the Press. But, on the whole, very few have achieved a great measure of success. Most of them have lived from hand to mouth. Some have even been destitute. In February, 1934, there were 1,154,822 persons on relief; in February, 1935, there were still 1,054,821. Of course, those who were on unemployment relief were not all immigrants. Many of the new-comers had obtained positions formerly occupied by Canadians. This was a cause of discontent and grievance. Canadians have a very sad recollection of that unfortunate period. They certainly do not want to see a repetition of it. They are undergoing enough sacrifices in this war to be entitled to what our English-speaking fellow-citizens call social security, that is, a reasonable protection against unemployment, destitution, and uncertainty. As was stated by Mr. Omer Heroux:

> Things must be faced as they are. Undoubtedly, there is now being prepared for the post-war period a policy of mass immigration. It is imperative that we should determine as soon as possible its probable effects and consider the attitude that must be taken about it.
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> There can be no question of closing our doors to all people from other countries, but the first duty of those in power is towards the people who have developed this country, and towards their children. Let us not, in the vain hope of promptly improving conditions brought about by the war, run the risk of making the position of our present population worse, or of disturbing the economic, the social and even the political balance in Canada. Everyone realizes that, from those three points of view, the sudden arrival of too large a number of people from the outside might have alarming effects.
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> At any rate, one thing must be kept in mind. One of the serious problems that will arise in the post-war period will be connected with immigration—such immigration as, for various reasons, many people with powerful means of action at their command want to see carried out extensively and promptly.

That is one of the points which we should not overlook.

Let us now see what another writer has to say in this connection:

> After the sad experience of the last thirteen years Canadians are no longer interested in false doctrines expounded by people whose concern is to lessen the burden of other nations rather than the load which their own country must bear. Our post-war problems will be numerous and overwhelming. No serious-minded man tries to wave them aside under some pretext or other. But it would be utter folly to think that any sudden and important increase in population could make easier the solution of our financial, industrial and agricultural difficulties. It would certainly make them worse. We no longer live in the days of the Far West, when there was no objection to migrations taking place under the worst conditions of the struggle for life. The tillable land now available is anything but plentiful. Canada has not the same climate as the United States. Neither has it the diversified wealth of that country. To make a comparison between the United States' population and ours, as an argument in support of immigration, is to show a lack of knowledge of the true situation of both countries.
>
> The worst feature of this new campaign is that it threatens the 700,000 Canadians who have volunteered for service or have been called up for training. They were told that the struggle was for freedom, for a new and better order, for the security of their homes, for a greater degree of prosperity in Canada. They were promised the gratitude of their country. These soldiers have been led to expect some consideration. But now that they are in England, guarding strategic points since 1940, or in their corvettes sailing the seas, to protect

convoys, or taking part in the fight for aerial supremacy, there is talk here of inviting thousands of immigrants to take over available farms or to crowd into the industrial or mining towns, thereby increasing the number of workers. Concerning this strange project our soldiers read articles composed by persons who plan for the post-war period in the same way as they contribute to the war effort, that is, by writing fine words in the comfort of their editorial offices. However, our soldiers fail to see any serious effort on our part—if serious effort there is—to prepare for their return, to insure their re-employment, to guarantee that they shall be in a position to earn their living.

This campaign to promote immigration appears to be an inappropriate and cynical enterprise. Does it not tend to discourage commendable effort and self-sacrifice?

We are faced with tremendous problems, the most serious of which is surely that of our youth. They are entitled to the opportunity of preparing their own career, and it is our duty to ensure their future. When we are already planning for the post-war period we must not forget that our first obligation is to see that the youth of the present generation are properly equipped in the intellectual field. They must receive the best possible training in all branches of knowledge: science, technology, craftsmanship, agriculture, without forgetting the sphere of higher knowledge, which is of such paramount importance in the training of future leaders. The Government, in order to prevent the post-war period from being too gloomy, should allow the students to complete their studies in law, arts and literature.

To settle the labour question, let Mr. King revive the splendid programme he outlined in June, 1940. To win the war, said the Right Honourable Prime Minister in 1940, our men must continue to work in the bush to produce the lumber necessary for the construction of wharves, buildings and other projects immediately required; they must continue to work in factories where they will perform tasks infinitely more useful to the country, by applying their skill to the production of airplanes, munitions and other war material, than what they could do by offering themselves for military training; the farmers must continue to operate their farms so as to supply, with the least possible delay, all the agricultural products necessary to the fulfilment of our task. In Canada, industry is a corollary to agriculture, by reason of a natural evolutionary process. After man took possession of new territory he endeavoured to draw his sustenance from the soil, handing over any surplus to the traders. The problem of agriculture at the present time deserves the highest consideration. If we had kept more men on the farm, if we had put more men to work in shipyards, we could supply more food to Europe, and we should have more ships to transport it, more naval units to convoy it across the Atlantic, and, consequently, less reason to put our people on the ration system. One of the main factors of the present situation is that we have sent too many men to the armed forces, but have not kept a sufficient number for the farms and the shipyards.

According to a comprehensive survey, 250,000 farmers have already been mobilized. They are all hardy young men whose work on the farms was of the utmost importance. In spite of the increasing needs of agriculture and the shipyards, more men have been mobilized for the army. To shorten the war it is imperative that our soldiers be supplied with the necessary food.

Here is what the editor of Le Devoir wrote on January 30, 1943:

To win the war hundreds and thousands of soldiers are not enough. Among other things, we must know what our needs are in comparison with those of other countries; we must organize our agriculture instead of depleting its manpower; we must encourage and help this industry to increase its production; and, above all, we must use common sense, practical common sense based on a thorough consideration of present factors, facts and statistics. Who will ever believe that common sense inspired the rationing of such a domestic product as butter, a product which is the more necessary to our people because of our severe climate, and it is particularly severe at the present time, when our population has a greater need than ever of so-called protective foods such as butter, eggs, green vegetables, raw fruit and oils? But Canadians more and more have to do without them, not only because thoughtless orders have been passed, but also because production and importation are increasingly impaired and the regular markets disorganized. The rationing of tea, coffee and even sugar is understandable: they are all imported goods. But people have to do with less butter than previously, at a time when it is needed more than ever before. We are allowed about 5 ounces of butter a week as against 40 ounces of alcohol. . . .

As a former physician of Bonaventure I may be allowed to call attention to the Fourth Co-operative Congress, held at Gaspé Seminary on October 27 last. The leading citizens of the Gaspé peninsula met under the enlightened leadership of His Excellency the Bishop of Gaspé, Msgr. F. X. Ross. The indefatigable promoter of social welfare wished to show the co-operators of Gaspé his appreciation of the task they have undertaken; the social, moral and material progress of the Gaspé peninsula.

The Fourth Co-operative Congress of Gaspé is a milestone on the road to progress, mutual understanding and union of all the co-operators of the Gaspé peninsula. It has been for everyone a source of hope and inspiration as well as a proof of the power already wielded by the co-operative movement of this district.

Provided they remain faithful to the principles of co-operation, and show initiative, the co-operators feel positive of contributing to the establishment of not only a new, but a better order.

The fishermen and navigators of Gaspé, the Lower Saint Lawrence and the North Shore are not satisfied with the manner in which the three National Defence departments have been administered. Therefore, at the election of Charlevoix-Saguenay, the electors refrained from approving the policies of these departments.

The Hon. Minister of Justice, at a banquet held in the Lapointe-Drouin Club, stated that the ships sunk in the Saint Lawrence river numbered only 10 to 15 and that measures had been taken to remedy the situation. I have carried on my profession for a period of 18 years in the centre of Gaspé peninsula, and in the midst of all the dangers to which this district is exposed. I thank Mr. Sasseville Roy, federal member for Gaspé, for his efforts to see that a reasonable and efficient defence policy be applied in the region of the Lower Saint Lawrence.

Why is not the strategic Gaspé highway, continually mentioned in the past two years, already started? Not only do politicians speak about it, but, on October 22 last, Mr. Louis-Philippe Roy, one of the editors of L'Action Catholique, wrote as follows concerning the defence of the Saint Lawrence:

It is now evident that all the doubting Thomases have been convinced. However, the whole population of the country, and especially that of the province of Quebec, are wondering whether our river is sufficiently protected against Axis submarines.

A statement from the Minister of Naval Services has raised the following question in the minds of many people: Are the convoys as well protected in the Saint Lawrence river and gulf as they are on the Atlantic?

Hon. Mr. Macdonald stated recently that our naval forces now comprised 500 warships and that our units were assuming nearly one-third of all convoy missions on the ocean.

We have reason to be proud of such an achievement.

We may well feel proud of the long road covered since 1939, of the great progress realized. However, should we not be the first to benefit from the marvellous development of our navy? Is not the first duty of a nation towards itself, as Hon. Mr. St. Laurent stated in the Commons recently? We are glad that our ships protect convoys across the Atlantic, but we wish this protection to start at Father Point.

Once more, we do not wish to protect our interests exclusively; we should not like to mobilize all our ships for service in our waters only. But we do ask that enemy submarines be first chased away from our river. We suggest that steps be taken to prevent submarines from parading in sight of our shores, even though they may not be as numerous as the popular imagination makes them.

We approve what the English newspaper of Quebec has published on this subject. Its stand proves that, like us, it places the protection of Canadian interests, the defence of Canada, first. This is only reasonable.

When we attempt to determine whether our country is best protected in Europe, where the enemy is, or in Canada, from which the enemy is far removed, the debate may be long drawn out. But when it is a matter of repulsing the enemy already in our midst—in the present case in the St. Lawrence river—all argument should drop. The first duty of our navy is to rid us of the Nazi submarines so far as it can accomplish this task.

In conclusion, may I be allowed to quote from the words uttered by the late Senator Dandurand on June 18, 1936. They express my feelings towards our youth, my wishes to them and my hopes for them:

I say to the younger generation of French-speaking Canadians, now dissatisfied with their lot, more especially in the economic field, that they can by superior training and higher culture qualify for an important role in the Canadian Confederation. They will thus form part of the elite which will mould the destiny of this country. They must resolutely apply themselves to the task. The leaders who have preceded them have not had their opportunities for higher study and culture. The men of to-day and of to-morrow should be better equipped. If they have superior culture, character and moral stamina, with unity of purpose to serve their country, they will command the respect of their associates for themselves and for the rights and privileges they so deeply cherish. To those young men, to that coming generation, I declare that I have no hesitation whatsoever in placing under their guardianship these rights and privileges.

It is our duty to rehabilitate Canada's youth in the moral, social and professional fields. I ask French Canadian youth to seek economic power so that they may be enabled to fulfil the ideals to which Providence calls them in their province. I appeal to those who belong to another race and speak another language. I pray that in the Government services our Ministers will not ignore French-speaking technicians. Let us place the French language in the position it deserves. Let us give the minority the rights granted them by the Constitution.

Let our race be dealt with justly, and the uneasiness and grievances bound to occur in this Confederation will then disappear.

Let English-speaking and French-speaking Canadians unite, as Lloyd George asked the British House of Commons to do during the last war.

Enough of rivalries, of commercial, professional, political and other jealousies. Let us be nothing but a united people, everyone seeking the same object, all marching hand in hand, inspired by the same courage, resolved that the noblest cause ever defended by a great nation shall triumph.

In conclusion, I quote the last page of an essay written by Mr. Gustave Lanctôt, Chief Dominion Archivist of Canada:

During the last three months the German armies have failed to achieve a single victory on any front. On the United Nations' side China is still fighting, and now Wavell is starting a new offensive in Burma. In Africa the days of the Axis are numbered, their army being squeezed between Anderson's force in the west and Montgomery's in the east. In Asia Japan is gradually losing to the Americans and Australians the outposts used as bases, while on the Soviet front the rout common to all invaders of immense Russia seems to be on the point of starting. Now we see the beginning of the end of the war. Let us hope that 1943 will herald the beginning of the end of German barbarism, Italian acquisitiveness and Japanese ferocity. At long last, Justice rises on the horizon.

The Address was adopted.

ADJOURNMENT OF THE SENATE

Hon. J. H. KING: Honourable senators, in accordance with the practice followed since the beginning of the war, we adopted a few days ago a resolution empowering His Honour the Speaker to reconvene the Senate at any time, during a period of adjournment, in the event of an emergency. I will now move that when the Senate adjourns to-day it stand adjourned until eight o'clock on Tuesday evening, March 2.

Hon. WILLIAM DUFF: Honourable senators, I am sure everyone in this Chamber is desirous of having Government business conducted as speedily as possible. If there were work for us to do before the 2nd of March, we should be only too glad to resume earlier, or even to have no adjournment at all. But knowing, as we do, the time that is usually taken in another place for consideration of the Address in reply to the Speech from the Throne, we can feel certain that if we come back here on the 2nd of March there will be no business awaiting us. My honourable friend the leader of the House (Hon. Mr. King) points out that when the Senate is adjourned we can be recalled on short notice by His Honour the Speaker, in the event of emergency; so whenever we are required here we shall be present, regardless of what date is set to-day for resuming. Those of us whose homes are at a long distance from Ottawa know that the three weeks between now and the 2nd of March do not allow us much time to attend to our business, when we deduct the days lost in travelling back and forth. If my honourable friend the leader of the House insists on his motion, I must of course defer to his judgment, but I do think, honourable senators, it would be not only in the interests of Parliament, but also those of the country to give the members in another place ample time to express their views on the Speech from the Throne and to give the Government an opportunity to bring down its legislation, so that when that legislation comes to us we shall be ready to deal with it. I would again suggest to the honourable leader of the Government that in fairness to all senators he extend the adjournment to March 16, and thus give us a sufficient interval to attend to our business before we return here to resume our duties.

Hon. Mr. KING: Honourable senators, I am sorry I cannot accede to my honourable friend's request. The proposed adjournment of three weeks is as long as we should take, and were it not for the rule I have mentioned, I do not think we should be justified in making it even so long.

The motion was agreed to.

The Senate adjourned until Tuesday, February 16, at 8 p.m.

THE SENATE

Tuesday, February 16, 1943.

The Senate, having adjourned until Tuesday, March 2, was summoned in accordance with the provisions of the resolution adopted by the Senate on the 28th day of January last, and met this day at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

SUPPLEMENTARY 1942 WAR APPROPRIATION BILL

FIRST READING

A message was received from the House of Commons with Bill 6, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: When shall this Bill be read a second time?

Hon. Mr. KING: I would move, with leave of the Senate, that the Bill be read a second time now.

Honourable senators, when we adjourned on February 5 we knew it was the intention of the Minister of Finance to bring down his Budget and financial measures within two or three weeks. It was only on February 8 that we learned the Government had found it necessary to bring down a supplementary estimate to cover certain war expenditures that

had been incurred during the fiscal year 1942-43. In order that we might deal with this Bill as soon as possible after it had been passed in another place, His Honour the Speaker exercised the power granted him by a resolution passed in the Senate on the opening day of this session, and summoned the Senate to resume earlier than the date set at the time of the adjournment. This occasion, the first of its kind this session, demonstrates the wisdom of and need for the resolution.

The Minister of Finance had indicated to the House of Commons the necessity for granting a supplementary estimate to cover certain expenditures not provided for in last year's estimates. The Comptroller of the Treasury advised him that certain commitments required immediate attention, and in order to secure prompt action he suggested that the House of Commons be given full opportunity of discussing these expenditures when the main estimates for 1943-44 were being considered. The other House accepted the suggestion and yesterday passed the Bill through its various stages at the afternoon and evening sittings. I am hopeful that we shall give the measure similar dispatch.

It has been the practice in this Chamber not to debate at length or to alter financial proposals of the Government. But I have in mind what occurred here last year, and what I do not think we should like to have happen again: that is, we were asked on the closing day of the session to pass the full War Appropriation Bill at one sitting. It seems to me that this session, in anticipation of such a Bill coming from the House of Commons, we might well study its provisions through a standing committee, or set up a special committee for the purpose, and so familiarize ourselves with them before actual receipt of the Bill. I understand there would be no objection to that procedure and I believe that for our own satisfaction and in the public interest it would be wise to follow it.

I think it is a surprise to most of us to find that Canada has been able to produce not only the implements of war, but also the primary products so essential to war, far in excess of what was expected. It is understood that to-day 40 per cent of the output of our war factories and of our farms, mines and forests are required for our own armed forces and 60 per cent are available to Great Britain and the other Allied nations. We have been sending very large quantities of war supplies not only to Great Britain, but also to Russia, and as much as possible to China. Since our defence or security is not immediately imperilled, I think it is the desire of the Canadian people that basic products as well as munitions and other war supplies should be made available for the other Allied nations.

Mr. Ilsley rather showed what he had in mind when he stated in the other House how we had financed and provided dollars for Great Britain up to the present time. That has been done by our acquiring Canadian securities before their due date, supplying Canadian funds for that purpose. We also accumulated pounds sterling, which were set aside and eventually lent to Great Britain for the duration of the war, without interest. These sums have been exhausted, and it will be necessary for us to consider further measures. The Minister has indicated that when he brings down his financial statement he will advise Parliament as to the intention of the Government to set up within the Cabinet a Board of Allotment, to advise on the allocation of our surplus. In this respect we are fortunate in having, in the person of Mr. Howe, a representative on the United Nations Board, which meets in Washington; but it is felt that the Government of Canada should make the allocation of our extra supplies.

Now I come to the Bill itself. I am informed by the Clerk of the Senate that it is word for word the same as the bill we passed last year, except that in section 4 it contains the figure of $858,000,000 instead of $2,000,000,000. Mr. Ilsley in the other House yesterday intimated that his last year's estimates overran the amount he had asked Parliament to vote. I think we all remember that a year ago he stated to Parliament that it was very difficult to forecast the requirements of the Department of Munitions and Supply. There are other items also. You will remember the conference held here in June, I think, of last year, by representatives of Great Britain, the United States and other Allied nations, with regard to the air training scheme. The scheme was very much enlarged, and this was not provided for in the estimates. Mr. Ilsley says that if the $858,000,000 is added to the $2,000,000,000 asked for last year, the total will just about tally with his estimate as given to the House last session. He intimated that he did not ask for more than $2,000,000,000 then because if more were required a supplementary amount could be asked for whenever Parliament was sitting.

I am informed that certain commitments require almost immediate attention, and I know it is the desire of Parliament and of the people of this country that Canada should meet her obligations as they become due. It is suggested that such important items as dependants' allowances might be held up if we failed to furnish these moneys.

In another place a question was asked as to the amount of the increase in the civil or ordinary estimates included in this Bill. I understand it is $118,000,000. The explanation is that there was interest on the war debt previously contracted; there were subsidies granted or payments made to the provinces in lieu of revenues they surrendered in turning over certain taxation fields to the Dominion; and payments were made under an agricultural bill passed last year to permit of a certain acreage being summer-fallowed instead of being put into wheat or other production. I think probably there were other payments also on wheat. These amounts, I believe, cover and explain the increase in the civil estimates.

The Government is also taking care of British expenditures on war industries in Canada, which amount to some $200,000,000, and that figure is included in this total.

Hon. Mr. LEGER: Honourable senators, if I understood the honourable leader of the Government rightly, this Bill for $858,000,000 represents expenditures in excess of the amount estimated last year.

Hon. Mr. KING: No; that was not exactly what I said. When he asked for $2,000,000,000 the Minister intimated it was very difficult to make a definite estimate for the Department of Munitions and Supply and the air training scheme, and he said that if his estimate proved too small he would come back to Parliament and ask for a supplementary amount.

Hon. Mr. LEGER: Then it means that his estimate was short by $858,000,000?

Hon. Mr. KING: Yes, he was short that much.

Hon. C. C. BALLANTYNE: Honourable senators, this House having been summoned by His Honour the Speaker to meet to-day, we on this side have not had an opportunity of giving as much consideration as we should have desired to this supplementary estimate of $858,000,000. Much as I admire the efficiency of the Minister of Finance, I am rather at a loss to understand why he did not anticipate earlier that this supplementary amount would be needed. However, apparently the need is urgent, and we are here to consider this Bill and to pass it, after we have obtained the information that we hope to get. It is not my intention to delay passage of the Bill unnecessarily. As the honourable leader has stated, two billion dollars had already been voted, and now this additional sum of $858,000,000 is required.

Hon. Mr. CALDER: For the current year.

Hon. Mr. BALLANTYNE: For the current year. This includes an excess of $118,000,000 over the estimated ordinary expenditures of $482,000,000.

I need not tell the honourable leader, for he is as well aware of it as I am, that the people have never been more keenly interested in and watchful over governmental expenditures than at the present time. The weight of taxation is becoming heavier and heavier for them as time goes on. They are not objecting; on the contrary, they are perfectly willing to pay to the limit of their capacity; but they do want Parliament, and especially the Government, to keep a most watchful eye on expenditures and to cut them down wherever possible.

I notice that subsection 2 of section 3, on page 2 of the Bill, says this:

> Any expenditure required to be made by the Government of Canada under any contract for munitions of war and supplies entered into by the Government of Canada for the purpose of enabling any company wholly owned by the Government of Canada to fulfil its obligations in respect of orders received by such company from the government of any British or foreign country allied with His Majesty may be paid out of any unappropriated moneys in the Consolidated Revenue Fund.

The honourable leader has not touched on this. I hope that when he speaks again he will outline to this Chamber what investigation is made when requests for authorization of expenditures by Crown companies, generally referred to as Government wholly-owned companies, reach, as I presume they do, the Minister of Munitions and Supply. I know that as a rule these companies, of which I believe there are twenty-seven, are headed by very able dollar-a-year business executives; but what is worrying me is whether a sufficiently strict checking system is employed, by the requests being examined item by item before the Minister or the proper authority is satisfied that the expenditures are justifiable.

Probably the House will bear with me for a moment if I outline how a large industrial concern would handle a matter of this kind. Let us assume that the headquarters of the concern, which we will call the Dominion Company, are at Montreal, and that branches are maintained in the principal cities of every province, the day-to-day operations of these branch offices being, as I presume is the case with the Government wholly-owned companies, under local or separate management. Before a local manager could get any appropriation from the head office he would have to submit a detailed statement of what the money was required for, with the different amounts carefully itemized. Then he would be summoned to the head office, and the chief

executive there, or someone delegated by him, would go over every one of these separate amounts, item by item, probably reducing some, increasing others, leaving some as they were and striking others out altogether.

That is an outline of the procedure that would be followed by a business concern, but we have no information as to what procedure the Government follow with respect to these companies. After reading what was said in another place, I should gather that these large estimates are sent to a greatly overburdened Minister, who has not the time to go into them. I do not know whether they are scrutinized by his deputies or not, but I am given to understand that the requests are referred to the Treasury Board. If this is the system, I do not think it provides a sufficient or safe check. I have no reproach to make about the men who are at the head of these Government wholly-owned companies, but no doubt they make requests of the Government for very large sums, and I do think they ought to specify in detail what they want the money for. I also think that all the heads should have been called here one by one, to go over with the deputy minister or the Treasury Board or some other officials every item in each requisition, and that not a single item should be approved until this is done. Possibly when the honourable leader speaks again he will give this Chamber a clearer idea than I at least have of the watch that is being kept over these expenditures.

I was glad to hear the honourable leader say that the right is reserved to this Chamber to discuss this measure again when the main Appropriation Bill comes before us, at which time it will be possible to give more consideration to the measure than we can give just now.

In view of the Minister's statement that he expects the total expenditures this year will amount to four and a half billion dollars, it is the bounden duty of honourable members to see to it that all expenditures are kept down to the lowest possible amount. There seems to be a mistaken idea that this Chamber has not the right to deal with money matters. I am not a constitutional lawyer, but from all the information I have been able to gather I think we have that right; and I was delighted to hear the honourable leader say that this Chamber at least will give more attention to money bills than it has given in the past. In this way, with the experience and the ability that we have in the Senate, we ought to be able to perform an excellent service to the country.

The honourable leader drew our attention to what was said by the Minister of Finance about the development of industry in Canada. It has been remarkable. The Government deserve praise for having played an important part in this development, but I do not think enough credit has been given to Canadian industrialists who have changed over from peacetime to wartime production and done a marvellous job at a small profit. Their regular business has been seriously interfered with, but they have been only too glad to play their part loyally and well by helping in every way possible in the prosecution of the war.

Hon. B. F. SMITH: Honourable members, I rise simply to ask for a definite assurance from the honourable leader of the Government (Hon. Mr. King) that when the main war expenditures bill for this session is brought down we shall have an opportunity to discuss the merits of this measure.

Hon. Mr. KING: That is understood.

Hon. ARTHUR SAUVÉ: Honourable members, I wish to say a few words on this Bill 6, and shall express my views in my own language.

(Translation): Is the Senate, as a court of review, sufficiently informed to feel justified in voting these supplementary estimates? Up to a few minutes ago we did not even have the Bill before us. We have not even had an opportunity of looking over the explanations given in the other House by the Minister of Finance in an endeavour to justify the vote of these supplementary estimates, which will raise our total expenditures for the year 1942-43 to the incredible sum of over $4,000,0000,000, to be borne by a population of less than twelve millions.

My remarks are prompted by no feeling of defeatism or sedition, nor by any antipathy toward the Allied cause against our common enemy, the Axis. My opposition and my hesitation become greater and greater as I, like many others, notice abuses, and as I hear the comments of good pro-Ally Canadians who experience a feeling of discouragement in the face of what they consider an excessive number of ill-planned and reckless orders, the enforcement of which, it must be recognized, spells disaster, entailing as it does unwarrantable and ruinous expenditures. We have been called back for the purpose of hastily voting a sum of nearly $1,000,000,000. As I said, an increasing number of serious complaints are being voiced throughout the country, by people from all walks of life or from all political groups—by people who, in a word, represent all shades of opinion in all provinces, from prominent bankers to small farmers and lowly workmen, who notice practically everywhere all kinds of wastefulness. Are not the abuses

recently condemned by a former Minister, Mr. Cardin, sufficient to warrant the appointment of a committee of inquiry? But it should be a committee honestly instituted and made up of intelligent men, of trustworthy representatives of the various classes of Canadian ratepayers. There are able men in all walks of life. If, after having introduced his estimates, honestly arrived at, the Minister of Finance now finds it necessary to acknowledge a deficit of over $800,000,000, is that not sufficient evidence of wastefulness somewhere? Does it not also indicate an intolerable incompetence in some branch of our war administration? It seems to me, honourable senators, that this matter should be attended to right now; not after the war, but before it is too late. In view of the fears that are entertained on all sides, Parliament should, I think, take drastic action in order to reorganize the administration and respect the rights and prerogatives of the responsible representatives of the Canadian people. How can Parliament preserve its more and more needed prestige if it allows its prerogatives to be infringed? Every man of goodwill understands that the progress of the war compels governments to take drastic measures which would be unacceptable in peace-time, and that it is fair, and even necessary, to recognize that fact in this country, as elsewhere; but, according to the right interpretation of our parliamentary institution, should not a limit be set somewhere if its indefeasible right of supervision is to be safeguarded? The Senate exists; it must exist and function, just as it did during the war of 1914-18; not, however, as a partisan body, but as a court of review, and in keeping with the spirit of its constitution.

The Government, the members of the two Houses, the Canadian leaders, who, for various reasons, from motives connected with the interpretation of our status within the British Empire, have supported their country's participation in the war, or have not opposed a Canadian contribution proportional to that of the other dominions of the Empire of which we are a part—those men have a responsibility which compels them to demand at least that the Government expenditures be limited to our administrative requirements and to the strict necessities of war and the post-war planning. Those necessities should be honestly examined by Parliament and determined according to our means; in other words, the expenditures should correspond with the needs of a reasonable production commensurate with our resources. Of course, we should produce for the Allied armies, but not for the benefit of profiteers either privileged or clever enough to hide their speculative dealings from an honest or gullible Government. Therefore, those responsible Canadians are in duty bound to oppose and check the frenzy of extravagant and useless expenditures resulting from faulty administrative machinery. Our population, in Quebec as in every other section of the country, is quite willing to accept every sacrifice in order to ensure an Allied victory and a just peace. Our fellow-citizens accept restrictions for our war requirements, but not certain ridiculous and unfair restrictions which cause resentment and decrease production. In Quebec, as everywhere else, the people are prepared to accept restrictions tending to bring our population back to a more normal standard of living and to eliminate wastefulness, as regards the consumption of food and drink, for instance. We welcome restrictions which can increase our contribution to the Allies, but we do not want restrictions or ceilings which decrease our production capacity.

Honourable senators, I shall make no further comments to-day, since the Senate will have many other opportunities of discussing similar matters during this session.

Hon. Mr. KING: I regret that I am not able to reply to my honourable friend who has just spoken (Hon. Mr. Sauvé). I believe his main complaint is that the Senate has not been given sufficient opportunity to consider these war financial measures. We are all vitally interested in them, and that is why I have suggested that this session we anticipate the receipt of the estimates for the next year and give particular attention to war appropriations. That suggestion can be dealt with when we meet again.

As to the remarks of the honourable leader opposite (Hon. Mr. Ballantyne) I am satisfied that the precautions he mentioned are being taken in regard not only to private business concerns and their branches engaged on war contracts, but also to Government-owned companies.

Hon. Mr. BALLANTYNE: In what way?

Hon. Mr. KING: The managers are called in and they are required to justify their estimates in the same manner as the Minister has to justify his estimates not only to the Treasury Board, but also to the War Cabinet. As Mr. Ilsley said yesterday in the other House, his department has a large number of travelling auditors going through the accounts of all private companies engaged in war work, as well as the accounts of companies owned by the Government.

Hon. Mr. HOWARD: Hear, hear.

Hon. Mr. KING: Thorough audits are being made from time to time, and I think the greatest care is being exercised in that regard.

When we organize the committee which I have suggested, we shall be able to bring before it officers of the department, and that, I think, would be an opportune time for them to describe to us just what precautions are being taken in all these matters. I have every reason to believe that the explanations to be furnished by those officers will satisfy the committee.

I do not think I have anything further to add. This appropriation is necessary and is really a supplementary estimate. It was foreseen by the Minister of Finance last year, but at that time he told the House of Commons that he preferred to let the main estimate stand at $2,000,000,000, and if any more moneys were required he would make a further request to Parliament. That is what he is now doing.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall this Bill be read a third time?

Hon. Mr. KING: With leave of the Senate, I move that the Bill be now read a third time.

The motion was agreed to, and the Bill was read the third time, and passed.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman P. Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.55 p.m. for the purpose of giving the Royal Assent to a certain Bill.

ADJOURNMENT

Hon. Mr. KING: Honourable members, I move that when the Senate adjourns to-day it do stand adjourned until Tuesday, March 2, at 8 p.m.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Honourable Sir Lyman P. Duff, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Right Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bill:

Hon. Mr. KING.

An Act for granting to His Majesty aid for national defence and security.

The House of Commons withdrew.

The Right Honourable the Deputy of the Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, March 2, at 8 p.m.

THE SENATE

Tuesday, March 2, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

NEW SENATORS INTRODUCED

Hon. Gordon Campbell, K.C., of Toronto, Ontario, introduced by Hon. J. H. King and Hon. Norman P. Lambert.

Hon. James Peter McIntyre, of Mount Stewart, Prince Edward Island, introduced by Hon. J. H. King and Hon. J. E. Sinclair.

Hon. Wishart McL. Robertson, of Halifax, Nova Scotia, introduced by Hon. J. H. King and Hon. Donald MacLennan.

On the Orders of the Day:

Hon. Mr. KING: Honourable senators, there is nothing on our Order Paper for to-night. It has been suggested to me as desirable that the Senate adjourn now in order that honourable senators may have the opportunity of listening, if they so wish, to the Hon. Minister of Finance deliver the Budget Speech in another place. So I would move that the Senate do now adjourn.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, March 3, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILLS

FIRST READINGS

Bill B, an Act to incorporate Montreal Shriners' Hospital Foundation.—Hon. Mr. Hugessen.

Bill C, an Act to incorporate the Canadian Alliance Insurance Company.—Hon. Mr. Moraud.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

NOTICE OF MOTION WITHDRAWN

On the notice of motion by Hon. Mr. King:

That a special committee be appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to a national scheme of social and health insurance; and that the said committee have authority to send for persons, papers and records.

Hon. J. H. KING: Honourable senators, with leave of the Senate I wish to withdraw this notice of motion standing in my name.

The notice of motion was withdrawn.

NOTICE OF MOTION AMENDED

On the notice of motion by Hon. Mr. King:

That a special committee be appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment; and that the said committee have authority to send for persons, papers and records.

Hon. Mr. KING: Honourable senators, I would move, with leave of the Senate, that this notice of motion be amended by the insertion after the word "re-establishment," in the third line, of the words "and a national scheme of social and health insurance." The motion, as amended, would read as follows:

That a special committee be appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment and a national scheme of social and health insurance; and that the said committee have authority to send for persons, papers and records.

The motion was agreed to.

MOTION

Hon. Mr. KING moved:

That a special committee be appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment and a national scheme of social and health insurance; and that the said committee have authority to send for persons, papers and records.

He said: Honourable senators, when I had occasion to speak on the Address in reply to the Speech from the Throne, I intimated that it would be wise to appoint a committee or committees to consider matters referred to in the speech, particularly those relating to social insurance and reconstruction. We all fully realize that we are involved in a great war, and that it is the duty of each and every one of us to give of our energy and do all we can towards the successful prosecution of that war. However, in war-time not only does this duty devolve upon the people, but the Government itself must take great responsibilities; and within the Cabinet a body has been appointed known as the War Council, whose business it is to direct the war effort of Canada.

Ever since the war broke out the Government has tried to capitalize on the experience gained by the Government in office during the last war, and tried to learn from that experience to carry on, and to avoid as far as possible errors that were made at that time. The Government has also used such experience to help in the development of its war programme. Shortly after war was declared the Government contacted a large number of very able civil servants and suggested to them that they should undertake, almost immediately, consideration of reconstruction proposals. We had some results from those studies before us last session, when we passed legislation regarding re-employment of men after their service overseas or in the armed forces, and also in regard to vocational training and other matters. Also, committees have been engaged to find reasonable and fair solutions and policies that would be adaptable after the war to a reconstruction or rehabilitation period. There have been other committees dealing with related matters. The House of Commons thought it advisable last session to appoint a committee to devote considerable time to the study of rehabilitation and subjects arising out of the war, and it has presented a most interesting report, which will serve, I think, a useful purpose. The committee is being re-established this session.

I think it is considered desirable by the Government that Parliament should familiarize itself with these matters, which will become of great importance after the war. There is very little that we in this House can do to-day, because on account of the war we shall not be receiving legislation such as would ordinarily come to us from the other House. The measures that will reach us will be largely financial measures and there will be some connected with war activities. I have felt that the Senate could well be engaged, through a special committee, in giving very comprehensive study to many phases of the post-war conditions, which will come up for our consideration, and with regard to which knowledge will be necessary if they are to be treated after the war as we hope they will be. Many schemes are being discussed these days, some of them dreams, others that I do not think would be possible of application to the life of Canada.

Honourable members will recall that at the meeting between Prime Minister Churchill and President Roosevelt they declared in the Atlantic Charter their views on international conditions after the war. Bearing in mind that those two world-renowned men represent the two great English-speaking nations, we can, I think, rest assured that the Atlantic Charter will exert a guiding influence on any peace conference. We might well study the declarations contained in the Atlantic Charter with respect to international relationships as they affect transportation, communications, exchange, credit, and so on. Such a study would at least be interesting and would, I think, place us in a better position to consider our policies after the war.

Furthermore, we have in this Dominion men outside of Parliament who are well qualified to discuss matters affecting their interests. Take the great basic industry of agriculture. Probably there is to-day no better organized industry in Canada. It is organized locally and provincially and has a Dominion executive. I think it would be both interesting and profitable for a committee of this Chamber to hear the views of members of our agricultural organizations regarding their post-war objectives.

We have also to consider our great manufacturing industries, which will eventually have to be transformed from a war-time to a peace basis. In manufacturing industries we have two groups of men: the managerial group and the employees. Both those groups, I have no doubt, are giving very serious thought to how this transition is to be brought about. Unquestionably, organized labour is giving this and related questions very careful study. I think it would be in the interest of Canada generally to have representatives of these great bodies appear before our committee and indicate the studies they are making in regard to post-war problems and what steps they propose to take for their solution.

I do not intend to labour the subject. I am convinced in my own mind that here lies a field in which the Senate of Canada may find useful employment. It is my hope that this committee, when appointed, will give full time to the work, and, since our sessions are not likely to be many or lengthy, I think it will be advisable for the committee to ask to be allowed to sit during adjournments. I hope the Senate will desire to appoint it this week. I think it should be a large committee, for I find many senators would like to be associated in the proposed work. I imagine that once assembled, it would appoint various subcommittees to undertake explorations in certain fields, each reporting back to the main committee from time to time.

There is no reason to worry about the committee coming to conclusions before the end of the session. I do not think this is either possible or necessary, but I do think its studies will be useful not only to the Senate itself, but also to the body politic of Canada. If we as a branch of Parliament undertake at this time a careful analysis and study with a view to clarifying what is now a somewhat cloudy vision, I am confident we shall be serving a useful purpose.

Hon. Mr. BALLANTYNE: Honourable senators, I regret that I am not prepared at the moment to make reply to the honourable the leader of the House in regard to the motion he has just moved. I therefore move the adjournment of the debate.

The debate was adjourned.

STANDING COMMITTEE ON FINANCE

MOTION

Hon. J. H. KING moved:

That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament and by resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the bills based on the said estimates and resolutions reaching the Senate.

He said: Honourable senators, I have only a word in explanation of this motion. Some days ago, with this in mind, I said it was not advisable that we should be called upon at the last day of the session, as we were last year, to pass on the whole financial programme of the Government, especially the war programme, without being able to give it proper consideration. We know that throughout Canada to-day bankers, merchants and others affected by the financial proposals brought down by the Government yesterday are in conference, and I see no reason why a committee of this Senate should not consider the legislation which eventually will come to us for approval. When we meet again the committee could at its convenience take into consideration the proposals put forward yesterday by the Government.

Hon. J. A. CALDER: May I inquire as to the number of members on that committee?

Hon. Mr. KING: The committee as it stands to-day numbers seventeen. I hope we may add other members to it when the House meets again. I think it might well be enlarged to twenty.

Hon. Mr. CALDER: I should think the work of this committee would be exceedingly important at this time. We all know the

procedure that is followed when a supply bill reaches us. As a rule, it is dealt with very briefly and without examination in detail. It seems to me that we have reached a point where the Senate should exercise its powers to the full in dealing with financial matters, and that this committee should spend a good deal of time inquiring into the appropriation bills that will reach us. Expenditures are becoming so vast that there is a very large question mark in the minds of the public—whether rightly or wrongly I do not say—as to the necessity for such expenditures. I think that the committee, if enlarged, can very usefully spend a good deal of time in dealing with these financial matters.

Hon. Mr. KING: In consultation with my honourable friend opposite, I should be glad to give consideration to the question of adding more members to the committee.

Hon. CREELMAN MacARTHUR: Honourable senators, I wish to congratulate the leader of the House on the proposed reference to this committee. I have been here 17 years, and nominally have been a member of the committee during that whole period. I do not know for how many years before my coming here it did nothing, but since my arrival not one matter has been referred to it. Now I not only hear it mentioned enthusiastically, but learn that it is going to be enlarged and is to become an important committee. I congratulate the leader on getting it to work. Either it should be given something to do or it should be removed from the list of committees. It will have a big job to start with, and should become one of the most important organizations of this House.

The motion was agreed to.

WORK AND SERVICES OF THE SENATE

DISCUSSION

On the Orders of the Day:

Hon. B. F. SMITH: Honourable senators, before the Orders of the Day are proceeded with, I should like to bring to the attention of the Senate a matter which I consider of some importance. There seems to be a disposition for some of the members of another branch of this Parliament to indulge in the pastime of criticizing this branch, and I want to refer to one or two of the speeches recently made by members of that other body.

In the first place, one who is the leader of a particular group in that branch of Parliament has stated that this House is the most undemocratic and useless body in existence. In the other case the honourable member who represents Fraser Valley has compared it to a political museum. These utterances, coming from men holding the positions they do, constitute, in my judgment, an insult not only to you, Mr. Speaker, but to each and every member of this Chamber; and I think I may go still further and say that they constitute an insult to the Fathers of Confederation.

When the Fathers of Confederation framed or assisted in framing the British North America Act, they thought it well, in their wisdom, to appoint this body; and they appointed it for certain reasons: to safeguard the minorities of this country and to provide a safety valve, so to speak, for legislation which might come from the other House. If, for instance, the group leader who has called us the most undemocratic and useless body in existence were ever to attain a position of such prominence in that Chamber that he would have power to frame legislation, and if the socialistic fire, of which we have had evidence already, should begin to burn within him, the necessity of this safety valve that we have here to guard against such legislation as might be introduced would, I think, become apparent to all. Speaking of the gentleman who compared the Senate to a political museum, I may say that while it has been my experience, in going through museums in the course of my lifetime, to see some really good specimens, I have also seen some curios, and I think that gentleman would rank among them.

I know that most of the members of this Chamber are here because of some worthy service they have performed on behalf of their province, and that the Prime Minister who has had the prerogative of making appointments has scanned very carefully the qualifications of the men who have come to this Chamber from time to time. When they reach here they are seasoned by experience and hard knocks. They understand the domestic, social and economic problems of this country, and I think it is a mighty good thing that the Fathers of Confederation insisted on having this safety valve in the Parliament of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. A. J. LEGER: Honourable senators, may I add a few words to what the honourable senator from Carleton (Hon. Mr. Smith) has said. The country is well aware that at the beginning of every session, particularly when the Speech from the Throne is under consideration or the budget is being discussed, some time must of necessity be given to members of the other House to air their grievances against the Government or to voice their

approval of what it has done. A court of law—and the Senate has often been compared to a court of revision—does not offer any excuses because there are no cases to come before it; and I am not aware that the judiciary has ever been criticized on that account, or that anyone has ever suggested that it should be abolished.

"Abolish the Senate!" we hear from some of the members of the other House. Why? Would it be because the Senate does not hold long and continuous sessions, because it does not fill its Hansard with repetition after repetition of what has been said over and over again, or because it does not enunciate new doctrines? Such is not the function of the Senate. Do they forget that without the creation of the Senate for the purpose of protecting the rights and privileges of the minorities Confederation never would have been possible? Those who are in it to-day would not have been in it but for the creation of the Senate. New Brunswick, which led the way to the federation of the Canadian provinces, moved as a first resolution: "That there should be an equal number of legislative councillors from each province." Later, when the Act was passed, this principle was adopted by the division of Canada into zones, so that to-day we have four, each with an equal number of senators.

Further, certain qualifications were provided for in the Act, so that Canada might have as senators men who were independent, intelligent and fair-minded and would give wise and deep thought to all legislation brought before them; and, in accordance with the purpose for which they are appointed, senators on receiving their commissions are supposed to forgo their politics, their appointment for life being their protection. They are to aid the House of Commons in perfecting legislation by calmness of judgment; to safeguard our constitutional system; to protect the provinces against the encroachments of the other House, and to assure the rights of all minorities. In other words, being an independent body exercising a moderating and restraining influence upon the legislation of the country, they are to give equal justice to all. I believe it can be said, honourable senators, that the Senate of Canada has fulfilled the mission for which it was established, and has fulfilled it well.

The British North America Act provided that there should be one Parliament, consisting of the King, the Upper House—styled the Senate—and the House of Commons. Evidently the Fathers of Confederation and their advisers thought that the three branches were necessary and that each had a mission to fulfil. I am not going to compare their wisdom in that regard with the opinion of those who disagree with them. The necessity that existed then has not in the least subsided by reason of the entrance into the federal arena of an increased number of political parties. The Senate has co-ordinate jurisdiction with the House of Commons except in the case of bills involving a charge upon the Treasury, which must originate in the lower House. We can neither originate such bills nor amend them by increasing the amount thereof, though we may reject them.

As the Senate has not the right to originate bills involving a charge upon the Treasury, and as, nowadays, on account of the war, the greater part of our legislation does involve a direct or indirect charge thereon, it follows that our powers of legislation are necessarily restricted. On the other hand, it is a well recognized fact that the standing committees of the Senate devote more pains to and deal more satisfactorily with bills referred to them—and all bills are—than do the standing committees of another House. And in that respect not only are our committees a great help, but their seal of approval, after modifications have been made, is an assurance to the country at large that all is well.

So I find it hard to understand the aims of those who would do away with the Senate. Have they forgotten that in 1867 the then Canadian provinces, of their free will and under certain conditions provided in the British North America Act, entered into a solemn pact, a convention, which like all other conventions binds and obligates the contracting parties? Do they not know that the smaller provinces realized that under the Confederation scheme they would not only remain small, but would be dominated in the lower House by the larger and more populous provinces, and so insisted on the establishment of the Senate as a condition precedent to their entering Confederation?

Abolish the Senate, and what have you to protect the rights of the minorities and guide the restless? Abolish the Senate! Such talk is not only dangerous, unpatriotic and unconstitutional, but if expressed in the other House, it is, to say the least, unparliamentary. If that were carried to its logical conclusion, the small provinces by the sea would in Parliament be subjected to the political exigencies of the more populous provinces. Our Constitution would thereby become not only a political machine, but a constitution of dominators, of selfish and unjust politicians favouring their own localities. Faith in our great Confederation would thereby be impaired, and as a sequence we should find the dissatisfied provinces passing resolutions demanding their

severance from Confederation. In the past some provinces have demanded their release for much less.

And would the victorious stop there? Granted the power, with their main obstacle, the Senate, abolished, what would prevent them from doing away with the governments of the provinces? Has it not been hinted before that we were over-governed?

Oh, abolition of the Senate may sound like a joke now, but if this is encouraged the provinces some day, should they still exist, will wake up to find that the only powers they have are those which a maimed or mutilated Parliament condescends to give them!

Abolish the Senate! "Delenda est." Abolish—do we hear it suggested elsewhere—the very institution which the Fathers of Confederation, in their wisdom, created to protect the rights of the minorities? If that is so, and if it is true that "the essence of democracy is respect for the rights of minorities," then the demolishers and the abolishers in another House, the would-be champions of democracy, would do well, before calling the Senate an undemocratic body, to learn the first of the principles that constitute democracy.

Others say that a reform is necessary. Oh, reform there could be, perhaps, all along the line. But this is not the time nor the occasion to go into that.

The provinces might not object to the appointment of senators by the provinces themselves, instead of by the federal authorities as at the present time. They might also counsel the placing of independent ministries in the Senate.

But, after all, when all this is said and done, is it not a fact that in nearly every case any argument for the abolition of the Senate has come from a small group to whom British fair play means nothing; to whom the federation of the Canadian provinces means the surrender of one nationality to the other, the domination of one language, one faith and one law, as if, contrary to the fact, the progress and welfare of Canada were not dependent upon loyal collaboration, on the same footing, of all those who have made Canada their home and country?

When our boys are fighting at the front for the Mother Country, for the rights of wronged citizens, for the freedom of all races, for their homeland and everything therein that they cherish and deem sacred, is it not painful to find here that the institution which was established particularly to protect the rights of the minorities, to safeguard our constitutional rights, to give equal justice to all and thereby promote good relationship, is being assailed?

Coming, as I do, from a province which at the time of Confederation sacrificed its best interests for the welfare of the Dominion, and representing, as I do, a small minority in this House, I am not in the least disturbed by what has been said in another House or elsewhere with reference to the Senate. I still have faith in the pledge given by the Imperial Government of Great Britain at the time of the passing of the British North America Act, that they "would maintain the integrity of our Constitution with the whole power of the Empire against any assault, come from whom it may." Honi soit qui mal y pense.

Hon. NORMAN P. LAMBERT: Honourable senators, I should like to refer to the observations made by my respected colleague from Victoria-Carleton (Hon. Mr. Smith) when he was speaking a moment ago as to the danger of certain influences in the other House reaching a point where they might control the destiny of this country. I am afraid that a wrong conclusion might be drawn from that point of view. If the time should come when such a state of affairs did exist, it would be as a result of the expression of the popular will of this country, registered at the polls in a general election.

In elaborating my thought further, I should like to quote from a statement by a right honourable gentleman who in the recent past was the leader of this House. In distinguished language, much better than I could use, the right honourable gentleman dealt with the very subject that has been the basis of the remarks just concluded by my two honourable colleagues. He said:

> Some time ago a prominent and popular Canadian, a man of opposite political association to myself, said: "I am thankful in these days for the Senate! No matter what wild and extreme radicalism may sweep the country, the Senate will stand firm; it will save the ship." This surely is worth saying and remembering: the forces of wild and extreme radicalism must be met right out among the ranks of our people, in their houses and meeting places; there the power of reason and common sense must be applied, the lesson of long experience must be taught, or nothing will save the ship. Surely we have learned from tragedies in other lands that the tide of a mad, militant and persistent majority never can be stemmed. It must not become a majority. If in this country the trade of politicians is to be what it has been too often, to fatten on the fruits of class hatred, class envy, class animosity, to reap a harvest in votes by fanning these dangerous fires, then do not depend on the Senate or anything else to hold in place the foundations of democracy, because it may be too late. There are those who believe that dire things can happen even in the presence of fair and equitable laws. It certainly is not too much to say that they can more easily take place when territory is large and distances are great, when population derives from a multitude of races and when the forces of sanity and industry are selfishly indifferent and at the same time divided.

With these words I entirely concur. I think that the test that this House must meet is the test that must be met by Parliament, by the House of Commons as well as by the Senate. Our future depends very largely upon what we do now. The supremacy of Parliament in this country is being challenged, for many reasons, which it is not necessary to enumerate now. But it is within our power as a Senate so to conduct our activities as to constitute ourselves at this time in a very peculiar way the sponsors and guardians of democracy in Canada; in a way that I think is open to us much more definitely than it is even to the members of the other House.

In conclusion, regardless of what may be said by certain irresponsible persons elsewhere, about this House, I do not think it is a time for one body to indulge in recriminations against the other; but I do think that it is time for action and that we should devote ourselves unreservedly to dealing with the problems that now confront this country.

Hon. W. A. BUCHANAN: Honourable members, while the honourable gentleman (Hon. Mr. Lambert) was quoting a statement made by a former right honourable leader of this Chamber with respect to the usefulness and importance of the Senate, my mind reverted to what I believe to be one of the best defences of this House that were ever made. I refer to a speech by the late Hon. Charles Murphy. To my mind it is a pity that the information contained in that speech is not in the possession of some of those who are so prone to criticize this Chamber. The late Senator Murphy cited an occasion when the Senate rejected a railroad measure requiring a very large expenditure out of the public treasury. By its action on that occasion the Senate saved the country enough money to carry on the work of this Chamber for many years to come.

I think those of us who come from Western Canada know the importance which the consumers and farmers of the West attach to the preservation of the Crowsnest pass agreement. It would be well if those in Western Canada who are constantly criticizing the Senate were reminded of the fact that the benefit of that agreement might have been lost but for the activity of a member of this body at the time it was under discussion.

One of our weaknesses is that we do not stand up for ourselves and direct the attention of the country to the great national services the Senate has already given and the further services it may yet give to the Dominion. Another weakness is that a great deal of important business is carried on in our standing and special committees, and no record of this appears on Hansard. I refer particularly to the valuable labours of the standing committees on Banking and Commerce and on Railways, Telegraphs and Harbours. The people are not aware of the many vital and valuable changes which those committees make in bills that come to us for consideration from the other Chamber. A little timely enlightenment of the public along these lines might change their opinions with regard to this body.

I repeat, I am prompted to make these observations largely because of the quotation cited by the honourable gentleman who has preceded me and of the speech by the late senator from Ottawa to which I have referred. If I only had that speech before me now I would quote some pertinent paragraphs from it, for in my judgment no more effective case was ever made out demonstrating the value of the Senate to the people of Canada.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, March 4, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

MOTION—DEBATE CONTINUED

The Senate resumed from yesterday the debate on the motion of Hon. Mr. King for the appointment of a special committee to consider and report upon matters arising out of post-war conditions.

Hon. C. C. BALLANTYNE: Honourable senators, you all are familiar with the motion that was moved yesterday by the honourable leader of the Government (Hon. Mr. King). I may be permitted to read it:

That a special committee be appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment and a national scheme of social and health insurance; and that the said committee have authority to send for persons, papers and records.

At the outset of my remarks I want to make it abundantly clear that the party I represent in this House is fully in accord with the principles of the legislation which in the Speech from the Throne the Government indicated it may bring down this session or in the near future. If I needed to give this

honourable Chamber proof of our approval of such proposed legislation, I might cite the policies which the Progressive Conservative party laid down at its historic Winnipeg convention as the policies the party would translate into legislation should it attain power.

I have had several friendly chats with the honourable leader opposite, as we are always on most cordial terms with each other, and I have endeavoured to persuade him, but so far without success, not to have a committee of this House appointed to deal with such matters as health insurance, social security, and so on. All honourable members are as well aware as I am that these matters are full of complications. If, for instance, we were to deal with the question of health insurance, the proposed committee would have to sit for many months, and experts would have to be heard, at considerable expense to the country, for this motion gives the committee authority to send for persons, papers and records, and the persons summoned before the committee would have to be paid their out-of-pocket expenses. Further, no one knows better than the honourable leader opposite (Hon. Mr. King) that when Parliament attempts to deal with these social problems it will find itself immediately up against provincial jurisdiction as upheld by the Judicial Committee of the Privy Council in recent years. I think I am safe in saying that no more complicated legislation than that now contemplated has ever been proposed.

I desire at this point to assure you that if the Senate decides to appoint this committee it will have the full support and co-operation of everyone on this side of the House, but I beg the Minister to take under his serious consideration the fact that to-day there exists a multiplicity of committees, some in another place and some outside of Parliament, and they will all go into these questions fully. I cannot see any justification for asking this House to go over all the evidence given before these various other committees and to try to arrive at some decision that might be helpful to the Government.

The Minister in his speech yesterday intimated that he did not expect this proposed committee to arrive at the making of a report this session. I will quote his own words:

> There is no reason to worry about the committee coming to conclusions before the end of the session. I do not think this is either possible or necessary, but I do think its studies will be useful not only to the Senate itself, but also to the body politic of Canada. If we as a branch of Parliament undertake at this time a careful analysis and study with a view to clarifying what is now a somewhat cloudy vision, I am confident we shall be serving a useful purpose.

The Minister himself has given a very cogent reason why this committee should not be formed, for yesterday he clearly stated that it would not reach any finality. Further, I think we may infer from his remarks that we need not expect Parliament at this session to deal with any legislation on these problems mentioned in the Speech from the Throne. In fact the Prime Minister, in speaking on the Address in the other House, made it clear that measures respecting social security would not be brought before Parliament at this session.

Then I have another reason, which I think is the most important of all. As was so ably stated by honourable senators who addressed this Chamber yesterday, the function of the Senate of Canada as created by the Fathers of Confederation was to safeguard minorities and to review and revise legislation. I may be wrong, but I think that since Confederation this Chamber has never been called upon to advise the Government regarding legislation proposed in the Speech from the Throne. If this House were asked to formulate policies, and later the legislation embodying them were brought before Parliament and reached this Chamber, we should be reviewing policies which we had proposed—a procedure which would certainly place this House before the public in a very wrong light. I think that this Chamber must continue its usual valuable function of reviewing and revising legislation and sometimes vetoing bills.

The idea of calling upon us to advise the Government as to policies to be put into effect is entirely new to me. I know it will be said that the Imperial Parliament appoints committees. That is true. We in this country, too, have appointed royal commissions to investigate and report upon complicated or serious Canadian problems. But that is quite different from the Government saying: "Here, we intend to have legislation dealing with health, social security, unemployment insurance, reconstruction and rehabilitation, but we as a Government have no definite policies ourselves and we appeal to Parliament"—which includes this Chamber—"to set up various committees to advise us as to what our policies should be." I do not think that a Government which adopts that method is functioning in accordance with the British Constitution. I am sorry to differ from my honourable friend, but I should think that if this House is desirous of doing more work it might select one important subject, such as finance, for instance, and do very good work on it. If that were not sufficient we might take up the problem of agriculture in Canada. We could deal with one problem at a time. But while Dominion health legislation is certainly very

necessary, it is most involved, and I do not think the public would look with favour upon the Senate sending for numerous specialists in one line or another, bringing them here and paying their expenses.

Hon. Mr. CALDER: And duplicating the work of the Commons.

Hon. Mr. BALLANTYNE: Yes. I have already pointed that out. Besides the committees of the House of Commons, there are several others. An Order in Council of January 23 provides:

> There shall be an Advisory Committee on Reconstruction consisting of the following members: Dr. F. Cyril James, Chairman; Dr. R. C. Wallace, Mr. Tom Moore, Dr. Edouard Montpetit, Mr. J. S. McLean, Hon. D. G. McKenzie.

Then it goes on to say:

> Officers and personnel employed by the Committee on Reconstruction, prior to the passing of this Order, shall, in all respects, continue under the supervision of the committee established by this Order, at the rates of compensation and under the conditions presently approved. The committee may appoint such subcommittees and consult such recognized experts as it may deem advisable, and, further, may invite to appear before the subcommittees persons specially qualified to deal with any matter coming within the terms of reference of the committee; all such persons called in consultation to be entitled to receive the actual and necessary out-of-pocket expenses incurred by them while absent from their places of residence for the purpose of such consultation.
>
> The committee may, with the approval of the Governor in Council, employ such qualified persons and incur such expenses as may, in their opinion, be necessary to the performance of their duties.

This Chamber would very much like to know, Mr. Leader, what progress that committee has made and what plans it has in view. If the honourable leader is not prepared to give this information to the House, does it seem logical that while that committee is functioning we should have a committee here, both dealing with the same question and rolling up duplicate expense? In view of the numerous committees dealing with post-war questions, my opinion certainly has not changed from what it was yesterday, when I had the privilege of discussing the matter with the honourable leader. I think this House would be very well advised not to approve of this resolution, though we might allow questions of finance to be dealt with by the standing committee, as proposed in another resolution. Of course, as I said a moment ago, if the Senate decides to appoint a committee on post-war conditions, we are in duty bound to render all the services we possibly can.

Before I resume my seat, may I make one further reference to social security? The Imperial Government appointed a royal commission under the chairmanship of a very distinguished man, Sir William Beveridge, who was surrounded by a good many experts. It took that committee eighteen months to make its recommendations to the Government. If we were to get into that question in this country, I do not know when we ever should reach a finality.

On general principles, I am altogether opposed to parliamentary committees being asked to advise the Government in power, which has the responsibility, how it should draft its legislation.

Hon. Mr. KING: No, no.

Hon. Mr. BALLANTYNE: Well, what other viewpoint can you take of it? I have always understood that governments proceeded in this way: proposed legislation indicated in the Speech from the Throne is drafted with the aid of expert civil servants, then submitted to the Department of Justice for legal opinion, and after the legislation has been introduced in either House it is referred to a special committee, or sometimes to the Committee of the Whole, and, if passed, is sent on to the other House, where it again may be referred to a special committee or to the Committee of the Whole.

To repeat, I do not think the Government should say to Parliament: "Here are very great and difficult problems, some of them pressing problems. Will you be good enough to consider them and advise the Government?" I do not think we should be called upon to do that. This House, I think, should confine its efforts to what it was created for—the revision and improvement of proposed legislation.

I have nothing further to say on this subject. But I do hope the honourable leader (Hon. Mr. King) will change his mind and not press the resolution.

Hon. NORMAN P. LAMBERT: Honourable senators, I feel that I should ask the indulgence of my colleagues for rising so soon after the discussion of yesterday. I had hoped that the motion presented by the honourable leader of the House (Hon. Mr. King) for the appointment of a committee to study reconstruction problems would be discussed yesterday. In supporting that motion now I should like to refer as briefly as possible to some of the committees that have already been set up to consider the subject of rehabilitation and reconstruction. The resolution now before the Senate calls for the appointment of a committee to study that subject and social security. Originally notice was given of two resolutions, one for the appointment of a committee on rehabilitation, and the other for

a committee on social security, but the honourable leader of the House, after consideration, decided to recommend that the two subjects be dealt with by one committee.

I do not propose to spend much time in referring to the position taken by the honourable leader on the other side (Hon. Mr. Ballantyne). I shall leave that to others who participate in this discussion—and may I say here that I hope the discussion will be a thorough one, continued to-day and to-morrow, if necessary, and not cut off by an adjournment. I should like to hear others discuss the honourable leader's position regarding the Senate's functions in relation to the subject of post-war reconstruction. Suffice it for me to say briefly that I cannot understand anyone viewing the prospects before this country with a degree of detachment and a lack of constructive suggestion. We have to-day in Canada nearly a million people engaged in war industries, and another 600,000 are on active war service. That is a total of 1,600,000 who within a relatively short time may be thrust back upon us, to find that we have made no plans for their absorption into the economic life of the country.

The whole question of the economic background of social security, which is being talked about very freely on all sides, should be closely analysed and examined by the Senate, so that this body might at least have opinions with which to guide other committees now in existence. Any studies that we make here would enable us the better to deal with what is done in committees set up by the other House. We have always professed that one of our outstanding functions was to review, and to a certain extent to mould, proposals and legislation originating in that House. However, I shall leave to others the discussion of the Senate's relation to these matters of rehabilitation, reconstruction and social security.

Now I should like to refer to the committees that have been established to deal with these subjects in Canada. The Cabinet Committee on Demobilization, Re-establishment and Reconstruction, the very top committee, was set up in December, 1939, shortly after war broke out; and directly connected with that was a general Advisory Committee on Demobilization and Rehabilitation, which took form under the Department of Pensions and National Health, and under the chairmanship of Brigadier General McDonald. The concern of that particular committee was to deal with soldiers' problems of demobilization and settlement, and out of the committee's work developed the Land Settlement Act which already has passed through Parliament.

The next committee that took form was called the Canadian section of the Joint Economic Committees, which was appointed in June, 1941. The chairman of that section is Dr. W. A. Mackintosh, and its personnel is made up of officials from the Departments of Munitions and Supply, Finance, Agriculture and External Affairs, the secretary being an official of the Bank of Canada. The committee's function is to form direct contact with its counterpart in Washington for the purpose of discussing the relations that are so essential between the two countries in the prosecution of the war. In the process of the meetings of the Canadian and American committees there is constant consideration of economic trends of action between our two countries and of the work being done for their mutual advantage in the prosecution of the war. Included in the work of these joint committees, valuable thought is given to laying foundations for the post-war period. In other words, measures found necessary for the prosecution of the joint war effort should, if possible, be made adaptable to post-war conditions.

The third committee to take form was the general Committee on Reconstruction, of which Dr. F. Cyril James was made chairman. The other members of that committee are Hon. D. G. McKenzie, of Winnipeg, a representative of agriculture; Mr. J. S. McLean, of Toronto; Dr. Edouard Montpetit, of the University of Montreal; Mr. Tom Moore, president of the Trades and Labour Congress of Canada, and Dr. R. C. Wallace, principal of Queen's University. The secretary and economic adviser of this body is Dr. Leonard Marsh, of McGill University. The general Committee on Reconstruction has appointed four subcommittees, one to deal with agricultural policy, another with conservation and development of natural resources, another with post-war construction projects, and the fourth with post-war employment opportunities. Also linked up with the work of the general Committee on Reconstruction is a group of specialists to undertake special studies of immigration, irrigation, forestry, and subjects of that sort. Their studies have not yet been completed, but their conclusions will be placed in the hands of the general committee, of which Dr. James is the chairman.

In addition to those committees there is the House of Commons committee which was set up last session. Furthermore, nearly every province has set up committees dealing with some phase of the problems of post-war reconstruction.

It will be seen therefore from this tabulation of committees that much ground has already been covered. In the form of memoranda of

various kinds, discussions in committees and interprovincial conferences, addresses by Principal James and statements by officials of Government departments, and many other persons who have been directly concerned with the task of trying to formulate plans for the future, much material has been accumulated and many views have been recorded.

I might also say that committees, most important committees, have been at work in Washington and in London. Dr. Mackintosh, the head of the Joint Economic Committee, has visited London and also Washington and is familiar with the progress of the planning that has been under way in those capitals.

To those who think it is superfluous to give time and attention to post-war problems now, I should like to quote by way of a sort of text to this discussion a statement made by the Prime Minister of this country in London, England, in September, 1941. In the course of his speech at the Mansion House on that occasion I find the following:

> Much is being said about a new world order to take the place of the old world order when the war is at an end. If that new world order is not already on its way before the war is over, we may look for it in vain. The new world order cannot be worked out at some given moment and reduced to writing at a conference table. It is not a matter of seals and parchments. That was one of the mistaken beliefs at the end of the last war.

The function of this proposed Senate committee should, it seems to me, be that of a sort of court of review to examine and analyse material which has already been submitted in different quarters, and later, if possible, to indicate practical ways and means of carrying out measures which would be of value in enabling the Government to meet post-war developments. The extent to which witnesses possessing special knowledge should be called upon to give evidence and information before this committee could be decided upon by the committee as it proceeds with its work. But the real need in connection with this whole subject at this time is to focus thought and effort upon essential and vital spots in our economy according to their relative importance.

The question of Government-controlled activities in relation to private enterprise, for example, is surely one question which a committee chosen from this body, with its abundance of practical experience behind it, should be able to pass upon with definite, practical common sense.

The purpose of this committee therefore should be to reduce to some order the mass of information and data which already has been adduced on this subject and would be available to it. The result of any work done by this committee might be of use also very directly to the special committee of the House of Commons. There is certainly room for co-operation between these two bodies. I would point out that the chairman of one of the committees of the House of Commons that met last year, speaking to a similar resolution in the other House recently, took cognizance of the possibility of a committee such as this being established in the Senate, expressed his favourable attitude towards it, and invited the fullest co-operation between them.

Principal James has described the central problem of any plan of rehabilitation as full employment and the maintenance of the Canadian standard of living at as high a level as possible. Without an attempt to enlarge upon that objective now, it is obvious that such an undertaking will require the most thorough and realistic examination of Canada's economic and financial resources, including her present and prospective international relationships.

The functions of the Senate have been aptly described by the right honourable gentleman I had the pleasure of quoting yesterday (Right Hon. Mr. Meighen). I should like to quote him as often as I can, for seldom have I the opportunity of agreeing with him. He described the functions of this body as those of "a workshop rather than a theatre." I submit, honourable senators, that in setting up this proposed committee we have a good opportunity of testing the truth of that description.

Hon. C. P BEAUBIEN: Honourable senators, I am afraid that my honourable colleague who has just taken his seat (Hon. Mr. Lambert) has somewhat imperfectly interpreted the purpose of the remarks of the leader on this side of the House (Hon. Mr. Ballantyne).

May I say at once that I congratulate the honourable leader of the House (Hon. Mr. King) on deciding to draw on the potential resources of the Senate for the purpose of solving the very grave problems that will face this country at the end of the war. Happily the resources of this House are great—that is my opinion at all events—but unhappily our post-war problems will be great too.

I thought the honourable leader on this side of the House made it very clear that we think an investigation such as that proposed by the creation of this committee is essential. There is no doubt that it is essential. We cannot come to the end of the war utterly unprepared to meet post-war conditions. It

would be foolish to do so. Not only that, but I think we have shown that we are completely in accord with the necessary reforms, which will lead a long way towards the solution of these problems.

Therefore I may well take the speech of the honourable gentleman from Ottawa as the basis of the remarks I am about to make. I do not differ with him; I agree with him. No, the trouble does not lie there at all. The trouble is that while we are pleased that the Government is willing to use this House for some useful purpose, yet we are greatly disappointed to find that the Government is asking us to undertake work which it has already well in hand. As honourable senators know, this matter has for more than two years been studied by the Government itself and by special committees of the Government, which committees have divided themselves into ten subcommittees, and from month to month they have been doing all the necessary spade work.

Now the Government is asking the House of Commons to form just such a committee as we ourselves propose to create. If honourable gentlemen have any doubt as to that, they have only to read the remarks of the honourable Minister in the other House, as reported at page 903 of the Commons Hansard. What my honourable friend who has just taken his seat has said may all be found there. The honourable Minister went to a great deal of trouble in telling the other House that the Government had day by day and night by night been working on the problems. The Minister has drawn on the best brains of the country. More than a hundred persons have been working day by day, month by month, almost year by year, preparing necessary data.

It is most natural that the Government should ask for a committee of the House of Commons to receive the reports of all these subcommittees, to profit by the facts assembled, and thereon to base its conclusions in order to draft the necessary legislation as announced in the Speech from the Throne. In that speech the Government said to the country, "We are prepared to introduce legislation to effect this purpose." That means the Government will assume the responsibility of introducing legislation on the most important problems we have to study. I do not suppose the Government will draft legislation of that kind without thorough investigation. Therefore a thorough investigation covering the whole field will be conducted by the House of Commons committee. What are we to do? Principal James will come before the committee of the House of Commons and there express his opinions to enlighten the committee and, through the committee, the Government, as to what should be done. Very good. Then other experts will come and do the same thing. So, I would ask honourable members to bear in mind, the entire field will be covered. It must be. I give credit to the Government for its intention to do the job thoroughly.

Now comes the Senate's turn. Honourable senators have for several sessions been waiting to do effective work. We are already convinced that what the Government intends to do is in the right direction. We on this side, as members of a party that has officially pronounced itself in favour of the purpose that the Government has in view, are all for it. Our committee will have to do the job thoroughly, as thoroughly as the committee of the House of Commons will do it, and therefore every one of these witnesses will have to be brought back here to tell his story again. Is that necessary? If the Government wants to have the opinion of the Senate—and I congratulate the Government if that is its desire—why not use all the evidence already collected and analysed by the committee of the House of Commons? Is there a water-tight compartment between the two Houses? What will the country think if we insist upon having presented a second time, for our exclusive benefit, all the evidence and opinions that have been adduced before the House of Commons committee?

There is the only difficulty between the two sides of this Chamber. I do not know whether I have made myself clear. As I have already said, we are for the purpose of the investigation. We have given proof of that officially. We cannot, it seems to me, do it in a clearer and more positive manner than was done at the Winnipeg Convention of the Progressive Conservative party. I repeat, we are in agreement with the purpose of the investigation. Not only so, but I think we are very much in agreement with the intentions of the honourable leader opposite, and we thank him for desiring to utilize the resources of this House; but we take the liberty of asking him to assign to us another field.

I suppose it is not of much use to exert a great deal of energy in trying to convince the honourable leader opposite. Indeed, I think that has already been done. But may I humbly make a suggestion? Let us not, so to speak, servilely step behind the House of Commons, fearful of deviating from the path they have taken. Can we supplement the work of the House of Commons? I do not know. I suppose the matter would lie in the hands of the Minister to a large extent. There

are many problems. We might very well ask the House of Commons to reserve certain of those problems for us. The leader on this side of the House has mentioned agriculture—a subject of great practical importance. We know that the farmers to-day are not satisfied, and we know also that they will be very useful after the war. Therefore agriculture is a field in which we might be helpful at the present time, and also later on. I need not mention any of the crucial problems now confronting the farmer. I think the Government has lately received from the Federation of Agriculture of this country a list of problems, some of which touch us very closely. I cannot help remembering to have heard farmers say, "Why, they are rationing butter, and we cannot sell our butter." They have also been heard to say, "They want us to produce more, but we have no farm labour." A great many of our farmers, because they lacked help, have had to sell their milch cows. They complain that there is not a parity of prices, something which I think is essential. You cannot have very high prices in the cities and very low prices in the country, for if you do, the country will not buy from the cities, and there will be unemployment in the cities. I do not need to elaborate the point. Everybody knows that. I am just opening that side issue.

If the leader of the House persists, he can count on us to do our best to help. But can we not do a work that will be our own? Must we follow the House of Commons step by step? After all, our problems are numerous, and they are extremely difficult to solve. We have internal problems and external problems. The Government might allow us to take up the external problems. However, it may fear our handling of a delicate political situation. The Department of External Affairs may think we might be imprudent. I do not know. Then there is the economic side of our affairs, which will be of great importance after the war. What are we going to do with our production? The first thought that comes to mind, of course, is that we shall sell our wheat to a great many people who are now starving. Or it may be said that more paper will be wanted in the United States, and, as we have too much, we should send them more. But that is a condition which will not continue more than one or two years. If we take the Atlantic Charter as an indication of the future, what are we going to do in this country without a preferential tariff? It is all very well to say that for the peace of the world we must do without a tariff, and perhaps that is true, but honourable members of this House are well enough versed in business to know that we export 30 per cent of our production. Can we do without that export? There is a strange theory abroad that so long as you keep your people at work they can consume unlimited production, or that you can borrow from them indefinitely. I am not so sure that that principle is sound. Suppose we keep the people busy, thoroughly busy, and make them wealthy, will that enable them to eat all our wheat? We consume not more than one-third—sometimes only one-quarter—of what we produce. Even if we had money to burn, could we consume all our wheat? Could we use all the paper we produce? As you know, we now use only a relatively small proportion of it. Could we use all the nickel produced in this country? Prior to the war we consumed only five per cent of it. What would become of the rest? This is a very serious problem, and one which I think we might study with great benefit to the whole country. But I am afraid I have been carried away by my good intentions.

We on this side of the House wish to collaborate, but we want to do it in the most efficient way. We do not want to duplicate what is being done by others, and being done well. We simply ask the leader of the House to give us a field of our own in which we can work efficiently and do a job that ought to be done.

Hon. W. A. BUCHANAN: Honourable senators, I have been in this Chamber long enough to have heard many expressions about the capacity of honourable members to deal with the major problems of the country. I have heard it said that this House is made up of men of wide experience, men who have served in the other branch of Parliament and in the legislatures of the various provinces, men who have held administrative offices and high positions in the professions, in the fields of banking and commerce, and in agriculture. I have heard it said that there is no parliamentary body more capable than the Senate to inquire into and report upon problems facing the people of Canada. If this is true, is it not fair to argue that a committee such as the one suggested in this resolution, composed of men of the character I have just described, might approach all these problems from a standpoint which would be different from that of other committees which have been studying post-war reconstruction, social security, or whatever it may be? Having this in mind, I support the resolution.

I differ with the leader on the other side, who says it is our business, not to tell the Government what to do, but rather to review what the Government sends to us. Since I came into the Senate I have sat on two com-

mittees whose purpose was to make recommendations to the Government. Possibly they did not succeed. One was the committee dealing with the St. Lawrence river power project and the other dealt with the railway problem of Canada. If those who held certain views had had a majority in those committees, they would have made recommendations to the Government that it should follow certain policies in dealing with those problems.

We come to a report that is now widely known as the Beveridge report on social security. That report was prepared by a committee named by the Government of Great Britain. It is only within the last few weeks that we have found that supporters of the Government have not all, perhaps, been very much in sympathy with the report and were not accepting everything offered by that committee.

But my purpose in participating in the discussion on the resolution before us is largely to deal with one aspect of reconstruction with respect to which I think a Senate committee could render very helpful service. If I were using a text for what I am going to say, I would quote from the remarks made by the Minister of Finance in another place only last night, as reported at pages 927 and 928 of the House of Commons Hansard:

> Let those of us who are inclined to fear the economic consequences of our war expenditures remember that these expenditures have developed and brought to light an enormous increase in our Canadian capacity to produce —an increase greater than any of us had ever before suspected. Let them think of the future in terms of maintaining and still further developing that enlarged capacity, that potential of a greater national income. We can and must make use of that increased capacity after the war.

My thought was this, that certain developments, which were primarily intended for war purposes, could be utilized after the war; that we should study some of them and, if necessary, make recommendations as to how they might be made to contribute to the general welfare of our people.

Coming from Western Canada, I am acquainted with a few of these developments. We hear much of the Alaska highway, which, as everybody knows, was constructed for war purposes in order to give the United States easier access to Alaska. That highway is to be permanent, and it runs through a vast area of country that had not been opened up previously. Now, what are the possibilities in that great territory? Does it possess accessible riches? I think this Senate committee could properly make an inquiry as to what resources are up there, and how they might be developed.

Only a few days ago something was revealed in the other House that had been familiar to many people in my part of the country, namely, that the oil fields discovered a good many years ago at Fort Norman, in the Mackenzie river district, are now supplying the needs of the United States Army in Alaska. What happened? A pipe line was constructed from Fort Norman through the Yukon to Alaska. As I vision the post-war future, those fields, which were lying dormant until military requirements made it necessary to draw upon them, can be developed into a major source of supply, not only for Alaska, but for other parts of the Pacific area and Western Canada. We might study that aspect of development that has been brought about by the war, in an attempt to find out how great our oil resources there are and how great a use can be made of them.

Within the last month or two I was reading a volume on the Arctic regions, and I was pleased to find in it constant reference to the report made by a committee of the Senate back, I think, in the 80's or early 90's. It is worth bearing in mind, honourable senators, that so long ago as that a committee of this Chamber investigated the Arctic regions and made a report which is being utilized to-day. I wonder whether the Senate could not refer back to that report and go ahead from where that old committee left off, in an endeavour to find out what has happened in the meantime in the Arctic regions and other parts. Only within the last week or two Wendell Willkie, in an article about a visit he made to Siberia, revealed what great things the Russians have accomplished in developing their Arctic territories. We might very well consider whether we too have possibilities in the Arctic. Some people will ask, "What is the use of bothering about the Arctic when so many other parts of our country await development?" But it seems to me that the Arctic may have resources which are not available anywhere else. In recent years mineral deposits have been found in that region; we know now it has large oil fields; and it may have many other valuable resources.

All honourable members have read of the great undertaking that has come to be known as the Shipshaw power development on the Saguenay river in the province of Quebec. I was amazed to find in the story I read—I do not know whether it is correct—that the power production capacity there is greater than the combined capacity on both sides of the river at Niagara Falls, greater than the capacity of the proposed St. Lawrence river project and even greater than that of Boulder

Dam, in the United States. What is going to be done with all this electrical energy after the war is over? Could the Senate not inquire into this and recommend some industrial uses for it in the future?

My honourable friend who has just taken his seat (Hon. C. P. Beaubien) referred to the agricultural situation in Canada. So far as Western Canada is concerned, the war has brought about a complete transformation in agriculture. We are producing to-day live stock, poultry, and dairy products away beyond anything that had ever been conceived before in that part of the country, and wheat is being replaced to some extent because of that transformation. The problem of what to do with our surplus wheat has been a serious one in this country for many years. It has often been discussed in this Chamber, and in another place, and in the legislatures of the Western Provinces. Well, if we could maintain the increased production of other farm products, we might in a sense solve the wheat problem. Could not a committee of the Senate concentrate on a matter of that kind, perhaps call witnesses who understand the situation, and make a useful report? I do not think the various committees on reconstruction, whether in Parliament or outside of Parliament, have covered the whole field of post-war problems. In this Chamber there are men familiar with conditions in the various provinces who can approach these problems from a different angle from that adopted elsewhere. If we are what we say we are, men of knowledge and experience, let us use our knowledge and experience in carrying on the work proposed for this committee.

I am particularly interested in a matter that I think has a bearing on the whole economic welfare of southern Saskatchewan and Alberta, namely, water conservation. If the waters that are now being wasted in those provinces every spring were stored in reservoirs and utilized when needed, as is done in the United States, we might change the whole picture in Western Canada by bringing large areas out of wheat raising into mixed farming. In the part of the country where I live there is a very considerable acreage of irrigated land. I recall that a good many years ago, I think it was in 1919, one of the driest years we had in Western Canada, my honourable friend from Saltcoats (Hon. Mr. Calder) made a trip through parts of my province that I should call deserts, but he finally came to irrigated oases where he found an abundance of verdure, and fertile land on which various crops were being raised. Could a committee of the Senate not deal with this subject of water conservation in a sane and constructive way?

I feel that so much timber is being cut for commercial purposes on the eastern slope of the Rocky mountains that we are in danger of bringing about a condition such as China has suffered from. We are destroying the protection for snows and waters that nature intended should feed the streams, and if the present rate of cutting is continued many streams will dry up. I mention that only casually as another matter worthy of our study.

I am taking up more time than I had intended, but I will not detain the House much longer. Recently I came across a little book by an authority on world geography and resources, containing statements so flattering to the part of the country from which I come that I cannot refrain from making a brief quotation. I hope it will direct the attention of the Senate to some of this country's great possibilities, which, though they may not have any direct relation to post-war reconstruction problems, deserve to be studied by a body such as this. The book, entitled "Canada's Role in Geopolitics," was written by Professor Griffith Taylor, Professor of Geography in the University of Toronto, a former President of the British Geographers' and the American Geographers' Associations. After speaking of some of the mineral products of Canada as a whole, he goes on to say:

> Possibly of all the mineral products of Canada the last to be discussed will in the long run be the most important. This is the vast coal field of southern Alberta. The coal is of the Cretaceous age, and is not equal in quality to the carboniferous coals of Nova Scotia or of the United States. But it is more valuable than the brown coals of Europe, which the Germans are using to a tremendous extent in modern industry. Around Lethbridge and Drumheller it has been estimated that there are about 600,000 million tons in reserve. This is considerably more than the combined coal supplies of Germany and Poland, which have led to the growth of huge industrial populations in those countries. The sole rivals of Alberta, if we accept the figures quoted, are to be found in the United States, which has vastly greater supplies (near the Rockies, and around Illinois), and China (Shansi) and Siberia.

A little further on, writing from the angle of geopolitics, with which I suppose many of us are not particularly familiar, he says:

> The unlimited supplies of Alberta coal will, in all probability, produce the densest Canadian population of the future.

Professor Taylor's statements may have no relation to any problem we are immediately concerned with, but I think they indicate the Senate would not be wasting time in studying certain aspects of our national resources, par-

ticularly those that have been developed during the war. My thought is that, as I suggested a few moments ago, we could probably approach this whole question of reconstruction from a somewhat different standpoint from that associated with studies made by other groups.

Yesterday we had a short discussion in respect to criticisms of this Chamber. I have frequently heard those who defend the Senate argue that it should be a body to investigate as well as to review; that our committees could often take the place of royal commissions. If that view appeals to honourable members—I think it would appeal throughout the country to people who want the Senate to do the best it can to serve Canada—I do not see why there should be the slightest objection to the appointment of the committee proposed in this motion. We may have to go over some of the material that has been gone over before by other bodies, but surely the members of this Chamber can bring forward new ideas and offer constructive suggestions that, whether acceptable to the Government or not, might readily appeal to the people at large.

Hon. Mr. SINCLAIR: Honourable members, it might be wise at this time to suspend the debate until the next sitting. If this is agreeable to the honourable leader of the House, I should like to move adjournment of the debate.

Hon. Mr. KING: I should not be eager to adjourn the debate at this stage. I do not wish to speak now in reply to my honourable friend, but I should like the debate to be brought to a conclusion before we adjourn for some time. In fact I may as well advise honourable members now that it is the intention to adjourn until the 23rd of March. That being so, I should like the debate to be concluded and the proposed committee appointed so that it may complete its organization before we adjourn. If, however, the motion of my honourable friend is acceptable to the House, I see no objection to our adjourning the debate until to-morrow afternoon.

Hon. N. M. PATERSON: Honourable senators, before the Senate adjourns I desire to make a few remarks on the motion. I think there has been a little misunderstanding in regard to the object of the proposed committee. It seems to me that the honourable gentleman from Montarville (Hon. Mr. Beaubien) completely proved the case for the appointment of such a committee.

I should like to explain one or two things that I had in mind when I spoke to our honourable leader a short time ago in regard to the subject-matter of this motion. I have in mind how the situation at Fort William may be affected by post-war conditions. The Canada Car Company is now manufacturing aeroplanes at its factory in Fort William. It is reasonable to expect that when the war is over there will be about 5,000 trained men out of employment. Those men have been there for at least three years, and the majority of them have married and acquired homes and are raising families. In a word, they are firmly established in the city. The situation would be really serious if that plant were to close down and its 5,000 employees were thrown upon a city which is not able to pay out a great deal in unemployment doles. We have also a shell factory and a shipbuilding plant at Port Arthur. The affairs of one city are pretty much analogous to those of the other, and you may regard both as one community. I ask honourable members to picture what may happen with the war over and no provision made to take care of these people. My point is that were this committee established it could send word ahead to the local city council to provide the necessary secretarial help in order to prepare for a hearing for the purpose of getting ideas from various persons as to the best means of absorbing some of the labour that might be thrown on the market when a factory becomes idle. A similar situation, I assume, would exist in Montreal and Toronto, in fact probably in every city of Canada in which war industries are located.

It has been said that back of our territory lies a vast extent of land that could be utilized for agricultural purposes. As honourable senators are aware, there is a great deal of timber in the northern areas, and it has to a certain extent been developed, but in this connection I should like to give a few particulars of what may occur after the war. Up to the time the war started, Sweden and Norway were sending almost 2,000,000 tons of ground wood-pulp into the markets of the United States. That business of course has been interrupted, but as soon as the war is over, those people having the freedom of the St. Lawrence river will be able again to ship their ground wood-pulp into those markets—markets which we now enjoy exclusively. Our timber industry would be badly hurt, because the Scandinavians can ship their production a great deal more cheaply than we can, as they have not the high-priced labour that we have encouraged in this country. Obviously, we shall have a difficult situation to face if the war ends suddenly and all that ground wood-pulp is thrown upon our hands.

The agricultural end also deserves attention. I hope my honourable friend opposite will not leave the Chamber for a minute or two. It is said that every farmer on the land is supposed to keep ten men busy in the cities. A soldier at the front is supposed to keep sixteen men busy behind the lines. If what is said as to the farmer be true, it seems to me we could absorb a good deal more labour in urban centres by having more farmers on the land. I think it would be interesting to know how the farmer will be affected after the war. I was looking at our figures to-day and noticed that in the last few weeks we sold three-quarters of a million bushels of oats for shipment to Cedar Rapids. This year we have handled more barley than we ever handled in our lives before. The possibility is that this country may change somewhat from wheat growing to the production of coarse grains, with great advantage to the farmer.

All these things should be investigated and the information made available to us. If we are not afraid to work—and I am quite sure we are not—the job could be divided up evenly among us, and information could be secured which would be of great value for the purpose of dealing with post-war problems. I am afraid I have not enough confidence in college professors to expect them to bring in a report of any practical value. It may have a psychological effect, but what we want is to provide employment for the people after the war is over. I believe that the proposed committee would be able to bring in a report of considerable value at not too much cost to the country.

Hon. C. P. BEAUBIEN: Is my honourable friend not aware that all the problems he has mentioned have been studied by a committee of the other House?

Hon. Mr. PATERSON: I am sorry, but I have never seen any report by that committee. It may be that we should not need to leave this city, but might study the problems on the ground here. But that committee has never held a meeting in Fort William—and we are concerned with what we are going to do with the Canada Car Works there when the war ends.

On motion of Hon. Mr. Sinclair, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, March 5, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

SUPPLEMENTARY 1942 WAR APPROPRIATION BILL

REFERENCE OF ESTIMATES TO COMMITTEE

On the Orders of the Day:

Hon. B. F. SMITH: Honourable senators, before the Orders of the Day are proceeded with I should like to submit a question to the honourable leader of the Government. He will recall that when the supplementary estimates for $858,000,000 were brought down on the 16th of last month I inquired whether or not we could refer to the items later. I realized the importance of the passage of that Bill and had no desire to impede its progress. I should like to ask the honourable leader whether he will be agreeable to have those estimates go before the Banking and Commerce Committee or the Finance Committee, so that the total may be broken down and we may be able to ascertain what items make up the total.

Hon. J. H. KING: Yes. I see no objection at all to the honourable gentleman's suggestion. In fact that is the desire in referring these matters to the committee. It will be done later in the session.

Hon. J. A. CALDER: The honourable gentleman spoke to me to-day about it, and I can see that there will be a slight difficulty in the way of his suggestion. We have a Finance Committee which, as explained by the honourable member from Prince (Hon. Mr. MacArthur), has not met for a number of years. The investigation or inquiry proposed would be a very large one, and I think the leader of the House intimated the other day that the committee might be enlarged. I would suggest that, instead, he consider the desirability of joining together the Finance Committee and the Committee on Banking and Commerce. That would make a fairly large committee, of course, but this is a big subject.

Hon. Mr. KING: Many of the members of the Finance Committee are also members of the Committee on Banking and Commerce.

Hon. Mr. CALDER: The Finance Committee, which has been in existence for a long time, has had very little to do. Here is an

opportunity, and I would make the suggestion to the leader that he consider having the two committees joined together.

Hon. Mr. KING: It is worth considering.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

MOTION—COMMITTEE APPOINTED

The Senate resumed from yesterday the debate on the motion of Hon. Mr. King for the appointment of a special committee to consider and report on matters arising out of post-war conditions.

Hon. J. E. SINCLAIR: Honourable senators, in continuing the debate on the motion now before us for the appointment of a committee to examine into the many questions that are paramount in this country, as well as in other countries, and second only to the war effort, with which we must allow nothing to interfere, may I say the procedure proposed appeals to me as being a very proper one. There are various reasons for this. One, which perhaps is closer to us than any other, is that, as we often complain, important legislation that has been considered for a long time in the lower House comes to the Senate when we have no opportunity to study it as fully as we should like. We could overcome that difficulty by having our committee investigate such questions and get information on them from those who are best qualified to give it, both from within the Government service and from outside.

As was stated previously in this debate by the honourable senator from Ottawa (Hon. Mr. Lambert), many committees outside of the membership of Parliament which have given consideration to reconstruction programmes and related problems would, I am sure, be much pleased to give us first-hand information on various matters, particularly those which have not been dealt with by committees in the other House. It was pointed out during the debate that we might be traversing similar ground to that traversed by committees of the other branch of Parliament. I think that difficulty could be very easily overcome. Full co-operation should exist between the two branches of Parliament, so that they would not cover the same ground and would not be having before them men dealing with similar subjects.

There is no doubt, I think, in the minds of honourable members that the proceedings of our committee should be printed and kept for reference, as the record might be useful to us and perhaps be the basis on which legislation would afterwards be founded.

I do not wish to take up too much time just now in discussing the need of an inquiry. The field for investigation is so wide that when our committee begins its sittings we should have a clear understanding as to the lines along which the inquiry will proceed. In that respect, I think the discussion by honourable members in this Chamber will be a guide for the committee.

In the Press of all the English-speaking countries we have of late seen a great deal of material based primarily on Sir William Beveridge's report to the British Government. That report has received so much favourable comment in the Press and from public men that everyone apparently believes that some programme along the lines it recommends should be carried out in all the Allied nations. When we consider that fact we must, it seems to me, come to the conclusion that action must be taken in a broad way to bring about that freedom from want and fear which was proposed in the Atlantic Charter and in our own Speech from the Throne. In the British Parliament the Beveridge report has been the subject of considerable discussion, all of which, I think, has been directed to the bringing in of certain social provisions for eliminating want and fear in the future.

As I said at the start, our first concern must be the prosecution of the war, but, as a fundamental basis for the efforts our armed forces and our industries are making to that end, the Prime Minister of Great Britain and the President of the United States have set down in the Atlantic Charter certain objectives at which social legislation should be aimed by all the nations now engaged in trying to rid the world of oppression. I do not need to read the Atlantic Charter; its contents are well known to honourable members.

When we look into the post-war era and observe that the nation to the south of us is prepared to extend its lease-lend aid for the rehabilitation of countries that will not be able to rehabilitate themselves after the war, and holds out the hope of raw materials being provided for the needs of all nations with as little impediment as possible by way of tariffs and otherwise, we must realize that great changes are facing us, changes that will require very careful consideration before we can get them down to a workable basis.

I might mention now a few of the conclusions given by Sir William Beveridge in his report, to which I have already referred. These conclusions, in my opinion, are applicable to Canada generally. He cited conditions in Great Britain, where social legislation has, I think, gone further than in any other country in the world to meet the needs of the

people. Sir William points out that each of the different branches of social legislation was being administered at a cost considerably higher than could be justified. He recommends that one central authority be set up to administer the different branches of social security. It does appear to me that our proposed committee might well inquire how far we should go in this direction; whether it is wise to have a full, all-out system of social insurance and give support to allied services that are not contributory in Canada at the start, or whether we should let the system grow up piecemeal, as has been the case in the United Kingdom. I hesitate to express an opinion, but I submit it is a phase of the subject well worthy of our consideration.

It is important to bear in mind what was stated by the honourable leader opposite (Hon. Mr. Ballantyne), that in dealing with social security we may get into constitutional difficulties with the provinces. I am quite sure means will be found to overcome such difficulties, but it will take time and patient negotiation. However, that is more properly within the sphere of the Government of the day in Ottawa. Some arrangement will have to be worked out between the provincial and federal authorities, either by amendments to the British North America Act or by agreement.

The Beveridge report recommends that in order to protect the people from economic fear and want there should be set up a subsistence level for the whole population, also a level of income, and that those who receive an income above that level should be contributors to the general fund for the security of those below the subsistence level. It is evident that Parliament will have to consider very carefully to what degree this principle can be enforced by legislation.

If we should set up such a subsistence level, I do not see how we could avoid exercising some control over the cost of living. Our proposed committee might well make a study of this in order to ascertain whether or not it would be necessary to continue the controls now exercised by our Wartime Prices and Trade Board. In the absence of such controls the committee would have to consider how we are to provide for an increase or a decrease in the cost of living in relation to the subsistence level.

There is an international side to this question also, for we shall have to consider how far other countries are ready to go, and what terms we may have to live up to as a result of the negotiations upon which peace will be based. We hope and believe that we shall be among the nations which will take part in the negotiations. Those terms we cannot very well foresee at the moment, but they will have a bearing on any legislation that may be introduced along the lines I have mentioned.

I was rather surprised by the rather negative position which the honourable leader opposite took yesterday with regard to the proposed committee, and in view of his remarks I desire to give a few quotations illustrating the views of leading Canadians both in finance and industry. Mr. J. A. McLeod, president of the Bank of Nova Scotia, in the course of his presidential address at the 111th annual meeting of the bank said:

> The greatest problem of the future, both in the period of transition and later, will be that of obtaining an adequate volume of employment and a greater degree of economic security for the people of Canada. There is no doubt that the Government has a major responsibility in bringing about such conditions, and as an indication of the development of thought in this direction the Beveridge plan is worthy of the most careful study.

Another leader in finance whom I desire to quote is Mr. Charles McCrea, K.C., now president of the Toronto General Trusts Corporation, but at the time he made the remarks I am about to read he was its vice-president. In moving the adoption of the report at the 61st annual meeting of the corporation he said:

> The task of war is still a colossal one. Hopes and wishful thinking cannot achieve success. The road to victory is still a long one. We shall meet trial, sacrifice, suffering and anxiety, every step of the way. Hitler's European fortress still stands. Battle grounds in the Pacific and in the far eastern seas impose tremendous jobs. The task of controlling enemy submarine forces is pressing and vital, for men, food, munitions and supplies must move over far-flung seas to our fighting men and allies in every zone of need.
>
> A New Moral Order
>
> There is a second great job beckoning us. It, too, is a colossal one. It is the job of winning the peace—an enduring peace. As yet, only the foundation stones have been laid. These stones are to be found in the "Four Freedoms" included in the Message of President Roosevelt in the 77th Congress of the United States of America in January, 1941, and the "Eight Points of the Atlantic Charter" of August, 1941. How far-reaching these main principles are. Their application, and the details to complete the picture, must await events, but meanwhile we must not flag nor fail. If our fight in the titanic struggle, still at fever heat, is one to preserve our Christian civilization and our way of life, then the teachings of Christ must form the foundations of and animate the peace structure, for a new moral order must prevail.
>
> Post-war Planning
>
> A rearrangement of world affairs is a certainty. The cry is a freer world and a better world, and Canada must face the problems involved, both in the rebuilding, and in the

successful operation of the new set-up. Canada must put on its thinking cap now, for post-war problems involve

(a) Canada's internal relations among its own nationals, and

(b) Canada's external relations among the nations of the world.

Canada must be ready for peace-making. It must make studies and know its problems and be able to defend its proposals. These studies should not be left to Government agencies only, but leaders in every phase of our internal economy must play a part in their preparation. There will be many fields of discussion. Basic products and basic industry—manufacturing—finance—transportation—capital—labour—social legislation—standards of living—free enterprise—and the many new suggestions for Government control. Peace Conference decisions may have vital and far-reaching effects on the destiny of our country.

Canada has the resources—the industries—the skill of workmen—and the genius of leaders—to play an outstanding part in world reconstruction.

When such outstanding men express themselves in those strong terms, I think it behooves us at least to set up the proposed committee and go as fully as possible into whatever phases of the question we may arrange with the committee of the House of Commons to deal with in order to avoid duplicating its efforts. Let us do our own work and do it well.

Another statement which I think will interest honourable senators was made by Dr. Sydney E. Smith, of Winnipeg, president of the National Council of the Y.M.C.A. of Canada. Under date of February 12, the Ottawa Citizen published the following dispatch from Toronto:

Dr. Sydney E. Smith, of Winnipeg, president of the National Council, earlier in the day told the meeting the war had promoted better relations not only within the British Commonwealth, but among all the United Nations. But he warned the peace may be lost "if we do not capitalize these vigorous and constructive impulses for a better society."

I have opinions expressed by other prominent men in the industrial and financial life of the country, but I do not think I need direct them to the attention of honourable members at this time. There is just one other matter I should like to refer to. Honourable members no doubt have received in the mail, as I have, a pamphlet entitled "A Beveridge Plan in Canada," by Huntly R. Drummond. On the front cover of this pamphlet are the words, "Look before you leap." I cite this in support of our effort at this time in setting up an inquiry to learn how far we can go and what it is possible for us to do in this direction. But when I look inside the pamphlet I find many things with which I would not care to be associated, and with which I do not agree. I think that whoever composed this pamphlet should have given the matter more consideration than it would appear to have received.

Another pamphlet that I have just received in the mail is, I think, worthy of note. It contains a statement by Mr. George F. Davidson, M.A., Ph.D., Executive Director of the Canadian Welfare Council. As he is associated with Canadian welfare, I think his comment on the Beveridge plan is worthy of consideration.

I cite these gentlemen in support of the suggestion that the inquiry we are setting up is justified. I do not think the more or less negative attitude taken by the honourable senator from Alma (Hon. Mr. Ballantyne) on this question is the general opinion of many worthy citizens of Canada.

I may say in conclusion, honourable members, that I think we should get the committee working as soon as possible. There is a large field of inquiry to be covered. When work like this becomes available to us, and we appoint a committee, it is the right and privilege of every member of the Senate to attend, and, except for voting, to take an equal part with members of the committee in its deliberations. I think that, with proper guidance and with the co-operation of the committee of the other House, we are fully justified in undertaking an inquiry at this time.

Hon. R. B. HORNER: Honourable senators, I wish to make a few remarks. It seemed yesterday that what I have to say might not be in order, but after listening to honourable members I think it may be useful at this time.

In view of what I said on a former occasion, I want honourable senators to understand that I am not a Socialist in any particular. I, perhaps, am more fearful of National Socialism coming into this country than is any other member of this Chamber. I think I realize that the main cause of National Socialism in the several countries that have it to-day was that they neglected to regulate their democracies and allowed abuses to creep in. As a result the people lost confidence in the democratic form of government and turned to a National Socialist state.

If this committee is merely going to patch here and patch there, we know what will happen. We read in the Bible that

No man putteth a piece of new cloth unto an old garment, for that which is put in to fill it up taketh from the garment, and the rent is made worse.

If that is what this committee is going to attempt to do, it is, in my opinion, absolutely useless. I believe it is essential for the committee to study some fundamental changes and controls in the present set-up of our government.

I should like to refer for a moment to some extracts from the debates in the British House of Commons. Mr. Leslie, the member for Sedgefield, said:

. . . The nations must organize for peace not less earnestly than they have organized for war. May I remind the House, and those die-hards who sneer at planning, of what the Foreign Secretary said at the Mansion House on the 29th of May, 1941?

And this is what the Foreign Secretary said:

We have declared that social security must be the first objective of our domestic policy after the war, and social security will be our policy abroad no less than at home. It will be our wish to work with others to prevent the starvation of the post-armistice period, the currency disorders throughout Europe, and the wide fluctuations of employment, markets and prices which were the cause of so much misery in the 20 years between the two wars.

Then Mr. Leslie goes on to tell what happened in his constituency. He says:

In the six years from 1932 to 1938 no fewer than 41,607 persons migrated from the county of Durham alone, trying to seek employment in other parts of the country. In my constituency there is a village called Stillington. It was made derelict by the removal of blast furnaces, leaving behind an unsightly slag mountain. At the beginning of this war a small company was formed to produce insulation material from the slag heap, and the material has proved of immense value in the war. That company was able to find work for local men who had been unemployed for over ten years. One product worthy of mention was a fire-resistant cork substitute. Cork had been coming from Spain and Sardinia, and vessels had been lost in bringing it here. The company interested in the cork in Spain was known as the Vestey Combine, which seem to have a finger in every pie, from ice-cream to cork. They sought to buy out this small company, which is the Cork and Asbestos Insulation Company. Being thwarted in their design, they secured by subtle means a Government licence to construct works and enter into competition not only with the Stillington works, but with old-established firms in the production of slag wool. Thus we see how small businesses are placed at the mercy of unscrupulous combines. Surely monopolies of this kind are a danger to the nation, and the Government ought to keep a watchful eye on their activities.

Then Mr. Bevan says:

We are sent here because we are amateurs; not because we are experts. Representative government is government of the experts by the amateurs, and always has been. If you are going to leave this matter to the experts you will be handing the war over to Fascism at once. That is what Fascism is. Since the amateur started to govern society a comparatively short time ago, mankind has made more progress in 150 years than in the 10,000 years during which it was governed by the experts.

There is no reason for us to bow our heads in shame because of representative government. Democratic representative government has more to its credit than any other single political institution.

These are the thoughts of the gentleman I have named, and they are somewhat similar to my own. We must have changes—very great changes.

Hon. Mr. HORNER.

I have here a booklet which I presume has been sent to all honourable senators. It is called "Wheat and the Futures Market." I do not intend to read it. It is very well prepared, and perhaps might go before the committee. It deals with the futures market of the Winnipeg Grain Exchange, and mentions various markets which, the author asserts, are similar to the Winnipeg Exchange. Among them he refers to the Union Stock-yards at St. Boniface. There is a futures market for wheat, but not for cattle; and there is no similarity at all between these markets, so far as that is concerned. He sets out the great benefits of the futures market in financing the crop. He analyses it, and tells who finance it. He calls them speculators. I call them gamblers. I am sorry to say that many of them are Western farmers, and that they are losing money by their operations. That is part of the reason why they require legislation to assist them to-day. If that is the best method modern democracy can devise for the handling of such an important commodity as grain, it is time for a change. Certainly it is profitable to those who have seats on the Exchange, because they charge a rake-off on every bushel sold; but they are the only ones to benefit. Sometimes an entire crop has been sold as often as forty-five times. I merely mention these as things that might very well come before the committee.

It is claimed that the exchanges furnish a service in estimating the crop year. I do not know why there is no such service for estimating the number of machines the farmers buy. Why the sellers of the grain should consider it necessary to advertise to the world when there is a surplus, I do not know. If I am permitted a personal reference, there is one thing I should like to say. In the year 1937, I think it was, when a board, including a former president of the Grain Exchange, was proceeding to sell the farmers' wheat at around eighty or eighty-five cents a bushel, they were very slow in estimating the crop. I do not claim to be an expert at estimating crops, but I travelled from Winnipeg to Calgary, and although there was a crop of about one hundred and thirty million bushels in the West that year, I was able to estimate within one million bushels. The farmers' wheat was being taken away from them, being sold for eighty to eighty-five cents a bushel, and it went to $1.50.

We are concerned to-day about the price of wheat, and what to do with it. We co-operate with the United States in regard to the manufacture of munitions and that sort of thing. I wonder why there should not be

a little co-operation with regard to food. In the big United States market we see wheat quoted at $1.49 a bushel when in Winnipeg it is at ninety-one and a fraction cents. How can the people of Western Canada feel at ease when they see that? Cattle prices are five cents a pound higher in the United States than in Canada, and hogs are almost five cents a pound higher.

On the other hand, the Minister of Finance allows restaurant keepers to charge five cents extra for a cup of tea. Surely that is taking money out of the poor man's pocket. I read in a trade journal not long ago that ever since the depression in 1930 the one class of people who have been prospering all over this continent were the restaurant keepers. They have been making money every year. Every other business is regulated—we have weights and measures and all sorts of inspections—but there is no limit to the prices that can be charged by the restaurants. They can give you, as I think they sometimes do, about a twentieth of a pound of bacon and charge you 35 cents for it, which works out to about $7 a pound. Yet these are the people who are being assisted now by permission to charge an extra five cents for a cup of tea or coffee. If a working man needs six cups a day, that means 30 cents off his daily wages. This assistance to restaurant proprietors is entirely unnecessary. It is one of the things that should be done away with if we are to have peace and plenty in this country.

Another thing. Honourable senators will remember that before the war flax was selling at 40 cents a bushel in this country, and there was no sale for it because of the large quantities of vegetable oils that were coming in free. I imagine that a few men were reaping the benefit from that situation; that a few men were making more money than they had any use for. That was a calamity to the people in Western Canada.

My point is that if we are going to have a plan of social security which simply hands out a dole to the people in order that the present system may be continued, I have no hope of any good being accomplished by the proposed committee of the Senate. What we need are some measures to change the economic set-up under which we have been living.

As was said some years ago by the right honourable gentleman who formerly was leader of this House, economic problems like those of to-day did not face our country at all when many of us here were boys. Men went out to work with a scythe, let us say. One man could do a little more than another, but all could do enough to procure a living. But to-day, with the vast organizations—the wealthy combines, if you will—that wield such wide control, we find there is need for a referee. I repeat, honourable senators, that you will not save the situation by handing out doles, for by doing that you will ruin the very people you attempt to benefit.

Referring back to the restaurants for a moment, I am glad to be able to say that when I was a boy they did not have the machines they now use for shaving those thin slices of bacon. Some of our people are often criticized for having no ambition. Is it any wonder that they lack ambition if they get their meals at restaurants? I imagine that many men who eat at those places are partly starved and have not enough energy to work well. Yes, I am glad the bacon was not shaved so thin when I was a boy, or I might have been a good deal thinner than I am, and not much good for anything.

I shall be perfectly willing to assist on the committee, if the motion is carried, but I maintain that in order to bring about any permanent good we must make fundamental changes. We are told that in the olden days the people formed a committee to inspect a certain piece of country and bring back a report upon it. The committee reported that they found a land flowing with milk and honey, and that all the inhabitants were giants. Well, we hear a great deal of talk to-day about Canada being a land of wealth, and on the other hand we know there is poverty amidst plenty. That is our fault, honourable senators, the fault of the Government and perhaps of everybody else. This is a land flowing with milk and honey, and it is time we took stock and acted in such a way that all would have a share in that milk and honey. Under the present system, to quote what was said by a former Minister of Agriculture, the man who needs the most gets the least.

I may have perhaps exceeded the proper limits for an occasion such as this, but honourable senators will pardon me. In closing, I want to emphasize my sincere belief that in discussing reconstruction problems we shall have to go right to the root of things, or otherwise we shall be only putting a new patch on an old garment, and it will not be long before the rent is worse than it was in the first place.

Hon. W. McL. ROBERTSON: Honourable senators, I would crave your indulgence if I, a junior member of this Chamber, should appear to transgress the rules of propriety and good taste in venturing, so soon after my

introduction, to express an opinion of the motion before us. As justification, if that be needed, I should like to say that I come from a province in which I believe a majority of the people are not only desirous that the influence of the Senate of Canada shall not diminish, but are more than anxious that it shall materially increase. The reasons are obvious. In this House we of the Maritime Provinces have a numerical strength which is perhaps in keeping with our position at Confederation; and it probably is equal to what we had hoped it would be at this moment, and, I believe, to what we hope it may be in the future. The Maritime Provinces have twenty-five per cent of the numerical strength of the Senate, whereas in the elected body our proportion has dwindled to less than ten per cent.

I am bound to say, however, honourable senators, that while no other portion of Canada would more fiercely oppose abolition of the Senate, there is, I believe, on the part of many of our people, who are kindly disposed towards this branch of our parliamentary system, a growing feeling that in the changing conditions which have gradually developed in recent years and perhaps have had greater emphasis since the outbreak of war, this branch has not been fully alive to its opportunities of service to the public of Canada. So, honourable senators, it was a particular pleasure to me, upon my introduction here, to find on the Order Paper a motion, subsequently moved by the honourable leader of this House, in terms that evidenced a freshness of mind and a responsibility to the body politic which I believe is worthy of the highest commendation. It was as well a particular pleasure to me to find among honourable members with whom I came in contact, on this side of the House at least, a willingness and eagerness to render, in any way within their power, service in keeping with the spirit and letter of that motion.

In all parts of the Dominion to-day, bodies public, semi-public and private, despite the increasing responsibilities thrown on them as individuals and groups, are giving a generous amount of their time to consideration of the great problems with which we shall be faced in the post-war world. Boards of trade, municipal councils, associations representing primary producers, employees and employers, and the provincial governments are considering the situation from their respective viewpoints. And, as was pointed out a day or two ago by the honourable senator from Ottawa (Hon. Mr. Lambert), the Government and honourable members of another House, despite the crushing responsibilities of carrying on the war, have made time to give careful consideration to the future. I should judge that their action in this respect has been reasonably successful, since it has won the enthusiastic applause even of honourable senators opposite who spoke yesterday or the day before.

Faced with these countless instances of disinterested public service, honourable senators, is it to be suggested that this body is to give no consideration to the future? We cannot plead lack of time. The incidence of war, far from increasing our responsibilities in this House, has tended to diminish them; and, from what the honourable leader of this House has indicated, the tendency in future will be rather to diminish them still further than to increase them. Nor can we plead lack of facilities, for they are around us on every side; and we are indemnified for our time from the treasury of the Dominion of Canada.

We must not take refuge behind the technical argument that our sole traditional function is to review and revise legislation emanating from the Commons, at a time when from the highest to the lowest our people are giving so generously of time and energy to all that they can do not only in the prosecution of the war, but also in applying their best abilities and judgment to preparation of plans for the future. I feel, honourable senators, that this motion presents a unique opportunity to consider the broad principles that will govern this country in the future in matters of national and international importance. Far removed as we are from the racial and national animosities of the old world, perhaps we by precept and example may be able to afford a beacon light to a strife-torn world. We, as members of the Parliament of Canada, need have no inferiority complex in approaching this or any other problem. Canada's contribution to the prosecution of the war has amazed the world, and often the larger nations among our Allies have sought to emulate our example. We have learned in international affairs how a small nation can live beside a large nation without fear. We have learned to live in harmony and with an ever-increasing mutual respect beside others who differ from us in racial origin, language, and religion. We are united in our desire ever to increase the sum total of human happiness for every human being within our borders, and we have, I hope, the wit to appreciate the fact that it is equally desirable to raise the standard of those who are without. Perhaps it is ordained that we shall exercise on the post-war world an influence far out of proportion to our numbers.

It is because I believe, honourable senators, that the adoption of this motion presents an opportunity for us to give our best considera-

tion to this most important task from the point of view of the Dominion of Canada as a whole that the motion shall have, as far as I am concerned, my strongest support, both in the spirit and the letter; and I shall be surprised and disappointed if after due and mature reflection each honourable senator does not deal with it likewise.

Hon. CAIRINE WILSON: Honourable senators, during the last two days we have heard much of the considerations that prompted the Fathers of Confederation to insist on a second chamber, but, despite the judgment of the Judicial Committee of the Privy Council, I do not think the founding fathers ever considered that a woman was a "person" and eligible for admission to this Senate. However, the present situation clearly indicates that times have changed.

I was interested in the statement by the honourable senator from Alma (Hon. Mr. Ballantyne) that it was not our duty to advise the Government as to legislation. It seems to me that of our outstanding committees there are two which were distinctly set up for that purpose, although I confess they have been somewhat inactive. I refer to our Committee on External Relations, which I think would profit by a study of international questions and perhaps be able to advise the department thereon. The other is our Committee on Commerce and Trade Relations. The purpose of both these committees would seem to refute the contention of the honourable gentleman from Alma.

I was interested in listening to our colleague from Montarville (Hon. Mr. Beaubien), who yesterday seemed to think that agriculture could be placed in a water-tight compartment. The honourable senator from Saskatchewan North (Hon. Mr. Horner) has shown this afternoon that that is impossible. We know that the farmer is dependent for his prosperity on both domestic and foreign markets, and that the reason the farmers with all the other people of Canada suffered so severely during the depression was the lack of markets. That is, exports must be paid for by imports. The war has demonstrated to us the truth of what formerly we refused to believe.

We have heard much about the work of the proposed committee in regard to questions which are bound to arise after the war. I have had many communications from women who are concerned that so little attention has been given to their particular problems. As we all know, an enormous number of women who before the war had not sought remunerative employment are now gainfully employed. It is very doubtful whether they will be content to return to the ranks of non-workers. I contend that even those women are employed who do not receive pay for their work, and when the war is ended they will still be included in the vast body to whom consideration must be given.

Through our much lamented senator from Eganville (Hon. Mr. Graham) I have been greatly interested in a nursing service national in scope: I refer to the Victorian Order of Nurses. This order supplies nursing services to about a third of the population of Canada. I know that during the last decade, when many nurses were unemployed, fully two-thirds of our people were in need of their services. This is something to be borne in mind should a similar situation arise in the future. I think we are aware of an awakened public conscience in this respect.

Not only would it be to the advantage of our people in need to receive nursing attention, but this service and all other forms of health insurance would give a substantial return in dollars and cents. I read recently a statement by one of our public men to the effect that ill health had last year cost Canada $300,000,000. I know that during 1940, the first year the Commonwealth Air Training Plan was in operation, it cost Canada $225,000,000. Since then the cost has quadrupled. But during that same year ill health cost the nation $250,000,000. There are approximately 100,000 beds in our hospitals, and these are filled virtually every day of the year. It is said that on the average there are 50,000 persons absent from industry every working day. These illnesses are largely preventable. We can well afford to give our best attention to such problems.

Since I have been in this Chamber I have heard continual complaints that legislation which comes to us from the House of Commons has not been as carefully considered as we should wish, and that we have to pass it very hurriedly. Even though we cannot greatly influence legislation, we shall at least acquire some merit in the country if we seriously consider the problems involved and learn all we possibly can about them.

I was greatly impressed the other day by a passage which a Czech lady attributed to a patriot of her native land, whom we know as Comenius, but whom the Czechs know as Komenski. Nearly three centuries ago, in 1645, he said:

> It is not proper that only the children of the rich and noble should be sent to school. All, without difference, high-born and low-born, rich and poor, boys and girls in all cities, towns, villages and hamlets, should be educated. And this because they were born that they might become intelligent creatures, rulers of Creation, showing their resemblance to the Creator.
>
> Nor is there any sufficient reason why the weaker sex should be kept away from the arts

of wisdom entirely. For they too are made in the image of God. They too are gifted with a mind quick to understand and susceptible to wisdom—often more so than the male sex. To them, too, the road to high affairs is open: frequently even to the governing of nations, to giving excellent advice to kings and princes, also to the medical art and to other matters beneficial to mankind. . . .

Why, then, should we admit them to the alphabet first and drive them from the books afterwards?

I think this bears out recent remarks by the honourable senator for Saltcoats (Hon. Mr. Calder). I was much pleased when he said it was useless to give our young people education if we did not give them healthy bodies as well.

We are all aware of the uneven social legislation in our various provinces. Some of the wealthy provinces give to their citizens many advantages which are not available to those dwelling in the poorer provinces. I have personal knowledge of this, for there are no mothers' allowances in New Brunswick, and I have in mind the case of a worthy and most industrious young mother who, through the tragic death of her husband, was left with six children to provide for. Had it not been for the intervention of friends she would have had to send those children to an orphanage. Thanks to that friendly help, she is bringing up her family to be worthy citizens of the province. Such a mother is a credit to our country.

Hon. F. B. BLACK: Honourable senators, I rise simply for the purpose of calling attention to a statement which may be liable to misrepresentation, but which, I assume, was not so intended. I listened with a good deal of interest to the excellent address delivered by the honourable senator from Queen's (Hon. Mr. Sinclair). In the absence of the leader on this side (Hon. Mr. Ballantyne) I would call the attention of the House to the fact that he did not oppose the appointment of this proposed committee, nor had he any intention of doing so. The only difference between the two leaders, as I understand it, concerned the scope of the inquiry to be undertaken. I hope the honourable gentleman from Queen's did not intend to convey the impression I got from his remarks. Certainly the leader on this side did not oppose the suggestion for the appointment of a committee to go into whatever matters may be referred to it according to the terms of the motion. As I have said, the only question between the two leaders was as to the advisability of the scope which the proposed inquiry might take. No one on this side is opposing the motion, and I may say that personally I favour it.

Hon. J. A. CALDER: Honourable senators, I have listened to the entire debate with a good deal of interest, and I congratulate those who have taken part on the suggestions they have made. I am sure these will be useful to the committee. I may say frankly that I have hesitated to take any part in the debate myself, chiefly because I am not familiar with what is actually taking place by way of inquiry. I am fully aware that all sorts of inquiries are being held. That is very desirable. Further, it is highly desirable that this House should take part in them. I am sure my honourable friend from Queen's (Hon. Mr. Sinclair) did not intend to represent that the leader on this side was opposed to inquiry.

Hon. Mr. SINCLAIR: I may explain, since two honourable members have referred to it, that what I said was that he took a negative position.

Hon. Mr. CALDER: Oh, no, not at all. There is plenty of room for a difference of opinion as to the nature and scope of the inquiry, but that is an entirely different thing from a difference of opinion on the necessity for an inquiry itself. Speaking off-hand, I would say that if I had in my own hands the decision as to the nature of the inquiry to be held, I doubt very much whether I would pursue the course that is now being followed. I am not certain; I simply say that I doubt it. Owing to the scope of the inquiry, its vastness and intricacy, I am inclined to believe that in both Houses of Parliament there will be great difficulty in reaching the decision or decisions that are necessary during this session of Parliament. We all know what occurs in our committees, particularly the large ones. We know how much time is, in a sense, wasted on repetition and that sort of thing; and if we think there is any necessity for haste, I should be inclined to believe it would be better to have some of these inquiries, at least, made in another quarter.

I do not object to the proposal at all. I say I have hesitated to take part in the debate for lack of concrete, definite knowledge as to where, up to the present time, inquiries have led us, and I now rise merely for the purpose of giving one or two thoughts to the committee.

Let me say that at the close of the last war I was close to a situation somewhat similar to, though less extensive than, the present one. I played a part in the aftermath of that war, and I have at least some idea of the difficulties and the problems disclosed during that period. The idea I want to leave with the House, and with the leader of the House, in the hope that he will convey it to the Govern-

ment and to the country, is that there should be not one moment of delay in making decisions with reference to certain things that will come upon us overnight. Let me give you a picture. In the year 1918 I went to Europe with other members of the Government. In the early part of July of that year there was not the slightest view in the mind of anybody whom I met in high political and military circles in Great Britain that the war would end that year. I can go further and say that I attended a very important gathering of sixty or seventy outstanding men whose sole topic of discussion for two or three hours was how to get our troops out of France. That was the position in late June of 1918. The Allied nations at that time had decided jointly and unanimously that they would try to end the war in 1919. It ended in November of 1918. I must say very frankly that so far as the Government of Canada of that day were concerned they had not prepared properly or efficiently for what was to take place when the war did end. They should not be blamed for that. The situation was a new one. They did not realize what was going to occur, and it came upon them like a cloudburst—and I was in that cloudburst and know something of what happened. What I would suggest to this House and to the Government of this country is that they lose not one single minute in having their plans prepared concretely and definitely so that we may act when the time comes. We must not presume that the war is going to continue for two, three, four or five years. Look at the picture given us by the honourable member from Fort William (Hon. Mr. Paterson): in a day, some thousands of people in that city will be turned out of their jobs, and hundreds of thousands throughout Canada will walk to their homes and remain there. What has been definitely decided upon by Canada in order to deal with that enormous situation when it arises, as it will some day?

I say that while all the various matters discussed are very important, there are two or three major problems that will stare us in the face, and we must be prepared to deal with them at once. Is there a member of this House who does not agree with me?

My honourable friend (Hon. Mr. Sinclair) tells us that the president of the Bank of Nova Scotia says so and so, that the president of the Toronto General Trusts Corporation says so and so, and that certain college professors and others say so and so. That is all very well. Discussions of all kinds are going on in this country from ocean to ocean, but that will not get us anywhere until the discussions are studied and finally put into concrete form to be submitted to Parliament and made into law.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: I agree entirely with the idea contained in the remarks of the honourable member from Queen's (Hon. Mr. Sinclair) on the question of social security and health insurance. I think that a committee of our Chamber, instead of going through the mass of evidence that had to be examined by the Beveridge Committee, could very well take their report, study it clause by clause, and decide to what extent the plan there proposed could be adopted in Canada. Instead of conducting an investigation such as that committee carried out, extending over a period of eighteen months, let us take their findings and recommendations and consider to what extent they would be applicable to Canada.

And now I must not delay the House. The committee will be formed, and I have not the slightest doubt that all the members, regardless of which side of the House they sit on, will be willing to do their full share towards securing the best results they can from the work of the committee.

Some Hon. SENATORS: Hear, hear.

Hon. J. W. de B. FARRIS: Honourable senators, I would not think of addressing this House at this stage merely for the purpose of advocating the passage of this resolution, because I am quite sure that it has been assented to unanimously in the minds of honourable senators. But there are to my mind two aspects of this question in regard to which debate is useful. First, the discussion so far has given an indication of the views of various honourable members as to what the function of the Senate really is; and secondly, a discussion of this kind by the Senate as a whole will be of great benefit to the committee when it is formed, and particularly in the inception of its activities.

May I say a word about this question of the functions of the Senate as the discussion has developed it in relation to the problem with which we are now dealing? The honourable senator from Montarville (Hon. C. P. Beaubien) is not here to-day, but he suggested yesterday that perhaps we were getting direction from the Government, and that perhaps other directions or lines of activity should have been indicated to us by the Government. He mentioned agriculture. I think the Senate ought to take it to heart that we are the masters of our own destiny and are not dependent on this or any other Government as to what the activities of this body should be.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I do not think that quite concludes what is to be said on that point. There are in my judgment certain

things the Government might do to facilitate the activities of the Senate, and it is my regret that from time to time they have not been done. We all recognize, particularly in these times, that there is not much use in advancing legislation unless it is Government legislation. And in my own mind I have no doubt that time could be saved and the services of the Senate used to great advantage if some Government measures were introduced in this House.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: While in the main the business of the country should be introduced in the other House, some of it could be introduced here. We all know the unfortunate situation that develops towards the end of the session, when long awaited bills reach us from the Commons and it is not feasible for us to give them the consideration that we otherwise should. Of course, we must recognize some of the difficulties in the way of introduction of Government measures in this House. It is natural that each Minister should desire to father his own legislation. That is certainly one important reason why more bills are not brought down first in the Senate. I would suggest as one remedy the appointment of another Cabinet Minister to membership in the Senate, in addition to the honourable leader. We are all satisfied to a high degree with the efficient services of the honourable gentleman who leads the House (Hon. Mr. King), and I think it should be said that in all fairness he should receive adequate remuneration for the time and effort he has to devote to the work of his office.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: But I think that in addition there might be in this House another Cabinet Minister.

Hon. Mr. BLACK: Hear, hear.

Hon. Mr. FARRIS: The legislative measures of that additional Cabinet Minister would be first introduced in this House.

It is suggested that the Senate is not a democratic body. I wonder, honourable senators, how many honourable members of this Chamber or of another place could give an offhand definition of democracy. Sometimes it is thought to be rule by the majority. That is not my conception of democracy. I believe that majority rule is a necessary expedient in a democratic system, but the Fathers of Confederation recognized that democracy did not consist of that alone. I think they recognized, as we do to-day—though we sometimes hesitate to say so, because the statement is a little hackneyed—that Lincoln gave the true definition of democracy: government of the people, by the people and for the people. That does not mean government of the majority, by the majority and for the majority. Majority rule is the nearest practical expedient obtainable, but the Fathers of Confederation saw fit to qualify that by saying—and they had the example of the Old Country to guide them—that along with a Chamber controlled by the majority there should be as part of the parliamentary system a Chamber not subject to that control. It was felt that sometimes an appointed body such as this could give expression to the thoughts of the people perhaps more accurately and frankly than a purely elected body could.

In these days we have a number of boards whose chairmen and members exercise a very wide and powerful control over most of our economic activities. I am not criticizing at all; on the contrary, I am approving, for I feel that these boards are necessary for war purposes. But it is idle to say now, of all times, that a body such as this, composed of women and men who for long years before their entrance into this House were associated with the public life of the country, is not fully representative of at least a large thinking portion of the people.

There is another aspect to be considered, honourable senators, the aspect of what this discussion means and what the activities of the committee will mean when it is appointed. I was greatly impressed by the brief but forceful remarks of the honourable senator from Saltcoats (Hon. Mr. Calder). There is no doubt that urgency exists in the present situation. I do not think he meant we should assume the war will not last two or three years longer. The honourable gentleman would agree with me that so far as our preparations for fighting are concerned, we must of course go on with undiminished activity, with no idea but that the war will continue.

Hon. Mr. CALDER: Quite correct.

Hon. Mr. FARRIS: But for other purposes, and for the purpose of this proposed committee, a different viewpoint may be taken as an alternative. Not long ago I was reading Lord Riddell's Diary, and he tells us there that in March, 1918, there were 400,000 of our men killed or missing and another 80,000 taken prisoners within a period of fourteen days. Yet, a few months after that, in the fall of that year, the war terminated.

It is my idea that the work that could be done by this committee is three-fold. Yesterday the honourable senator from Montarville (Hon. Mr. Beaubien) stated, as I followed him, that with the committees now at work

there was no branch of Government activity more in hand than this question of reconstruction. Well, honourable senators, I wish I could think that is so. I agree that perhaps no part of Government policy is being more actively agitated at the present time, but it is too big a question, it has too many ramifications, for us ever to talk ourselves into the idea that we are anywhere near a solution of it.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. FARRIS: The drawing on the resources, on the analytical powers and past experience of a body such as this is certainly more essential to the welfare of Canada right now than it has been at any time since I became a member of the Senate.

As I see it, there are three important relationships in which we should consider this question. The first is the negative relationship. I am not a pessimist, I hope, but I cannot say that I view the after-war prospects in Canada with a great deal of enthusiasm. Before I deal with the strictly negative side, let me say that something of very serious import in the public life of Canada is the idea so many people seem to have that a new dispensation is coming, that after this war there is going to be a new heaven and a new earth; that everything will be different. Well, let us be realists about this, for the sake of the cause we are supporting. Do war, tragedy, large-scale murder and the watching day by day of the death of millions of people from starvation and other causes help to elevate the character of man? Do these things ennoble his mind and soften his heart? I am afraid they do not. I am afraid there will be disillusionments.

Therefore I think that in dealing with the post-war problem, one of our first moves should be an attempt to disseminate realism in this country, to get the people down to reality, so that they may view the future in a practical, common-sense way, and so far as possible anticipate the day of disillusionment.

I mentioned a few moments ago that our first approach to this problem should be from the negative side. That approach naturally springs from the realistic point of view. It is an analytical approach, a weeding-out process. Nothing can do the cause of reconstruction more harm than ill-considered and half-baked schemes.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. FARRIS: There were a lot of half-baked schemes after the last war. My honourable friend the leader of this House (Hon. Mr. King) and I were then in the Government of British Columbia, and we did our share in bringing about impractical schemes. As was suggested by the honourable senator opposite (Hon. Mr. Calder), nobody could be blamed for that state of affairs: it was bound to happen. But we know now how easy it is to be led into projects that prove to be impractical. They do more than that: they hinder practical projects that otherwise might be successful. We shall not be able to solve the problem completely, but one of the first things we must do in working at it is to analyse, to sift, to sort out and in certain cases to have courage to reject what is unnecessary or unworkable.

Then we must approach this question from the positive side, that is, as to the different matters that must be done and how they should be done. In making this approach, one of the first things to be borne in mind is that there is no Santa Claus who is going to come down the chimney and provide for everything; that all that can be accomplished in the way of social services and opportunity for work will have beneath it a cold dollars-and-cents basis. And back of that must be the turning of the wheels of industry and the expansion of commerce in Canada.

Honourable senators, I feel that as a group of men and women selected from different parts of Canada, bearing a great responsibility and in no way answerable to the people except as our consciences dictate what is in the best interest of Canada, we have an opportunity to render good service.

The motion of Hon. Mr. King for the appointment of a special committee was agreed to.

MEMBERS OF COMMITTEE—MOTION

Hon. Mr. KING moved:

That the special committee appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment and a national scheme of social and health insurance, be composed of 38 members, namely, the Honourable Senators Aseltine, Ballantyne, Beaubien (Montarville), Beaubien (St. Jean Baptiste), Blais, Buchanan, Copp, David, Donnelly, Du Tremblay, Fallis, Farris, Gouin, Haig, Horner, Howard, Hugessen, Jones, King, Lacasse, Lambert, Léger, Macdonald (Cardigan), Macdonald (Richmond-West Cape Breton), MacLennan, McRae, Marshall, Michener, Murdock, Paterson, Paquet, Robertson, Robicheau, Sinclair, Smith (Victoria-Carleton), Stevenson, White and Wilson.

He said: After the motion is adopted, I would suggest that the Senate adjourn during pleasure to afford the committee an opportunity of retiring and arranging its organization, and then reporting back to the House as soon as convenient.

The motion was agreed to.

The Senate adjourned during pleasure.

After some time the sitting of the Senate was resumed.

FIRST REPORT OF COMMITTEE

Hon. NORMAN P. LAMBERT: Honourable senators, the special committee appointed to consider and report upon matters arising out of post-war conditions, particularly those relating to problems of reconstruction and re-establishment and a national scheme of social and health insurance, beg leave to make their first report as follows:

Your committee recommend:

1. That their quorum be reduced to fourteen members.

2. That leave be given them to sit during adjournments of the Senate.

All of which is respectfully submitted.

I move adoption of the report.

The motion was agreed to.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, March 23, at 8 p.m.

The motion was agreed to.

The Senate adjourned until Tuesday, March 23, at 8 p.m.

THE SENATE

Tuesday, March 23, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADIAN BROADCASTING CORPORATION

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. (a) What are the names, places of residence and occupations of the persons who compose the board of governors of the Canadian Broadcasting Corporation, (b) for what length of time are governors appointed, (c) what is their remuneration, and to what amount is each one entitled for the current fiscal year?

2. Has the corporation a settled policy, ruling and regulation in respect to broadcast of statements and addresses relevant to policies and administration of Canada's governmental affairs at times other than during election campaigns, (a) by members of Government, (b) by leaders of the Senate, (c) by leaders of the official Opposition, (d) by leaders of other parliamentary groups, (e) by other parliamentarians, (f) by persons holding office in the service of the country, and (g) by other citizens of Canada?

3. What is the settled policy, ruling and regulation relating to the matters above mentioned?

4. If there is not any settled policy, ruling or regulation, what is the practice of the corporation in the foregoing matters?

5. Is the general manager vested with authority to make the decisions in such matters?

6. Who makes the decisions?

7. Is the general manager vested with authority to overrule at pleasure any settled policy, ruling or regulation relating to the foregoing matters?

Hon. Mr. KING: Honourable senators, this is the reply to the honourable gentleman's inquiry:

1. (a) René Morin (chairman), General Trust of Canada, 112 St. James St., Montreal, P.Q.; general manager, General Trust of Canada.

N. L. Nathanson (vice-chairman), Royal Bank Building, Toronto, Ont.; financier.

R. Rowe Holland, 520 Stock Exchange Building, Vancouver, B.C.; lawyer.

J. W. Godfrey, K.C., Eastern Canada Building, Halifax, N.S.; lawyer.

E. H. Charleson, Carleton Chambers, Ottawa, Ont.; lawyer.

Dean Adrien Pouliot, Laval University, Quebec, P.Q.; dean, Faculty of Science, Laval University.

Canon W. E. Fuller, 1004 University Drive, Saskatoon, Sask.; clergyman.

(b) The Canadian Broadcasting Act, 1936, states the governors shall hold office for three years, provided that of those first appointed, one-third shall be appointed to retire in one year, one-third in two years, and one-third in three years.

In the event of a casual vacancy occurring on the board, the Governor in Council shall appoint a person to fill such vacancy for the rest of the term of the governor replaced.

(c) The statute of 1936 lays down that the chairman shall receive an honorarium of $1,500 per annum. Other governors of the corporation shall each receive $50 for each meeting they attend, but shall not receive more than $500 in any one year. The amounts to which the governors are entitled for the current fiscal year and which have already been paid to them are in accordance with the above. They are as follows:

René Morin, chairman, $1,500; N. L. Nathanson, vice-chairman, $200 (4 meetings); R. Rowe Holland, $300 (6 meetings); J. W. Godfrey, K.C., $300 (6 meetings); E. H. Charleson, $250 (5 meetings); Dean Adrien Pouliot, $300 (6 meetings); Canon W. E. Fuller, $300 (6 meetings); Dr. J. S. Thomson,* $200 (4 meetings).

*Covers the period April 1, 1942—November 2, 1942, at which date Dr. Thomson resigned as a governor.

2. The corporation has no settled policy, ruling or regulation covering specifically any of the groups enumerated in the question at times other than during election campaigns, in respect to broadcast of statements and addresses relevant to policies and administration of Canada's governmental affairs.

3. It is the policy of the Canadian Broadcasting Corporation to replace on the air broadcasts by informed, authoritative and competent speakers as a contribution to the discussion of current affairs and problems.

4. For information of the public and to further the war effort, Government departments may apply for and be allocated broadcasting time on CBC network; also in the public interest other speakers may be invited.

5. The general manager is authorized to administer the policies of the board of governors.

6. See answer 5.

7. No.

PRIVATE BILLS

SECOND READING

Hon. A. K. HUGESSEN moved the second reading of Bill B, an Act to incorporate Montreal Shriners' Hospital Foundation.

He said: Honourable senators, this is a Bill to incorporate the Montreal Shriners' Hospital Foundation. This hospital has been carrying on a very good work for a number of years in caring for crippled children. In the past it has been very largely financed by the Shriners of the United States.

This Bill is for the purpose of establishing a corporate body, consisting of residents of Montreal and vicinity, to collect and administer the endowment fund for the benefit of the hospital. Frankly, honourable senators, I am not aware of the reasons why it should be necessary to incorporate this body by special Act, nor am I aware of the particular reasons why a special body is needed, separate and apart from the hospital which is to benefit. However, I can assure you that the Bill is sponsored by responsible citizens of Montreal, and if the House will consent to give the Bill second reading, I shall then move that it be referred to the appropriate committee, where the sponsors can give their explanations in full.

The motion was agreed to, and the Bill was read the second time.

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REFERRED TO COMMITTEE

Hon. Mr. HUGESSEN: I move that Bill B be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. KING: I have no objection to the motion, for it has been the custom for bills of this character to be referred to the Banking and Commerce Committee.

Hon. Mr. HARDY: Honourable senators, it has been the custom of the Senate for many years to refer almost all bills to the Banking and Commerce Committee. I feel that other standing committees should be given something to do. This is definitely a private Bill; it has nothing whatever to do with banking or with commerce, and I certainly think the Private Bills Committee should be given the privilege of looking after this Bill, which undoubtedly comes under its jurisdiction.

Hon. Mr. KING: The mover has no objection.

The amended motion was agreed to.

SECOND READING

Hon. L. MORAUD moved the second reading of Bill C, an Act to incorporate Canadian Alliance Insurance Company.

He said: Honourable members, this Bill passed this House last year and was sent to the Commons, where it received first and second readings, but got no further, because of prorogation. The company, which is already in existence in the province of Quebec, wants to come under federal charter.

The motion was agreed to, and the Bill was read the second time.

BIRTHDAY FELICITATIONS TO HON. SENATOR CHAPAIS

On the motion to adjourn:

Hon. L. M. GOUIN: Honourable senators, before we adjourn, may I call the attention of the Senate to the fact that to-day is the birthday of one of our colleagues? On arrival in Ottawa I had the privilege, along with many of you, of offering heartiest congratulations to the honourable senator from Grandville (Hon. Sir Thomas Chapais), who is eighty-five years old to-day.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. GOUIN: All Canadians are justly proud of this excellent historian who has given to our country an admirable series of books, for which he has received the reward of the French Academy, the highest honour, by the way, to which any writer in my own mother tongue can aspire.

Our venerable colleague in his quality of historian, as well as of statesman, still maintains an active interest not only in the things of the past, but also in public affairs of to-day. He enjoys the admiration and affection of all those of my generation, for his enlightened patriotism, for his ability and for his energy. We thank our colleague from Grandville for the inspiration and the good example which he has given to every one of us.

May I add that I take great pride in being a disciple of our honourable colleague, which proves, after all, that the different political creeds of our so-called old parties have not prevented co-operation between Canadians of good will. We have always been glad to recognize the merits of such outstanding men as the honourable senator from Grandville, irrespective of party allegiance. It is our most sincere wish that the honourable gentleman may continue for a long time to come to be a sure guide for our Canadian life.

Some Hon. SENATORS: Hear, hear.

Hon. J. H. KING: Honourable senators, I should like to join with my honourable friend who has just spoken, in extending heartiest felicitations to the honourable senator from Grandville on his arrival to-day at the age of which we have just learned. It is really gratifying to us to find the honourable senator in his seat to-night, hale and hearty, and I know it is the wish of each and every one of us that he may continue to enjoy for many birthdays to come the esteem not only of honourable members of this House, but of the people generally throughout Canada, and particularly in his own province.

Hon. C. P. BEAUBIEN: Honourable members, may I be allowed to add just a few words, and to thank our good colleagues on the other side of the House for having drawn our attention to a man who has certainly spent a very useful life in the province of Quebec, and who has cast over the entire French race of this country a great deal of what, I think, is best in life. For more years than I should like to admit I have been following his activities, and I have found him to be a man of very many parts—a great journalist, a great historian, a great orator, a great statesman, and above all, a thorough, earnest, convinced and honest man, possessing the admiration and affection of most of our people in the province of Quebec. I join heartily in what has been said of him, and I know that everybody on this side of the House will do likewise. I thank our colleagues opposite for having drawn our attention to so worthy a gentleman.

Hon. Mr. GOUIN.

Some Hon. SENATORS: Hear, hear.

Hon. Sir THOMAS CHAPAIS: Honourable senators, I am really deeply touched by the good words coming from my colleagues in this House. I have only one thing to say: that I thank them from the bottom of my heart.

Some Hon. SENATORS: Hear, hear.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, March 24, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

MOTOR VEHICLES AND GASOLINE RATIONING

ORDER FOR RETURN OF CORRESPONDENCE, ETC., WITH PROVINCIAL GOVERNMENTS

Hon. ARTHUR SAUVE moved:

That an Order of the Senate do issue for the production of a copy of all representations, letters, documents, telegrams between the Federal Government and any provincial government concerning the rationing of gasoline, or any other subject related to motor vehicles, such as the loss of provincial revenues caused by the said rationing, and also related to the rights of the provinces and of the Dominion.

He said: Honourable senators, I say at once that the object of my motion and my address is not to open a controversy, nor to lay a charge against any government, nor to raise a question which does not concern the Senate. I simply desire to point out the importance of documents being furnished which would be essential to the examining of constitutional litigation. I am positive, honourable senators, that the governments concerned will accept in the best spirit any proper representations which may be respect fully submitted to them. My motion is inspired solely by the concern to contribute loyally to the welfare of our country, which, in order to support the current extraordinary effort, justly calls for a proper administration, well balanced, solidly grounded on principles whose application is practicable, convenient and fruitful in our many different zones of production or sources of revenue.

One may be intelligent and well-meaning and still err disastrously in applying a sane principle without the necessary knowledge of its consequences or effects; for instance, price ceilings on firewood or sawn timber, cartage restrictions, selective war policy.

My personal experience does not inspire me with any confidence in those who see only dishonest and insincere men or imbeciles among persons who assume the responsibility of administering a country like ours during wartime, for which we have not been adequately prepared in relation to the increasing effort which is now being harshly ordered from our population. One must understand the necessity of being careful in order to avoid hampering this effort with untimely criticism or with deceitful, provocative administrative errors. I believe that this attitude befits the spirit and the role of this upper Chamber.

Some persons may think that my motion deals with a question that is not of sufficient importance to be examined by the Senate. I do not think so. In this motion is involved a great principle, a principle which is now at stake, and I humbly submit that it is the duty of the Senate to study and to become conversant with everything related to it, in order to find out whether there is a violation of the Constitution or an error of the Administration, and also to be able to render judgment at the right moment. Provincial rights are more and more arising in discussion by the Press and by political groups—discussion which is making headway in public opinion. My motion also includes a question of the rights of taxpayers and justice to them. The correspondence of both the Dominion and the provincial authorities, and of parties concerned or affected, should help the Senate to arrive at a judgment which should carry weight with the Canadian people.

Surely public opinion will not believe that the Senate is too busy to debate such a question. On the contrary, it will applaud honourable members for devoting themselves to this discussion instead of taking too frequent adjournments or spending their time on useless and expensive special committees. Concerning the frequency of those adjournments, which is not well understood, may I be allowed to point out that my motion is in conformity with the wish I have twice expressed in this House when explaining motions intended to give rise to debates on very important social questions which were worthy of the attention of the Senate, as was generally acknowledged by the Press. I sincerely hope that the committee constituted last week by the Senate will go deeply into those constitutional and economic questions, though I do not expect too much as a result, and I prefer that such work should be done by the Chamber at large, after proper preparation and a profound study of the questions on the Orders of the Day.

Could the Senate not spare the time to examine these documents, together with the questions relative thereto? The Senate has enough time at its disposal to gather information on our new national problems, and it possesses the required experience. It is acquainted with sources of information, and the reports of commissions appointed from 1914 to 1918 for educational purposes. The Senate is better qualified than certain theorists or professors en robe de chambre to see the possibilities and realities of the post-war period, and will not hold out the prospect of a lavish State god who will cure all evils and take upon himself the responsibility of caring for everyone from birth to burial.

The question to be debated touches the Federal Government because of certain restrictive Orders in Council concerning motor vehicles. It is of interest also to the provincial governments in so far as these rationing orders affect the revenues and violate the autonomy of the provinces, and are detrimental to certain taxpayers, who are entitled to just treatment. The Government of Quebec is particularly interested because of the excessive cost of its motor permits, and the situation which motor vehicle owners in that province must face as a result, to say nothing about the high cost of insurance.

Above all other considerations the central power is concerned with war needs; but on the other hand there is the respect to which provincial autonomy and the rights of the citizens are entitled. The Federal Parliament has given its Government the right to enforce war measures by Orders in Council, in so far as these measures do not infringe upon untransferable rights or upon constitutional or statutory rights of provincial governments. Provincial autonomy does not mean denial of federal autonomy, but specifically means a particular protection to the people of each province for their particular interests as defined in the British North America Act. That was the chief purpose of the partisans of Confederation as opposed to legislative union.

Provincial Cabinet Ministers and opposition leaders recently again protested against the encroachment of the Federal Government upon the revenues of the provinces. It is within the attributes and the jurisdiction of the Senate, and it is also its main duty, to protect the rights of the provinces and of the Dominion—for there is a provincial autonomy as well as a federal autonomy. We have in this Chamber prominent lawyers, and professors of law; we have former federal Ministers and former provincial Prime Ministers and Ministers, former members of the Legislative Assembly and Legislative Council of

Quebec. These men are well prepared for and particularly capable of studying this question thoroughly and of handing down a judgment.

It is in the light of this documentation that we shall best be capable of judging the new budget where it deals with special grants and compensations given the provinces. We must not forget that above these compensations there is a right which cannot be bought nor bargained for, a right which must be saved in its integrality.

As my honourable friend from Sorel (Hon. Mr. David) knows, during the last twenty-five years I have often asked that provincial autonomy be respected, and I have denounced the encroachments or the attempts at encroachment by the insistent advocates of a legislative union. To-day I cannot contradict myself. During the last war, 1914-1918, Sir Lomer Gouin, then Prime Minister of my province, raised a protest against such attempts at encroachment. I, as the leader of the Opposition, gave him my modest, full and sincere support. Sir Lomer was one of the able statesmen who had acquired great prestige amongst the Canadian population of both languages, and especially amongst the leaders of the Canadian economy. Unlike his father-in-law, another great Canadian, Honoré Mercier, he was a zealous partisan of our Confederation and a great admirer of Cartier.

Whatever be the seriousness of the conflict with which the interests of the country are now connected, I am always against all kinds of sabotage. I belong to a province indissolubly attached to its legislature and to the rights and powers which the British North America Act has conferred upon the province. I recognize that it is in duty bound to take care of its rights with intelligence and propriety. It must not be for one moment ignored or forgotten that this autonomy has been won through the exercise of the best intelligence in our history, and in the vital interest of our country—thanks to the penetrating, logical and energetic patriotism of Sir Georges-Etienne Cartier, with the support of his French-speaking colleagues; thanks also to the fair play of the English-speaking Canadians, worthily represented among the most illustrious and most influential of the Fathers of Confederation. I have always opposed federal attempts at encroachment. I have also opposed the claim of autonomy being abused, or being put forth in a wrong way.

I have long since communicated to the Prime Minister of my province, Quebec, my humble opinion concerning the attitude of the province as to its licences, and the necessity of economy during war-time. I still appreciate his very kind answer, although it has remained without practical results. I believe that he had to deal with ministers or officials from Ottawa who invoked the necessities of war. I did not at all intend any unlawful or disrespectful interference in the business and prerogatives of provincial government, but it was justifiable and necessary for me to intervene as a representative of Quebec's supertaxed contributors. There is a high consideration which should not be neglected nor rejected, namely, that of provincial rights, with which are connected, for instance, the revenues required by a provincial administration, including those obtainable from motor vehicle permits or licences.

If we must loyally recognize the true necessities of war and our duty of accepting our share of work and sacrifice, measuring our efforts by our resources, should we not in consequence require wise measures of government, also the best faculty of understanding the situation of each province, each class, each zone of production? A negative answer would be offensive and fatal during this war and after. If it is impossible to produce evidence of strict and rational economy in the course of our participation in the war, and to insure respect for and fair protection of the rights of the people, how will the people accept the cost of the war and its obligations? The advocates of rational, logical participation require more and more the strictest economy from the Government and the people. That economy should avoid much restriction and high taxation, and produce a contribution that is better balanced and better accepted.

In at least one province vehicle owners pay from $20 to $50 for their yearly licence. That is the same cost as when there were no federal restrictions upon the purchase and use of these vehicles, nor upon the purchase of parts and other items needed. These owners rightly claim that the cost of a permit should be in proportion to their capacity for using the vehicle, and to the heavy obligations that are imposed upon them by Orders in Council and federal restrictions.

If a Government passes such Orders in Council, should it call upon those who buy permits to carry the whole burden of those Orders in Council? While admitting that in these days of sacrifice it is quite fair to restrict pleasure travelling and other causes of waste, in order to bring the population back to normal life, I do not believe that it is fair or tolerable to expect people to pay for some items 300 per cent more than in normal times. To pay $40 for a yearly permit and not have the right to purchase more than 120 gallons of gas in the year is not fair treatment. Such is the case in the province of Quebec, and I do not believe

a similar case exists in any other province except perhaps New Brunswick. In Quebec one cannot get a seasonal permit, that is to say, a permit for three or six months. Formerly a semi-annual permit could be obtained at a proportionately lower fee; but now, although that privilege has been asked for, the Quebec Government has answered that it cannot lower the cost of permits, because its budget is too hard hit by federal wartime requirements. I understand this situation. Under the present system motor vehicle owners in Quebec are taxed more than the owners in many of the other provinces. Is it fair? No. Where is the cause of this unjust or unsatisfactory situation to be found? Should this situation be attributed to the Federal Government? Underlying that question is a fact which should interest the Senate. Has the Ottawa Government imposed restrictions affecting the revenues of a province without the consent or against the will of the Government of such province? It is important to know whether this is so, and that is the reason for my motion.

It belongs wholly to the provinces to issue automobile permits and to impose taxes on the sale of gasoline. Has the Federal Government the constitutional right to restrict the use of an automobile for which a permit of unrestricted mileage has been granted by a provincial treasurer under a provincial law?

The Federal Government will answer that it is paying the provincial governments a special subsidy or grant to make good their loss of revenues occasioned by war measures. In fact, in the budget I see a sum of $98,856,000 for "special grants and compensations to provinces." Does this item cover the case I am now presenting? Is this sum sufficient to cover the loss of revenues occasioned by federal Orders in Council? Has a provincial government made representations to federal authorities to the effect that the rationing of gasoline for certain vehicles will in justice to automobile owners compel it to lower the cost of its permits? If such representations were made, what was the federal answer? That answer should be known to us and to the public.

Those are the purposes of my motion and the reasons why I respectfully ask this Chamber to adopt it.

Hon. P. R. DU TREMBLAY: Honourable senators, the honourable gentleman from Rigaud (Hon. Mr. Sauvé) has referred to certain war measures taken by the Federal Government and has described them as encroaching on provincial autonomy. I do not think he is right in taking this attitude. The Federal Government, before imposing a tax on gasoline, reached an understanding with the various provincial governments. None of those governments was obliged to accept the Dominion Government proposal, which proposal, I might add, was discussed by the respective governments and in its final form was accepted by them as fair and reasonable.

At the present time our people have a certain advantage in regard to taxes. As honourable members will recall, there was a time when, in the city of Montreal in particular, the taxes were very heavy, there being three sources of taxation—Dominion, provincial and municipal.

Moreover, it must not be forgotten that the arrangement between the Federal and the provincial governments is expressly limited to the duration of the war. There was no attempt by the Federal Government to encroach on the rights of the provinces. I am confident that neither the members of the Federal Government nor the members of the Senate and the House of Commons desire in any way to disturb provincial rights.

With respect to the increased grants to the provinces in lieu of their losses of revenue, I think it is obvious that those grants are adequate in view of the surpluses which various provincial treasurers have been able to announce when presenting their budgets. An outstanding example is that of Ontario, which has a surplus of more than $20,000,000.

It seems to me, honourable senators, that all the circumstances can lead us to but one conclusion, that the measures referred to by the honourable senator from Rigaud are measures necessitated by the war, and neither harm the provinces nor encroach on their rights.

Hon. L. M. GOUIN: Honourable senators, in replying to the speech which our honourable colleague from Rigaud (Hon. Mr. Sauvé) has delivered in support of his motion, I desire first of all to thank him for the tribute which he paid to the memory of Sir Lomer Gouin.

Like the honourable gentleman from Rigaud, I am deeply attached to provincial rights. I believe that a respect for provincial autonomy is absolutely essential to the welfare and progress of this country, and it would be regrettable if the impression were created that the Dominion Parliament and the provincial legislatures are designed to act as if they were foreign and even hostile powers. The Fathers of Confederation intended that the federal and provincial authorities should co-operate to further the development of the country as a whole. Particularly is it the clear duty of the Dominion Parliament and of every provincial legislature to co-ordinate their efforts for the purpose of winning the war. I know very well that frequently legislation or regulations emanating from Ottawa

may affect provincial rights, but under present tragic conditions the supreme duty of the State is undoubtedly to save Canada by winning the war. The mere fact that, for instance, provincial revenues may be diminished because gasoline is rationed does not in any way constitute an encroachment upon provincial autonomy; it is an indirect consequence of wartime measures necessitated by the vital importance of conserving gasoline.

It would be a great pity if, for instance, the fact that a man who has taken out a motor-car licence in the province of Quebec cannot use his car as freely as under normal peace-time conditions should be seized upon as a pretext to promote disunion in this country. We all realize that what is most essential just now is a real and sincere union of all Canadians of good will. In particular, I feel that the moment would be ill-chosen to discuss grievances, whether real or imaginary, when there is such an urgent task before us as the successful prosecution of our military operations.

For this and other reasons I do not think it would be advisable for the Senate to accept the suggestion of the honourable senator from Rigaud to embark on a study of provincial rights under the British North America Act. I believe that, first of all, it would be a grave error to think that the British North America Act comprises all our Constitution. Thank God, this country is primarily governed by the unwritten and generous principles of the British Constitution, and I wish to affirm most solemnly that we Canadians of French origin are just as much attached to those fundamental principles of the British Constitution as any Canadian of British origin. This political system which we have inherited from Great Britain is, I believe, sufficiently flexible to enable us to adjust within its framework all our minor differences. I think that at the present time, when the Senate has appointed a special committee to study post-war reconstruction and social security, to organize another committee to discuss such a delicate subject as the constitutional relations between the Dominion and the provinces would be a useless and unnecessary step and would only serve to weaken our efforts and dissipate our strength.

A few years ago what is known as the Rowell-Sirois Commission undertook to study the relations between the central power and the provincial governments, and devoted several years to the work. I had the honour myself of preparing some legal reports for that commission. The voluminous report it submitted brought home to us all a realization of the difficulties which confronted the commissioners. A careful perusal of their conclusions should be sufficient to convince anyone that in a country of such vast extent as Canada, with the conflicting economic interests of the Maritime Provinces, the Central Provinces, the Prairie Provinces and British Columbia, coupled with the problems of different races and different creeds, it is extremely difficult to try to improve our present constitutional machinery. I believe very sincerely, honourable senators, that the circumstances are not favourable to the undertaking of that gigantic task; that it is only when God rewards the efforts of our soldiers, sailors and airmen, and again blesses us with peace, that this body can calmly and earnestly undertake the task suggested by the honourable senator. Indeed, what would be left of civilization, what would be left of freedom, what would be left of this country if, first of all, we did not earnestly and constantly devote all our efforts towards the one primary task of winning the war?

Some Hon. SENATORS: Hear, hear.

Hon. J. H. KING: Honourable senators, I do not intend to make an extended reply to my honourable friend (Hon. Mr. Sauvé). I think the address just delivered by the honourable senator from De Salaberry (Hon. Mr. Gouin) is sufficient answer to the suggestion that the Senate at this time should inquire into matters pertaining to the relationship between the provinces and the Dominion of Canada. The Government has thought it necessary at this time to devote all its efforts to the successful prosecution of the war. It is true that during periods of this kind the Government must take greater authority and make greater efforts than would be necessary in peace-time.

My honourable friend has asked for:

—a copy of all representations, letters, documents and telegrams between the Federal Government and any provincial government concerning the rationing of gasoline, or any other subject related to motor vehicles, such as the loss of provincial revenues caused by the said rationing, and also related to the rights of the provinces and of the Dominion.

The matter of gasoline rationing is, I think, pretty well understood by the public generally. It is not the official act of the Dominion Government that has tied up gasoline in the province of Quebec; the fact is that gasoline is not to be had in large quantities, and that most of the supply available is required for war purposes. I do not think, in view of the cause, the ordinary motorist in the province of Quebec is making any great objection to the curtailment.

I do not know what this motion would entail. Personally I cannot see any objection to its adoption, and if the Minister thinks it right and proper that these documents should be tabled, I see no reason why that should not be done. While I have no reason to object to the motion, I think the address of my honourable friend who has just taken his seat (Hon. Mr. Gouin) answers conclusively the suggestions of my honourable friend from Rigaud.

The Hon. The SPEAKER: Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. SENATORS: No.

Hon. Mr. SAUVE: After listening to my honourable friend from De Salaberry and the honourable the leader of the Senate, I think my motion was not well understood. The motion asks:

That an Order of the Senate do issue for the production of a copy of all representations, letters, documents and telegrams between the Federal Government and any provincial government concerning the rationing of gasoline, or any other subject related to motor vehicles, such as the loss of provincial revenues caused by the said rationing, and also related to the rights of the provinces and of the Dominion.

There should be no controversy about that. It must be admitted that a protest was made in public by many representatives of governments, including Ministers, Prime Ministers and leaders of the Opposition. During the course of my remarks I said: "What is right? What is wrong? We shall see by the production of the correspondence." I do not attach any blame to the Federal Government or the provincial governments, but as a senator I think I have the right to know from the correspondence whether there is justice or injustice.

I do not object to the remarks of my honourable friend, but he did not meet the main point. Why should a member of the Senate be refused permission to see the correspondence between a province and the Federal Government on a question which has been discussed by members of provincial legislatures and by members of the Parliament of Canada?

Hon. Mr. KING: I think my honourable friend is building up a case quite unnecessarily. I have indicated that I see no objection to the passage of the motion.

Hon. Mr. SAUVE: I understand that a number of friends on the other side have objected.

Hon. Mr. COPP: They just want to hear you make another speech.

Hon. Mr. SAUVE: Well, I thank you, honourable members. I am the last laugher.

The motion was agreed to.

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LIMIT OF CANADA'S POPULATION

On the Orders of the Day:

Hon. R. B. HORNER: Honourable senators, there is a matter which I wish to bring to the attention of the Senate and the Government. An item appearing in last evening's Citizen, dated from Sydney, reads as follows:

Says 40,000,000 is population limit here. Canada is not capable of caring for a population of more than 30,000,000 to 40,000,000 people, Honourable T. C. Davis, Canadian High Commissioner to Australia, said in an address to a Rotary Club luncheon to-day.

The High Commissioner has given his personal estimate. I think I have just as much right as he has to make an estimate, and I think my estimate will be of as much value as his.

Hon. Mr. COPP: What would your estimate be?

Hon. Mr. HORNER: My estimate would be that before Canada could maintain a full degree of prosperity, we should have a population of at least 200,000,000. The province of Saskatchewan could accommodate 40,000,000 people very well, Alberta another 40,000,000, and outside of any of the provinces, you could put another 40,000,000 in the Northwest Territories.

Hon. Mr. McRAE: Could they live?

Hon. Mr. HORNER: Yes. We are wasting much land. Some may say that there would be difficulty in the drought season. The trouble has been that the people on the large farms could not farm them properly. I know that in the northern part of our country the capable farmer on a quarter-section is the one who is able to buy bonds to-day and to live without support from the Government. Along the rivers in my province, in the river flats, there is no end of good land which is growing nothing but brushwood. Here and there, long distances apart, there are gardens growing water melons and sugar beets almost as large as a man. That land is almost entirely wasted. You could place a tremendous population there. Before man entered that country vast herds of buffalo and other animals were running wild in those areas and were sustaining themselves on what they found.

Hon. Mr. ASELTINE: The Friendly North.

Hon. Mr. HORNER: Yes. In the Mackenzie river country there is not nearly as much snow as there is here to-day, and the winter has not been as cold as here. The reindeer are fat and increasing in number; there are millions of caribou living in the country, and the buffalo are thriving. There is a lack of snow for carrying on operations

on the Alaska highway. There would be grazing there for live stock the year round, as there is at the present time for wild cattle.

As a Canadian citizen I object to Canada being advertised in the manner indicated by the dispatch I have read. I hope this gentleman has been misquoted. I think it probable that the statement he made was that in order to progress Canada should have 30,000,000 or 40,000,000 people. The statement that that is the limit of population that we could support is outrageous. I would place the number at 200,000,000 at least.

Hon. A. D. McRAE: Honourable senators, I think I know a little about the north country. I do not like to differ with my honourable colleague, and I am not running down the north country, but I think he is pretty optimistic in his estimate of 200,000,000. It takes quite a stretch of the imagination to visualize a population of 40,000,000 in that country. None of us here will see it. We do not know what the spread of civilization may necessitate, but I should certainly think the estimate of the Hon. Mr. Davis was moderate, and I should not like to see any criticism of his statement. I think it is about as accurate a statement as could be made at the present time.

Hon. J. H. KING: I have nothing to say in reply to the criticism of my honourable friend opposite (Hon. Mr. Horner). He must realize that he is in a much happier position than Commissioner Davis, for the honourable senator is at liberty to make even extravagant statements if he so desires.

As regards the High Commissioner's statement in Australia, we have only a newspaper report. I have no knowledge of the actual statement he made at the gathering in question. Men occupying these positions have to make speeches, and they try to make them informative. As we see now, there is a difference of opinion as to the size of population that Canada could accommodate. That question will work itself out after the war. The number of people who reside in Canada will depend upon how much crowding there will eventually be in this world.

However, I take my honourable friend's statement into account, and I have no doubt the Department of External Affairs will do so.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill D, an Act for the relief of Sheila Joan Milligan Hodgson.

Bill E, an Act for the relief of John Elliott Cockerline.

Bill F, an Act for the relief of James William McDonald.

Bill G, an Act for the relief of William James Chafe.

Bill H, an Act for the relief of Nettye Steinberg Litner.

Bill I, an Act for the relief of Mollie Jaslow Mitnick.

Bill J, an Act for the relief of Eleanor Jeanne Lonn Yanofsky.

Bill K, an Act for the relief of Ada Lahn Corber.

Bill L, an Act for the relief of Bessie McKenzie Balfour Whiteley Willard.

Bill M, an Act for the relief of Marion Catherine Bremner.

Bill N, an Act for the relief of Feodor Karpenko.

Bill O, an Act for the relief of Dorothy Platt Vaz.

Bill P, an Act for the relief of Marion Ellen Topp Dore.

Bill Q, an Act for the relief of Celia Lazarowitz Cohen.

Bill R, an Act for the relief of Frederick Hubert Fairbanks.

Bill S, an Act for the relief of Maude May Frances Adlam Clare.

Bill T, an Act for the relief of Gladys Mae Bond Jarvis.

Bill U, an Act for the relief of Max Shulman.

Bill V, an Act for the relief of Walter Pestun, otherwise known as Walter Preston.

Bill W, an Act for the relief of Sonia Litvack Shalinsky.

Bill X, an Act for the relief of Evelyn Margaret Cooke Phippard.

Bill Y, an Act for the relief of Muriel Anna Chapman Longmore.

Bill Z, an Act for the relief of Joseph Fernand St. Louis.

Bill A2, an Act for the relief of Alexander Morgan.

Bill B2, an Act for the relief of Norma Mady Albert Chamandy.

Bill C2, an Act for the relief of Gerald Clarkin.

Bill D2, an Act for the relief of Edith Rose Smith Gendron.

Bill E2, an Act for the relief of Alice Bernadette Choiniere Horner.

Bill F2, an Act for the relief of Eva Pearl Gilbert.

Bill G2, an Act for the relief of Emma Cowsill Hill.

Bill H2, an Act for the relief of David Joseph Kennedy.

Bill I2, an Act for the relief of Leopold Boucher.

Bill J2, an Act for the relief of Beatrice Ashwell Dyson.

Bill K2, an Act for the relief of Freda Sybil Nisbet Baldwin.

Bill L2, an Act for the relief of Sam Hadis.

Bill M2, an Act for the relief of Carmen Hilda Olesker Gold.

Bill N2, an Act for the relief of Léo René Doré.

Bill O2, an Act for the relief of Mary Sophia Voira St. Pierre Malhiot, otherwise known as Mary Sophia Viora St. Pierre Mayotte.

Bill P2, an Act for the relief of Violet Victoria Green Auclair.

Bill Q2, an Act for the relief of Laurette Jobin Lalumière.

Bill R2, an Act for the relief of Elizabeth Gunn Sparling.

Bill S2, an Act for the relief of Bella Lerner Efros.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, March 25, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

FINANCE COMMITTEE

INCREASE OF MEMBERSHIP—MOTION

On the notice of motion:

By Hon. Mr. King:

That for the rest of the present session the number of members constituting the Standing Committee on Finance be increased from seventeen to twenty-five members, and that the following senators be added to the list of members serving on the said committee, namely, the Honourable Senators Black, Haydon, McCrae, Howard, King, Moraud, Du Tremblay.

Hon. Mr. KING: Honourable senators, there are two clerical errors in the notice of motion: first, the name of Hon. Senator Foster is omitted; second, the name of Hon. Senator McRae is spelled incorrectly. Subject to these corrections, the motion is in order.

The motion, as amended, was agreed to.

DIVORCE BILLS

SECOND READINGS

On the orders for the second readings of the following bills:

Bill D, an Act for the relief of Sheila Joan Milligan Hodgson.

Bill E, an Act for the relief of John Elliott Cockerline.

Bill F, an Act for the relief of James William McDonald.

Bill G, an Act for the relief of William James Chafe.

Bill H, an Act for the relief of Nettye Steinberg Litner.

Bill I, an Act for the relief of Mollie Jaslow Mitnick.

Bill J, an Act for the relief of Eleanor Jeanne Lonn Yanofsky.

Bill K, an Act for the relief of Ada Lahn Corber.

Bill L, an Act for the relief of Bessie McKenzie Balfour Whiteley Willard.

Bill M, an Act for the relief of Marion Catherine Bremner.

Bill N, an Act for the relief of Feodor Karpenko.

Bill O, an Act for the relief of Dorothy Platt Vaz.

Bill P, an Act for the relief of Marion Ellen Topp Dore.

Bill Q, an Act for the relief of Celia Lazarowitz Cohen.

Bill R, an Act for the relief of Frederick Hubert Fairbanks.

Bill S, an Act for the relief of Maude May Frances Adlam Clare.

Bill T, an Act for the relief of Gladys Mae Bond Jarvis.

Bill U, an Act for the relief of Max Shulman.

Bill V, an Act for the relief of Walter Pestun, otherwise known as Walter Preston.

Bill W, an Act for the relief of Sonia Litvack Shalinsky.

Bill X, an Act for the relief of Evelyn Margaret Cooke Phippard.

Bill Y, an Act for the relief of Muriel Anna Chapman Longmore.

Bill Z, an Act for the relief of Joseph Fernand St. Louis.

Bill A2, an Act for the relief of Alexander Morgan.

Bill B2, an Act for the relief of Norma Mady Albert Chamandy.

Bill C2, an Act for the relief of Gerald Clarkin.

Bill D2, an Act for the relief of Edith Rose Smith Gendron.

Bill E2, an Act for the relief of Alice Bernadette Choiniere Horner.

Bill F2, an Act for the relief of Eva Pearl Gilbert.

Bill G2, an Act for the relief of Emma Cowsill Hill.

Bill H2, an Act for the relief of David Joseph Kennedy.

Bill I2, an Act for the relief of Leopold Boucher.

Bill J2, an Act for the relief of Beatrice Ashwell Dyson.

Bill K2, an Act for the relief of Freda Sybil Nisbet Baldwin.

Bill L2, an Act for the relief of Sam Hadis.

Bill M2, an Act for the relief of Carmen Hilda Olesker Gold.

Bill N2, an Act for the relief of Léo René Doré.

Bill O2, an Act for the relief of Mary Sophia Voira St. Pierre Malhoit, otherwise known as Mary Sophia Viora St. Pierre Mayotte.

Bill P2, an Act for the relief of Violet Victoria Green Auclair.

Bill Q2, an Act for the relief of Laurette Jobin Lalumière.

Bill R2, an Act for the relief of Elizabeth Gunn Sparling.

Bill S2, an Act for the relief of Bella Lerner Efros.

Hon. Mr. ROBINSON: Honourable members there are a number of divorce bills on the Order Paper for second reading, running down, I think, to Order No. 42. I would move the second reading of these bills en bloc.

The Hon. The SPEAKER: It is moved by Hon. Mr. Robinson, seconded by Hon. Mr. Sinclair that Orders Nos. 1 to 42, for the second readings of bills of divorce, be taken en bloc.

Hon. C. E. TANNER: I think all honourable members have received about forty reports of hearings by the Committee on Divorce. This flood of cases reminds me of the expectation most of us had that if the former leader of this House—whose passing we all very sincerely lamented—had lived, something would have been done to remove this incubus from the Senate. I do not know whether my honourable friend the present leader has the matter in contemplation, or whether the Committee on Divorce is considering the matter, but I want to express the hope that something will be done before very long to provide that honourable members of this House shall not be called upon to devote so much time to the washing out of dirty linen, and that these cases shall be taken over by the courts. That was what our late leader had in mind—some provision whereby the cases would all go to a judge or to the courts.

I know, of course, that many do not agree with me when I say that I think the province from which these cases now nearly all come should open its courts to its people who desire to apply for divorce. Not only have the members of our Senate Committee the labour of sitting day after day and hearing evidence in regard to these matters, but at times they have to take from another part of this building very disparaging remarks. At times they are talked about as if they were utterly incompetent to discharge the duty of hearing and deciding these cases. I do not know that any of them have entered any protest against that, but I am taking opportunity by the hand to point out to those fault-finders that every man on the Senate Committee that hears and disposes of these divorce cases is thoroughly competent for the work—so competent that by himself he could try and wisely decide the cases. In my judgment, the members of our committee are a galaxy of judges as competent as any in the country.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: As I said a moment ago, I think some provision should be made for dealing with divorce cases outside of Parliament. I think the late Senator Dandurand had an idea that a judge should be appointed especially for this work. In any event, I feel that the Senate should endeavour to have all these cases turned over to some court. If there is any virtue or quality in all this talk that we hear about freedom—and I concede that there is a lot in it—I cannot understand how under British freedom and British law any province can shut any body of people out of its courts. It is up to the Senate to say the word, because the Senate is the branch of Parliament that is now dealing with divorce, and Parliament has exclusive jurisdiction in regard to those cases which come from two provinces.

From time to time I observe in Montreal newspapers reports of cases in which the Quebec courts are asked to have a man and his wife separated. My observation is that such applications come up frequently. It would appear to me that the people down there, who are not permitted to go into the courts and bluntly ask for a divorce, as are the people in other provinces, are compelled to invent plausible reasons, reasons that do not appeal to me as having quality and value. There is a doctrine called error of person. I do not profess to know what it means, nor to quote any judicial decision as to what it means; but not long ago I read the opinion of an eminent justice of a Superior Court in the province of Quebec, and if he was reported correctly he certainly expressed the view that this "error of person" was a fiction, not a substantial reason for asking that a man and his wife be separated.

Commonly we see the word "annulment." I do not know what an annulment is. A declaration of nullity is made when, say, a marriage presumably took place, but in fact it never was a marriage; that is, it was an absolute nullity. That may be the ground on which these decisions are frequently based in the province of Quebec.

I am not contesting the judgments of eminent men on the Quebec bench. I am only trying to stress a common-sense view of these matters. My attention was really brought to a focus this morning when I noticed in the Montreal Gazette a report of one of these contestations. I will read it:

Judgment of the Superior Court, rendered yesterday by Mr. Justice Alfred Forest, annulled the marriage of Letitia V. McCawley and William John Hood, engineer, of Outremont, which took place July 11, 1942, before the Rev. J. A. Bastien, curé of the Roman Catholic parish of St. Roch.

It was what is known as a "mixed marriage," and it was dissolved on the complaint of plaintiff, a Roman Catholic, that she was deceived as to the person of her husband. The deception was that at the time of the marriage he professed that he was of the Protestant faith, whereas plaintiff discovered that he had never been baptized and had no religious faith whatsoever; that he promised that children born of the marriage should be brought up in the Roman Catholic faith, and afterwards affirmed that he was opposed to bringing children into the world. Eight weeks after the marriage, plaintiff declared, her husband abandoned her, and she had not seen him since.

Judge Forest held that the manifest bad faith of the defendant Hood was sufficient to vitiate the girl's consent to the marriage—she was a minor at the time—and the consent of her parents.

"His simulation, mean trickery and false declarations constituted an error as to person and were sufficient to justify the annulation of this marriage," declared the judge, who, in his judgment, criticized the priest who performed the marriage ceremony because he did not exact production of the birth certificate of the bridegroom; because the priest did not make any effort to meet Hood and question him before the marriage, and did not meet him prior to the ceremony.

"If the church authorities had taken the trouble to question this man before granting dispensation from publication of banns and the dispensation which is essential in the case of a mixed marriage, this simulated marriage, this little sentimental adventure, imitating the amateurs of American divorce, would necessarily have been avoided," Judge Forest concluded.

Hon. Mr. MacLENNAN: What does the honourable senator intend to prove by reading that decision?

Hon. Mr. TANNER: My honourable friend is too impatient. If he will just hold his seat for a few minutes he will learn what I think of the judgment.

I have read the report for this reason. If I am right—I may be wrong—this was a case of a marriage legally performed and in lawful effect because the necessary dispensation had been granted. Being a lawful marriage, it could not, in my humble judgment, be called a nullity; and if it was not a nullity, the marriage could not be dissolved except by proceedings for divorce. Where the law has been carried out and consequently a lawful marriage has been performed, the mere calling of the proceeding an annulment means nothing, to my mind. It may have been a great mistake on the part of one of the contracting parties; there may have been gross deception; but once there is a lawful marriage, I submit, the judge was in error in attempting to dissolve that marriage by calling it a nullity.

Why do I say that? Because it is not a good thing for this country to have the people of any province inventing subterfuges—of course, I am not referring to the judges—and endeavouring to escape the marriage tie by some side-track instead of coming out boldly and asking for a divorce. If the other eminent justice to whom I referred a few minutes ago was right, that the doctrine of error of person has no validity, then couples who have been separated by annulment decrees are still married. This is an important matter and I should like the leader of the House (Hon. Mr. King) to submit this case to the Minister of Justice—who, I presume, has general supervision over the judges of this country—and ask him to tell this Senate, as well as the judges themselves, whether or not Mr. Justice Forest was justified in the judgment he rendered.

Hon. DONALD MacLENNAN: Honourable senators, I still do not understand the attitude of my honourable friend opposite (Hon. Mr. Tanner). He started out by asserting that these cases should be referred, not to the Senate, but to the courts, and then he turned round and contended that the case he cited, which was referred to the courts, was wrongly decided. If his contention is sound that the judge decided that particular case wrongly, what grounds has he for assuming that the courts would not decide every other case wrongly?

For my part, I should prefer to have the courts deal with divorce actions; but I cannot understand why anyone should criticize a judge's decision, nor do I understand why the Minister of Justice can be expected to call a judge to task and request him to deliver a judgment conforming to the opinion of the Justice Department.

The honourable senator has suggested that the Senate could declare that applications for divorce should not come before it. The only thing I think the Senate, as at present constituted, could do would be to refuse to hear such applications.

Hon. Mr. ASELTINE: The honourable gentleman from Pictou (Hon. Mr. Tanner) meant Parliament.

Hon. Mr. MacLENNAN: I think it is a matter for the parties concerned to seek to have the jurisdiction now exercised by the Senate transferred to the courts of the land. I do not think the Senate of itself can do anything of the kind.

Hon. J. J. DONNELLY: I do not rise for the purpose of discussing the case which was dealt with by my desk-mate (Hon. Mr. Tanner). I wish only to refer to a statement he made at the opening of his remarks. He said the Senate has special charge of divorce. I never understood this to be the position. It seems to me that a divorce bill might just as well originate in the House of Commons, for the effect would be the same as if it were first presented here. Very seldom do I disagree with my honourable friend, and then only on minor points.

The question of divorce brought to my mind that when I came back on Tuesday night I found my post office box virtually filled with reports of divorce evidence. I told the Clerk of the Divorce Committee that I was not particularly interested in such reports and that I would prefer that he stop sending them to me. He informed me that any senator who made a similar request would have his name taken off the mailing list. This would save a considerable amount of printing and a lot of trouble.

Hon. Mr. ROBINSON: Honourable members, I think the remarks of the honourable senator from Pictou as to the position of the Senate to-day, and the suggestion that some effort should be made to transfer the matter of divorce to the courts, are important indeed. We talked a good deal about this question last session, and considerable research has been conducted by the Law Clerk of the Senate, in consultation with the Department of Justice and others, with a view to seeing if there could not be developed some method of transferring these cases to the courts which would meet with the satisfaction of Parliament. We are not quite ready yet to make a proposal to the Senate; I suppose we hardly know whether it is a Government matter, or who has the right to deal with it; but I think that shortly the Divorce Committee, whether it has the right or not, will be prepared to make some suggestion. One suggestion was that the Exchequer Court should be given jurisdiction. Then the question arose as to whether it should be given the power to deal with divorces from the provinces of Quebec and Prince Edward Island alone, or should be given jurisdiction throughout Canada, even in provinces which already have divorce courts. There seem to be a good many obstacles in the way of transferring divorces to the Exchequer Court. I think perhaps at a later period I can go into the subject a little further and give the Senate the ideas which the legal authorities have on the matter.

Another method proposed, as was suggested, I think, by the honourable senator from Margaree Forks (Hon. Mr. MacLennan), is that these matters be referred to the courts of the province of Quebec. I do not know just what situation would arise in that event, but it does seem to me that it might be well to extend to the courts of Quebec the same jurisdiction as has been given to the courts of the other provinces. I think that would be a most reasonable way of settling this question. However, this is a controversial matter, and one which we have to approach very delicately. I think myself that something should be done. In my opinion divorce is not a proper subject for the Parliament of Canada to be dealing with; it is a judicial matter, and one for the courts; and if the committee should decide to present a short bill, as it may after a little further discussion, it will probably be along the line of giving the courts of Quebec jurisdiction to deal with divorce. There is no divorce law now in the province of Quebec; so there would have to be parliamentary authority for it.

Hon. Mr. CALDER: May I inquire as to the number of divorce petitions that come to the Senate from provinces other than Quebec?

Hon. Mr. FARRIS: There is only one other province from which they come, and that is Prince Edward Island.

Hon. Mr. ROBINSON: Divorces that come before the committee?

Hon. Mr. CALDER: Yes.

Hon. Mr. ROBINSON: Once in a while there is a case from Prince Edward Island. There is some sort of divorce law down there, but it is not utilized at all.

I think, perhaps, in a day or two we shall be able to take this matter up again and ask the Senate for its opinion as to what should be done. We may have a proposal to lay before you, to see what you think is best. In the meantime I do not know that there is anything further to say.

Hon. C. P. BEAUBIEN: Honourable senators, I rise to say just one word. I am rather surprised and a little annoyed, I am frank to say, at the suggestion that the courts of Quebec should be empowered to deal with divorce.

Hon. Mr. ROBINSON: That is what I wanted—an opinion.

Hon. Mr. BEAUBIEN: I do not think my honourable friend needs my affirmation for that. He knows very well that for very many years the question has been discussed, and he must know that the opinion of the immense majority of people in the province of Quebec has been very clearly demonstrated as being opposed to such a measure. I do not want to go into the merits of that. I understand perfectly well the advantages there would be from a judicial point of view; I understand also the great advantage there would be in ridding the Senate of the work; but surely the Senate, whose special function under the Constitution is to defend the rights of minorities, would not impose such legislation upon the province of Quebec.

My honourable friend knows very well why the province of Quebec is opposed to this. It is opposed to it because the Catholic Church is opposed to divorce. But the Catholic Church is not alone in this; the High Church of England also is firmly and fundamentally opposed to divorce. However, I do not need to discuss that. That is a matter of conscience. There certainly would be tremendous resistance to any such effort, and I trust the Senate will respect the views of the people of Quebec, as it has done since Confederation.

I understood that the leader of the House who preceded my honourable friend opposite (Hon. Mr. King) had a project which would be agreeable to everybody. It was the intention, I understand, to transfer all these cases, at all events for the taking of evidence, to the Exchequer Court, and to have that court make a report to the Senate, which practically, I suppose, would endorse it. The question of jurisdiction would not stand in the way; yet the Senate would be freed, so to speak, from a work which is not very congenial. I have often pitied our honourable colleagues who are tied down to this work here.

I would not have risen had it not been that the suggestion of the Chairman of the Committee on Divorce alarmed me, and will considerably alarm the province of Quebec. I am expressing the hope that the procedure he refers to will not be followed. As to the rest, I do not know that I need to discuss it.

Hon. Mr. MURDOCK: Would my honourable friend touch on one point while he is on his feet, namely, the numerous marriage annulments which Judge Forest has dealt with?

Hon. Mr. BEAUBIEN: I was coming to that. I am not going to discuss the different judgments that have been rendered in my province. There was one judge, for instance, who for a great many years always rendered judgments cancelling marriages that had been celebrated between a Catholic and a Protestant and before a Protestant minister. That situation was regarded with some astonishment outside the province. But it has been reversed. Within the last year or two a case of that kind was submitted first to the Superior Court, and then to the Court of Appeal, and the jurisprudence has been completely reversed. That is settled; so I do not need to bother with it.

As to the annulments, my honourable friend is quite right. You do not annul a marriage; you may declare it never to have existed. In my province a marriage is both a contract and a sacrament. If it were not a sacrament I would not be discussing what I am discussing now. Our law says that the formalities of religion must be followed in a certain manner, otherwise there is no contract. One of the tenets of my church is that a Christian cannot be married to a non-Christian, and if a ceremony has taken place between such persons, the judge who takes up the record has to decide upon it. Further, a minor cannot consent to a contract of marriage any more than he can to any other contract. He must be assisted by his parents. That is a question of law. Surely the province of Quebec has its own jurisdiction and can make its own laws. If you contest that proposition, I have nothing to say: if you admit it, I have little to say other than that I understand the judge in this case followed the law.

Now I come to a third point, that of asking the Minister of Justice to sit, so to speak, as a final court of appeal on a judgment. That would be the most extraordinary procedure I have ever heard of. Surely that could not be permitted, either as a legal and constitutional process or as a reasonable one. If such were the situation, anybody anywhere in the country could take a judgment to the Minister

of Justice and say: "I want you to bring this judge to reason. The basis of my request is this judgment." Is it possible that the Minister of Justice would pass on every judgment brought to him from any part of the country, for one reason or another? There are other courts of appeal, and it is in those courts that the judgments rendered in my province, on this as on any other matter, are subject to revision.

Hon. Mr. MURDOCK: Will my honourable friend tell me whether it is not a fact that every one of these judgments by Judge Forest on which an appeal was taken has been reversed?

Hon. C. P. BEAUBIEN: I believe that Judge Forest was the only one—I may be wrong; there may have been another judge as well—I believe he was the only one who established that jurisprudence.

Hon. Mr. MURDOCK: I think you are right.

Hon. C. P. BEAUBIEN: Unfortunately, on that account, a great many cases of the same kind were brought to him. Finally an appeal was taken and the jurisprudence was completely reversed, and now the former reason for annulment has disappeared completely.

However, my purpose in rising was not to deal with this. I rose because of the suggestion of the honourable Chairman of the Committee on Divorce (Hon. Mr. Robinson), as I wish to express the sincere hope that the Senate will not impose upon the great majority of the people of my province any legislation that is contrary to their religious tenets. In saying that, I speak not only for Catholics. I know I speak also for a great mass of the Protestants of my province.

Hon. Mr. FARRIS: May I ask my honourable friend a question?

Hon. C. P. BEAUBIEN: Certainly.

Hon. Mr. FARRIS: What is the difference in principle between the giving by Parliament of jurisdiction over Quebec's divorce cases to the Exchequer Court and the giving of that jurisdiction to a court in the province of Quebec?

Hon. C. P. BEAUBIEN: Well, off-hand, I would point out that the Exchequer Court is of course a federal tribunal, created by the Dominion.

Hon. Mr. FARRIS: In either case it would be a court upon which the jurisdiction was conferred by Parliament, and to that extent a court functioning under the direction of Parliament.

Hon. C. P. BEAUBIEN: So far as that is concerned, I do not need to give an answer to my honourable friend. Quebec is the only province whose courts have not divorce jurisdiction. Why is it that we did not give this jurisdiction to Quebec when we gave it to other provinces? Because the situation in Quebec was different from that existing anywhere else.

Hon. Mr. MURDOCK: There were 70 Quebec divorces last year.

Hon. C. P. BEAUBIEN: Well, that has nothing to do with the question we are discussing.

Hon. Mr. HORNER: May I ask the honourable gentleman a question? What about the rights of the minority in the province of Quebec? The people of the minority are being put to extra expense.

Hon. Mr. ROBINSON: That is the point—the unfairness to the minority.

Hon. C. P. BEAUBIEN: Of course, if we are going to take the stand that in legislating for the province of Quebec we should be guided by the desires of a very small minority—

Hon. Mr. HORNER: The smaller the minority, the greater the right to protection.

Hon. C. P. BEAUBIEN: I do not think you can say we take away the right to protection. Evidence has been given by my honourable friend from Parkdale (Hon. Mr. Murdock) that the people of my province who wish divorce have a remedy here. That remedy is not as easy to use, I am ready to admit, as if it were available in the province, for people from Quebec have to come here instead of applying to their own judges. But the remedy is not taken away. I do not know whether I should speak as I am speaking now, if it were taken away; I think that perhaps I should not. But I am not discussing that. My point is that the Senate should have regard to the policy that was established at Confederation and has been maintained ever since. We must remember that the reason which existed for the law being as it was then, exists to-day. I trust the decision of the Senate will be what it was before: a decision which respects and does not violate the religion of the majority of my province.

Hon. Mr. MacARTHUR: Honourable senators, Quebec and Prince Edward Island are the only provinces in Canada which have not their own divorce courts, but these two provinces are not in quite the same position. In Prince Edward Island we have the power to establish

divorce courts, but we have never used it, whereas the province of Quebec, as I understand it, has not this power.

If divorce courts were set up in the province of Quebec and the law in other respects remained as it now is, any applicant in that province would still have the option of petitioning Parliament, instead of the courts, for a divorce. I should like to ask my honourable friend a question. Does he think that if a divorce court were established in Quebec the judge would look at the evidence at all, or would he consider each case from the point of view of religion? Would the evidence have any weight at all?

Hon. C. P. BEAUBIEN: Is that question put to me?

Hon. Mr. MacARTHUR: Yes.

Hon. Mr. QUINN: I would not attempt to answer that.

Hon. C. P. BEAUBIEN: The only answer I can make to my honourable friend is that the judge would of course have to render his decision on the evidence. That is obvious. My hope is that jurisdiction will not be given to Quebec courts, so that our judges will not have to look at the records in such cases. But if jurisdiction were given, then any judge before whom a case was properly brought would have to go into the evidence and give judgment accordingly.

Hon. Mr. MacARTHUR: If a person in Quebec who wants a divorce prefers to apply to the courts, he can move to one of the other provinces and, after establishing a domicile, apply to the courts there. That course is open to those who can avail themselves of it. To my mind, the denial of divorce to people who are entitled to it results in a great deal of immorality. It precludes the parties from establishing homes, and in the end it leads to a bad mess.

Hon. Mr. KING: Honourable senators, I am not sure that this discussion is in order. I think my honourable friend from Pictou (Hon. Mr. Tanner) referred to a newspaper article in relation to a case that came before the courts in Montreal. I submit, Mr. Speaker, that a reference of that kind is not a proper subject of discussion, and I do not intend to continue this one. Frankly, I think it is out of order.

The motion to consider Orders Nos. 1 to 42 en bloc was agreed to.

The motion for the second readings of Bills D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, A2, B2, C2, D2, E2, F2, G2, H2, I2, J2, K2, L2, M2, N2, O2, P2, Q2, R2 and S2 was agreed to, and the Bills were severally read the second time, on division.

THIRD READINGS

Hon. Mr. ROBINSON moved the third readings of the Bills.

The motion was agreed to, and the Bills were severally read the third time, and passed, on division.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the House adjourns to-day it stand adjourned until Monday, March 29, at 8 o'clock in the evening.

The motion was agreed to.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

Hon. Mr. LAMBERT: Honourable senators, may I take this opportunity to state that the Special Committee on Economic Re-Establishment and Social Security will resume its sittings on Tuesday morning next, instead of Wednesday. At this morning's meeting the committee adjourned until Wednesday morning, when we are to hear Principal James. In the meantime arrangement has been made to call Mr. Murchison, Director of Soldier Settlement, for Tuesday morning, to complete the discussion that was started this morning. Notices have been sent out to honourable members for Tuesday's meeting.

RIGHT HONOURABLE ANTHONY EDEN

ADDRESS TO PARLIAMENT

Hon. Mr. KING: Honourable senators, I should like to advise the Senate that the Right Honourable Anthony Eden, Foreign Secretary of Great Britain, will speak to members of both Houses of Parliament on Thursday, the first of April, at three o'clock in the afternoon. Some sixty-odd seats are being reserved on the floor of the House of Commons for the accommodation of senators, the Senate gallery there being reserved for the wives and other near relatives of senators. It is probable that we shall meet in this Chamber before three o'clock Thursday afternoon and adjourn to hear Mr. Eden's speech, and I shall give notice of this later.

The Senate adjourned until Monday, March 29, at 8 p.m.

THE SENATE

Monday, March 29, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

APPROPRIATION BILL No. 1

FIRST READING

A message was received from the House of Commons with Bill 9, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

The Bill was read the first time.

WAR APPROPRIATION BILL No. 1

FIRST READING

A message was received from the House of Commons with Bill 10, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Tuesday, March 30, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILLS

THIRD READING

Bill C, an Act to incorporate the Canadian Alliance Insurance Company.—Hon. Mr. Moraud.

FIRST READING

Hon. Mr. HAIG: Honourable senators, following the report of the Committee on Standing Orders, I would present for first reading a Bill to incorporate the Felician Sisters of Winnipeg.

Bill T2, an Act to incorporate the Felician Sisters of Winnipeg, was read the first time.

SECOND READING POSTPONED

Hon. Mr. HAIG: Last session the Senate passed this Bill (Bill T2) unanimously, but in the House of Commons, together with a number of other bills, it failed to get final reading before Parliament adjourned. The organization desires to proceed with its work, and I should like to have the consent of the House to a motion for second reading.

Hon. Mr. KING: There is no hurry.

Hon. Mr. COPP: To-morrow will do.

Hon. Mr. HAIG: All right.

FIRST READING

Hon. N. M. PATERSON: Honourable senators, in the absence of Senator Hayden, I have the honour to introduce Bill U2, an Act respecting the Canada North-West Land Company Limited.

The Bill was read the first time.

The Hon. the SPEAKER: When shall this Bill be read a second time?

Hon. Mr. PATERSON: I should like to move that the Bill be referred to the appropriate committee.

Hon. Mr. COPP: That cannot be done until the Bill has been given second reading.

The Hon. the SPEAKER: Next sitting of the House.

FIRST READING

Bill V2, an Act to incorporate the Ukrainian Fraternal Society.—Hon. A. L. Beaubien.

REPORT OF COMMITTEE

Hon. CHARLES E. TANNER presented, and moved concurrence in, the report of the Standing Committee on Miscellaneous Private Bills on Bill B, an Act to incorporate Montreal Shriners' Hospital Foundation.

He said: Honourable senators, I may explain that the amendments are few, and merely verbal, and in effect the committee substantially approves the Bill. Ordinarily the Bill would go on the Order Paper for the next sitting, but my honourable friend who sponsors it may desire, with the consent of the House, to proceed with it now.

Hon. Mr. HUGESSEN: I should like to.

The motion was agreed to.

THIRD READING

Hon. Mr. HUGESSEN: With the consent of the Senate, I move that Bill B be now read a third time.

The motion was agreed to, and the Bill was read the third time, and passed.

PRESUMPTION OF DEATH AND DISSOLUTION OF MARRIAGE BILL

FIRST READING

Bill W2, an Act to enable a married person in certain circumstances to apply to a court of competent jurisdiction for a declaration that the other party to the marriage be presumed dead and for the dissolution of marriage.—Hon. Mr. Farris.

COMMUNICATION BETWEEN PRINCE EDWARD ISLAND AND MAINLAND

DISCUSSION

On the Orders of the Day:

Hon. J. P. McINTYRE: Honourable senators, before the Orders of the Day are proceeded with, I should like to bring to the attention of the Senate a matter which I consider of great importance. While I realize that honourable senators should take a Dominion-wide view of matters that come before this House, nevertheless we are appointed to represent the different provinces of this Dominion, and, such being the case, we individually are supposed to bring before this honourable body matters that affect the province which we have the honour to represent.

I have in mind the transportation problem affecting Prince Edward Island. Perhaps it has been brought up in this Chamber at different times; I have no reason to believe otherwise. However, being a new senator, I am not aware of that. This is a matter of prime importance, in fact of national importance, because that province, isolated from the rest of the Dominion, will be facing a serious situation if something is not done in the very near future.

We have the S.S. Prince Edward Island plying between Borden and Cape Tormentine, as it has been doing for the last twenty-nine years. That boat was built in 1914, and has given wonderful service. She is subject to severe strain, especially in the winter-time, when she has to pound through heavy ice floes, and it has often taken her two or three days to make the crossing. After she had been a good many years on that route the people of the province began to think she was getting past her usefulness, and an agitation was started for the building of a new boat. That agitation was kept up for two or three years, until at last the Government realized that a new boat was needed. Plans and specifications were drawn by Government engineers, and construction of the new vessel was begun in the province of Quebec, I think at Lévis, and completed in 1931. While that ship was on her way to Saint John to go into drydock to be overhauled, almost two years ago, she kept too close to the coast of Nova Scotia, her bottom was ripped and she sank in, I think, one hundred feet of water.

That was a very unfortunate affair for the province of Prince Edward Island. The old boat, which, as I have already stated, we thought had come near to the end of her usefulness, had to be pressed into service immediately. She has been doing good work since, although in the last two winters she has carried on under difficulties. This winter particularly she had two breakdowns; which is not surprising for a vessel 29 years old. On one occasion something went wrong with the propeller, and she was hung up for three or four days for repairs. A few weeks later something went wrong with the rudder or some other part of her steering apparatus, and she was hung up again. You cannot expect a boat that is pounding through the stiff ice of the Northumberland Straits to last for ever, and I want to bring to the attention of honourable senators the necessity of action being taken at the earliest possible moment to supply a new boat, for the benefit not only of Prince Edward Island but of Canada, because a new boat would be of great help in our war effort.

For the information of honourable senators I should like to place before the House a statement of the amount of traffic handled by the S.S. Prince Edward Island in the past year. In 1942 she made 3,866 crossings, an average of ten a day. In that time she carried 10,283 loaded freight cars from Borden to Tormentine, and 11,997 loaded freight cars from Tormentine to Borden. That will give you some idea of the heavy traffic between these two points. The number of empty cars transferred from Borden to Tormentine was 6,823, and from Tormentine to Borden 5,191. In the same twelve months she ferried 64,019 passengers from Borden to Tormentine, and 62,693 from Tormentine to Borden.

The increase in traffic in the last three years is shown by the number of cars, of all kinds, ferried in 1939 and in 1942. These include freight cars, empty cars, refrigerator cars, mail cars, Pullman cars and passenger cars. In 1939 the total was 30,431 cars, and in 1942, it was up to 37,520, an increase of more than 7,000 cars. Honourable members should keep in mind that the boat which is handling this increased traffic is, as I have already said, 29 years old.

I have already said that Prince Edward Island is isolated from the rest of the Dominion. We came in under Confederation, as you know, six years later than did the other two maritime provinces. Honourable members are aware that the Maritime Provinces were going to form a union of their own in 1864. You remember what happened. Sir John Macdonald and a few others resolved themselves into a delegation from what were then known as Upper Canada and Lower Canada and proceeded to the Maritimes. These delegates were aware of the adverse conditions under which they would meet; they knew that the Maritimes had established a

satisfactory trade between themselves and their nearest neighbours, who were then known, as they are to-day, as the New England States. To offset this the delegates offered the Maritime Provinces inducements to join the larger union. Some of these inducements were that lumber, fish, coal and agricultural products of the Maritimes would find ready markets in Toronto and Montreal, and a promise was made that the Intercolonial Railway would be built for the exclusive benefit of the people of the Maritimes.

As we now know, after Nova Scotia and New Brunswick had joined Confederation, the Intercolonial Railway was built, but it was not operated exclusively for the benefit of the Maritime Provinces, because the freight and passenger rates on that line were just as high as on any railway in Canada. The products of Nova Scotia and New Brunswick, coal, fish, lumber and farm produce, did not find a ready market in Toronto or Montreal, and the New England markets were lost. However, there was nothing that the Maritime people could do about it, for they had joined the union.

Prince Edward Island refrained from joining the union at that time, in the hope of getting better terms from the Dominion. She held out for six years longer, and did not come into Confederation until 1873. In that year Mr. Pope, who was Premier, proceeded with a delegation to Ottawa and asked for better terms. According to the proposals of 1864 or 1867, the debt allowance was divided into the population of the Dominion, and it figured out at $45 per capita; but in 1873, when Mr. Pope and his delegates came to Ottawa, an increase from $45 to $50 in the allowance was offered to Prince Edward Island because of the province's isolated position. We joined Confederation that year.

The British Order in Council of June 26, 1873, by which Prince Edward Island was admitted into Confederation, contained the following provision:

> Efficient steam service for the conveyance of mails and passengers to be established and maintained between the Island and the mainland of the Dominion, winter and summer, thus placing the Island in continuous communication with the Intercolonial Railway and the railway system of the Dominion.

Some time prior to 1916 our transportation service was operated by the Charlottetown Steam Navigation Company, with two steamers in the open season, one plying between Summerside, Prince Edward Island, and Pointe du Chêne, New Brunswick, and the other between Charlottetown, Prince Edward Island, and Pictou, Nova Scotia. In the winter months the Department of Marine operated ice-breakers between Georgetown, Prince Edward Island, and Pictou, Nova Scotia. In winter, when ice conditions became too bad for the boats to get through, mail was carried from Tormentine, New Brunswick, to Cape Traverse, Prince Edward Island, by small boats hauled over the ice. When you came to the water you got into the boat.

The Dominion of Canada as a whole has made a remarkable war effort, towards which Prince Edward Island, an agricultural province, has contributed its full share. In the last three years Canada has shipped to Great Britain 1,350 million pounds of bacon and pork products, 300 million pounds of cheese and 70 million dozens of eggs, and Prince Edward Island has produced a fair proportion of these huge totals. Canada has to-day more than 600,000 men in the three armed forces, the Army, the Navy and the Air Force, and in this contribution Prince Edward Island has done more than its share.

Hon. Mr. QUINN: Hear, hear.

Hon. Mr. McINTYRE: Our province, with a population of about 93,000, has made the largest per capita contribution of all the provinces to the armed forces. And in all the financial campaigns—on behalf of Victory Loans, Red Cross, and so on—the people of Prince Edward Island have gone over the top. When last year the scrap campaign was started, we in Prince Edward Island gathered thousands of tons of scrap, sold it, and gave the proceeds to the Red Cross.

Prince Edward Island has another complaint in regard to transportation. We have a subsidiary ferry service, known as the Northumberland ferry, which runs between Wood Island, Prince Edward Island, and Caribou, Nova Scotia. The Dominion Government, at considerable cost, built piers at the terminal points. A private corporation, known as Northumberland Ferries, was organized to carry on the service. Its first and second boats were requisitioned by the Government. The company had to purchase a third boat, and has been using that to carry on the service as best it can under very difficult conditions. In 1940 the Hochelaga carried 3,815 passengers; in 1942 the new service carried 34,933 passengers. Now let me give comparative figures in regard to the auto and truck movement. In 1940 the Hochelaga carried 576 autos and trucks; in 1942 the new service carried 8,133, or an increase of 1400 per cent. These are the freight figures: in 1940 the Hochelaga carried 830 tons; in 1942 the new service carried 8,000 tons, or an increase of 1000 per cent. Although the Northumberland Ferries carried so much

more traffic last year, they received a subsidy of only $28,000, as against a subsidy of $30,000 paid to the other ferry service in 1940.

Those who organized the ferry company went into it more or less in the dark, for they did not know what they were up against, but they undertook the risk in order to provide what we consider to be a valuable ferry service between the Island and the mainland. In 1941, when the company started operations, it just broke even; there was no money available for dividends for those who had put their capital into the company. In 1941 the ferry service which the Canadian National Railways operates between Cape Tormentine and Borden showed a deficit of $424,000. In 1942 the Northumberland Ferries closed the year with a deficit of $7,000. In that same year the Canadian National Railways showed a deficit of $591,000 on its ferry service. That deficit was taken care of by the Government, but similar assistance was not extended to the Northumberland Ferries. The ferry company is up against a difficult proposition in starting operations this year, because it was in the red last year, as I have stated, to the tune of $7,000, and it expects that this year's operations will show a further deficit. Provided it runs at all, I think the Northumberland Ferry Company, which maintains this ferry service, should be granted an additional subsidy, and I would recommend that the Minister of Trade and Commerce, who, I know, is fully acquainted with the subject-matter, take this into favourable consideration, so that we may not lose this service.

As I have mentioned, the boat on the Borden-Tormentine service is very old. In 1929 and 1930 we thought she was getting beyond her period of usefulness, but to-day, when she is twelve years older, we regard her as the weak link in the chain. I would urge on the Dominion Government that it should now take steps to have a new ferry boat ready at the earliest possible time. I know the Dominion Government has a great responsibility in these trying times and has to borrow large sums of money to meet our very heavy war expenditure, but I submit it would be a national disaster if anything should happen to that old boat, which, as I have said, is the weak link in the connection we have between the mainland and the Island. A new ferry boat would cost between two and three million dollars, and it would take considerable time to prepare the necessary plans and specifications. If construction is put off until the war ends, this may mean a delay of two or three years more, and if no preparations are made in the meantime, there will be further delay involved in letting the contract for the new boat. By that time, I am afraid, our present weak link would be broken and we should have no communication with the mainland; which would be disastrous.

The people of Prince Edward Island are eager to do their utmost to further the war effort. When the Minister of Agriculture asked for an increase in farm production of 25 per cent, our people arranged for extra fertilizer and last year they succeeded in increasing their production to that extent. If, unfortunately, anything should happen to that weak link in our communication with the mainland, a link which is now almost worn through, the war effort of our people on the Island would be very seriously affected. In short, it would be a national calamity.

I do not know, honourable senators, whether I am out of order. I am only a new member.

Hon. Mr. QUINN: Go ahead. You are doing all right.

Hon. Mr. McINTYRE: I did not wish to trespass on the time of honourable senators, but I wanted to put those matters before you, so you would have a fair understanding of the problem confronting us in Prince Edward Island.

As I have said, the Island has done its utmost to further the war effort. This is the fourth year of the war, and, as you know, Germany has conquered and now holds in bondage Czechoslovakia, Poland, Denmark, the Netherlands, Belgium, France, Greece and Jugoslavia, and Japan has overrun the Philippines, Malaya, the Dutch East Indies, and Burma. We should suffer the same fate if unfortunately our war effort failed. For the first time in our history the North American continent has been threatened with invasion. The icy waters of the North are no insuperable barrier to conquest. Modern war equipment has almost annihilated space and destroyed time. Remoteness in distance is no protection; "overseas" has almost lost its meaning. There can be no protection for us until our enemy is conquered. It does not make any difference whether this war is fought on the sands of Egypt, the steppes of Russia or the depths of China, whether on the islands of the Pacific or in the waters of the Arctic, whether in the skies over Britain or Germany or the conquered countries of Europe. I repeat, there can be no security for ourselves, our wives and families until the enemy is crushed and defeated. Therefore, honourable senators, let us all be united, let there be no differences of opinion, no sectional prejudices. Let us all go forward, feeling that in our hands lies the welfare of

the people of this great Dominion. It would be a grievous calamity if we allowed sectional or other differences to prevent our carrying out the vital purpose of obtaining for our children and our children's children a reasonable assurance of freedom from fear and freedom from want.

Hon. J. H. KING: Honourable senators, I should like to compliment the new senator from Prince Edward Island (Hon. Mr. McIntyre) on his address. No doubt the people of Prince Edward Island are at the present time experiencing great hardships owing to the loss of the ferry Charlottetown, as this loss has very seriously disturbed the ferry service between the Island and the mainland of New Brunswick. The Minister not long ago declared in the House of Commons that the matter was being given careful attention, and that architects were already preparing plans in the hope that a new ship would be built. I think we all realize that to-day it is very difficult to get that type of ferry constructed in our Canadian yards, which are now engaged in the building of naval and other war craft. However, we are indebted to the honourable member for his excellent address.

Hon. J. A. CALDER: Honourable senators, I merely wish to congratulate the honourable gentleman from Prince Edward Island on the way in which he has dealt with a very interesting subject. I am sure that if he had placed a formal notice on the Order Paper he would have received a good deal of support from all sections of the House when he introduced the question.

Hon. Mr. McINTYRE: I want to inform the honourable member opposite that, being a new member, I just followed the procedure adopted by the honourable member from Victoria-Carleton (Hon. Mr. Smith) and the honourable member from Lethbridge (Hon. Mr. Buchanan) when they spoke on the abolition of the Senate.

Hon. Mr. QUINN: They should know better.

The Hon. the SPEAKER: My embarrassment, on the point of order, is as great as that of the honourable gentleman from Prince Edward Island, for, like him, I also am a new member. The rules in the Senate are not as strictly observed or applied as in the House of Commons. Nevertheless, as I understand the rules of the Senate, questions can be put to the Minister and matters of immediate and urgent importance can be discussed before the Orders of the Day are called; but, as the honourable senator from Saltcoats (Hon. Mr. Calder) has just pointed out, when it is proposed to discuss a question at some length it would seem preferable to put a formal notice on the Order Paper, so as to bring the subject to the attention of honourable senators and allow those interested to take part in the debate. I understand that in this Chamber it is the practice to allow considerable latitude in the application of the rules, and I assumed that the honourable gentleman had the unanimous consent of the Senate to proceed; but I would suggest, honourable senators, that, so as to ensure that the debate may proceed in a more orderly manner, it would be advisable to adhere more closely to the rules before the Orders of the Day are called.

Furthermore, on routine proceedings, it is out of order to move the first or the second reading of a private bill before the report thereon has been considered and concurred in.

APPROPRIATION BILL No. 1

SECOND READING

Hon J. H. KING moved the second reading of Bill 9, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

He said: Honourable senators, this is a Bill which usually comes to us from the House of Commons at this season of the year. The estimates for the coming year not yet having passed through that House, the Government is compelled to bring down what is known as an interim supply bill, and to ask Parliament to vote, from the larger appropriation which will be made later, a sum of money to be made available for the public business during the next one or two months. To-morrow is the end of the financial year 1942-43. This Bill, which is essential, received the approval of the House of Commons last week.

The Bill follows the usual form. It will be noted that interim supply is being asked to an amount of $40,000,000. This is to take care of ordinary expenditures throughout the Dominion. The Supply Bill for the coming year will call for $610,880,000, of which amount some $400,000,000 are fixed charges, statutory in character and not under the control of the executive. This leaves some $200,000,000 odd within the control of the executive, and of this it is asking one-sixth.

Hon. Mr. LEGER: Would this be one-sixth of what is to be voted?

Hon. Mr. KING: Yes, one-sixth.

Hon. Mr. LEGER: It does not include the statutory expenditures?

Hon. Mr. KING: No. Statutory amounts are included in the estimates, but they are not included in the Supply Bill. This is one-sixth of the total to be voted. Last year, I think, we voted one-twelfth of the total, but, as at Easter, which comes so late this year, Parliament will probably have a recess, the House of Commons has voted one-sixth or enough to take care of the expenditures during the months of April and May.

There may be some question in regard to the larger expenditure this year, as compared with that of last year, and I think I might make a brief explanation in that connection. The total vote this year is $610,880,000 as compared with $565,563,000 last year. This would seem to indicate a rather large increase. I may say that it is largely explained by an addition of $63,260,000 to this year's interest on the public debt. Then there is an increase of $2,167,000 in the cost of the administration of the income tax and the excess profits tax, an increase of $3,007,000 in the post office service expenditure, and an increase of $3,375,000 in the cost of administering the unemployment insurance fund and of the Government contribution to that fund. Those increases make a total of $71,809,000, and they relate to matters which are, I think, largely uncontrollable. There is also an increase of $661,000 in subsidies to provinces, as a result of the revision of population figures based on the recent census.

Evidence of the continuance of the policy of restricting normal peacetime expenditures to the minimum required for the maintenance of essential services is to be found in the fact that no fewer than one hundred and sixty-six items show reductions totalling $35,000,000.

Hon. Mr. CALDER: Those are mainly salaries.

Hon. Mr. KING: They are more than salaries, I think.

Hon. Mr. CALDER: But mainly.

Hon. Mr. KING: There will be a decrease this year of $23,910,000 in the moneys paid for wheat acreage reduction. Then in the Department of Transport there will be a saving of $1,390,000, in Trade and Commerce of $539,000, in Public Works of $405,000, and in Mines and Resources of $281,380.

The uncontrollable expenditures which I referred to a moment ago, and which perhaps I need not recite, include interest on public debt and other debt charges amounting to $231,714,000; European war pensions, 1914-18, $37,500,000; Government contribution to unemployment insurance fund, $15,000,000; old age pensions, $31,246,000; other pensions and superannuations, $5,295,000; care of returned soldiers, 1914-18 war, $14,000,000; subsidies and special compensations to provinces, $98,856,000. Then there are the Maritime Freight Rates Act, $4,250,000, and sundry other items to an amount of $3,650,000. The total of uncontrolled expenditures is $441,511,000.

As I have said, the Government requires this money in order that it may carry on the ordinary business of the country during the months of April and May. I trust the Bill will receive favourable consideration.

Hon. J. A. CALDER: Honourable members, the leader of the House has given us a digest of what we are about to consider and, I presume, approve. I doubt very much if it would be advisable to add anything to what he has said. We have had placed before us a picture of the estimates for the public service as a whole, and this Bill merely proposes that we vote one-sixth of that section of the estimates which does not have to do with statutory provisions. Later on, if the session lasts long enough, we may have occasion to pass another bill of this character, and still later the estimates as a whole must be approved.

I see no reason why this Bill should not be put through the House and receive the Royal Assent, in order that moneys may be expended under it.

Hon. W. E. FOSTER: Honourable members of the Senate, I rise for the purpose of making a few general remarks on the Bill which is now under consideration, and which, as the leader of the Government has said, is for the purpose of voting one-sixth of the amount of the estimates for the year 1943-44. The introduction of this interim supply bill gives one an opportunity to discuss the general financial situation of the country, if one wishes to do so, and also the administration of the different departments; an opportunity which is not available to honourable members when the main supply bill comes down at the end of the session, and on the absence of which there has always been considerable complaint. Therefore I desire at this time to discuss briefly the question of supply in general.

First of all, may I say that the Finance Minister must be very grateful that the budget he presented to the country has been accepted by the members of the House of Commons and approved by a very substantial majority of those who represent the people of Canada. That approval was, I think, an expression of confidence in the Minister himself, in the administration of his office, and in the Government's conduct of affairs, including the war effort. Also, it must be a matter of gratification to the Finance Minister to

know through the people's representatives in the other House that the people of the country are willing to give their financial support to the full, in order that Canada may do her part in bringing the war to a successful conclusion at as early a date as possible.

The leader of the Government has very well expressed the purpose of the Supply Bill, but I should like to add a few thoughts that have come to my mind in relation to it. I should like to point out that last year the budget totalled approximately $3,600,000,000. Honourable senators will perhaps recall that early in this session, shortly after the House met, there was an additional supplementary estimate of some $868,000,000, making a total expenditure for the year of approximately $4,450,000,000, with a small additional amount of supplementaries yet to be added, I understand, which would not affect the total very much. The expenditure proposed in the budget this year, 1943-44, is estimated at $3,800,000,000, with another billion to be added shortly to the estimated expenditure on war account. This is a large amount of money. If a proportionate sum were asked for in peace-time it would forecast something in the way of political activity, probably a general election; but in this case it is without doubt evidence of nothing except increased activity in the war effort.

If we add these figures to the sum of what might be expected in the way of supplemental estimates, the total expenditures for the coming year will amount to approximately 5,000 million dollars, an amount so large that it is difficult for an ordinary individual like myself to comprehend it. Perhaps if in a moment of meditation one took a sheet of paper and a pencil and wrote down the figure 5, and then wrote slowly all the cyphers necessary to express five thousand millions, one would get a much better idea of the size of our expenditure than by glibly stating the amount.

This estimate of 5,000 million dollars, or 5 billion dollars, whichever you prefer to call it, includes of course the sum of one billion dollars which honourable members of another place and writers in the Press have referred to as a gift to the British Government. A similar vote was made last year. I think it would be better described as an amount required to finance war supplies manufactured or purchased in Canada for the use of the United Nations. There are some people, of course, who in terming it a gift to Great Britain do so for purposes of criticism, and others who do so to show the assistance which Canada is giving to the Mother Country. But I repeat that I think the proper way to speak of it is as an appropriation for goods manufactured or purchased in Canada for the United Nations.

In discussing this Bill, which has been explained by the honourable leader of the Government (Hon. Mr. King), and the other money Bill that we are to have before us, I think it is well to keep constantly in mind the fact that these measures cover two classes of accounts. There are the non-war or ordinary expenditures, which, as the honourable leader of the Government has said, are estimated at about $610,880,000. Last year these amounted to $565,000,000; so that we have an apparent increase of about $45,000,000. I think the honourable leader referred to the increase as about $40,000,000, but I figure it to be roughly $5,000,000 more than that.

Honourable members have no doubt read newspaper editorials criticizing the Government for this increased expenditure on ordinary account, and in some instances expressing surprise and disappointment that there was not a reduction. From many quarters there have come evidences that governmental expenditures are being closely watched by the people. In the Finance Minister's budget speech no reason was given for this increase, but the honourable leader of the House has shown in part how it is made up. For instance, he pointed out that the item of $63,000,000 for increased interest on the public debt is included in this expenditure, instead of being placed, as it might have been, in the war account. There is also the increased cost of administering the income tax, and the unemployment insurance fund. These increases, added to certain other items which could properly be classified under war expenditure, total more than $70,000,000 and therefore increase the non-war estimates for 1943-44.

It is clear that if the Government had wished to make a better showing on paper with non-war estimates, some of these items might well have been classified as part of the war cost. Therefore any criticism with respect to the $45,000,000 increase in these estimates falls to the ground, more particularly when by comparison with last year there are departmental decreases totalling approximately $50,000,000. If we take from these estimates the total of the increases I have mentioned, such as the greater interest on the public debt and the greater cost of administering the Income Tax Act, and also bear in mind departmental decreases of $50,000,000, we see that the Government has made a successful effort to meet the hopes and expectations of the people for a reduction in non-war expenditures.

As to whether or not there are further avenues which, if explored, might bring about other economies, one cannot judge without more knowledge of the operations of the various departments. I was, however, particularly impressed by a statement, which honourable members have no doubt received, with respect to the operation expenses of the Foreign Exchange Control Board. It is a plain statement setting forth the board's various expenditures, and it shows that these were curtailed to the extent of $254,000 in 1942, as compared with the previous year. Of course, the expenditures by this board are made through the Bank of Canada and so do not appear in the estimates. I mention this as an interesting example of reduction in costs. If we received more statements of this kind, giving figures that we can far more easily follow than by digging for them in the Auditor General's report, we could readily see the effect of efforts made to control expenditure on ordinary accounts.

As was pointed out by the honourable leader of the Government, the estimated non-war expenditures for 1943-44 amount to $610,000,000, of which I am surprised to find that only about $170,000,000 is controllable. In other words, only $170,000,000 could be reduced or eliminated, because by statutes the remainder have been made charges on the revenues. That is to say, statutory charges amounting to $441,500,000 cannot be controlled unless the laws which created them are changed.

Hon. Mr. CALDER: If I remember correctly, the controllable portion is $240,000,000.

Hon. Mr. FOSTER: I have frequently expressed myself as opposed to the system that sets up against the revenues annual charges which are not controlled by the vote of Parliament. In my view the laws which establish these stated annual charges should be as few as possible.

One of the items to which I should like to refer, in the uncontrollable expenditure, is that of subsidies and special compensation to the provinces. This amounts to approximately 100 million dollars. To be more precise, it is $98,856,000, which I think honourable members will agree is quite a substantial sum to come out of our revenues in a hard-pressed time of war. It is true that this amount includes compensation to the provinces for giving up their rights to certain taxes, particularly the income tax. At the same time it is well to remember that provincial revenues in other respects are buoyant. Apparently, however, this does not convince some people that the provinces should accept the decreased revenues from curtailed gasoline and liquor sales and refrain from making claims against the Dominion on these accounts. This 100 million dollars of compensation seems ample when we scrutinize the budgets which various provincial treasurers have presented recently. As one who has had some experience in struggling with the finances of a province, I am not unmindful of the liberal financial treatment which the Federal Government has accorded the provinces in the past. The Central Government has always shown a sympathetic feeling towards the provinces with respect to their financial position.

The aid provided for the construction of highways, many of which could not have been undertaken without some federal assistance, will be recalled by honourable members. I refer particularly to the main trunk roads through the various provinces, together with the Trans-Canada highway. I think my honourable friend opposite (Hon. Mr. Calder) was a member of the Government when that road-building plan was inaugurated, and it has cost the Dominion Government a considerable amount of money.

We are also aware of the fact that the Dominion Government has for a number of years furnished aid to the vocational education systems in the different provinces. There have also been several grants to the provinces in aid of agriculture. During the depression years large sums of money were voted to the provinces as grants to help out the unemployment situation. Large loans were also made to certain provinces to tide them over the depression years. Then there is the federal contribution to the provinces in respect of old age pensions, which this year will total about $30,000,000, representing a contribution of 75 per cent. Those are services solely within the jurisdiction of and really a direct charge upon the provinces.

As I said before, the Federal Government, whether Conservative or Liberal, has always dealt very sympathetically with the provinces during the lean years when provincial budgets were showing deficits, while the Minister of Finance was able to show a surplus. The reverse is now the case. The Dominion budget, by reason of the very heavy war expenditures, shows each year a large deficit, while on the other hand the provincial budgets disclose substantial surpluses. The other day I noticed that the Provincial Treasurer of Ontario announced a surplus of $20,000,000. The Provincial Treasurers of New Brunswick, Nova Scotia and Quebec have also presented budget surpluses. As I say, the situation is now reversed, and I think it would be a splendid gesture if the provinces, in view of the liberal

treatment which, as I have pointed out, they received in years gone by, should now reciprocate by lending without interest some of their surpluses to the Government of Canada, to be repaid after the war. If the provinces were to do that, they would have a substantial nest-egg to meet any post-war depression.

Might I mention that there is a precedent for my suggestion in what the small colony of Newfoundland has recently done. That colony, which was in the red before the war, is now showing a very handsome surplus over expenditures. It is lending some of its surplus to the home Government, without interest, the loan to be repayable after the war. That is a precedent which might well be followed by our provincial governments in respect to the Federal Government.

Hon. Mr. HAIG: Some of the provinces have voted money to give old-age pensioners a cost-of-living bonus. What is the position of the Dominion Government in that regard?

Hon. Mr. KING: This matter comes within the purview of the Minister of Finance, and therefore I hesitate to give my honourable friend a direct answer. Previous to the passage of the Dominion Old Age Pensions Act the care of aged pensioners rested wholly on the provinces. At the time of bringing down the legislation the Dominion Government undertook to share 50 per cent of the burden, and later it increased its contribution to 75 per cent. I think we must look at first things first. The attitude of the Federal Government today is to try to conserve all its energies for the financing of the war. I know great pressure is being brought to bear upon the Minister of Finance either to increase the rate of old-age pensions or to give a cost-of-living bonus. Some of the provinces are already moving to supplement their old-age pension rates.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall this Bill be read a third time?

Hon. Mr. KING: I would move, with the concurrence of the Senate, that the Bill be read a third time now.

The motion was agreed to, and the Bill was read the third time, and passed.

WAR APPROPRIATION BILL No. 1

SECOND READING

Hon. J. H. KING moved the second reading of Bill 10, an Act for granting to His Majesty aid for national defence and security.

He said: Honourable senators, the estimates brought down in the House of Commons show that the Government will ask an appropriation of $3,890,000,000 in aid of the defence and security of Canada. This Bill is for one-sixth of that amount. In other words, we require this interim supply to the extent of $648,333,333.33.

Hon. Mr. CALDER: It is one-sixth of the vote required for the next fiscal year?

Hon. Mr. KING: That is right. The magnitude of this main vote must certainly bring home to our minds the tremendous undertaking that Canada is shouldering in order that we may carry through our part of this war to a successful end. A few years ago it would not have seemed possible that this country of 11,000,000 people would arrive at a stage where Parliament would be asked for an appropriation of $3,890,000,000.

The increases are incurred mainly in the armed services. The expenses of the Army Services for this year are $1,764,000,000 as against, I think, $1,150,000,000 last year—an increase of more than half a billion dollars. The Naval Service requires $489,000,000 this year. The Air Service requirements have increased to $1,129,421,000. Sundry services account for another $22,500,000.

The Minister in the House of Commons the other day brought down a white paper in regard to these expenditures in comparison with expenditures for other years. I think this would be both helpful and useful to honourable senators when they are studying the main war supply bill. As was announced not long ago, the anticipated bill resulting from the budget will in the immediate future be referred to our Committee on Finance, by whom a study can be made of the legislation and also of the estimates. For that reason I do not intend to spend a great deal of time this afternoon in dilating on the expenditures. This is an interim supply bill, and not only will there be an opportunity for the Finance Committee to make a careful study of the estimates, but this Chamber also will have an opportunity of making a careful comparison of expenditures in the various war years.

One can readily understand the increased expenditures on the armed services. There has been an increase in the number of men enlisted and in training, not only in Great Britain, but also in Canada. There has been an increase in the munitions and supply required for the Army. A year ago the air training programme was extended and greatly enlarged, and we are now maintaining thirty-four air squadrons overseas at the cost of

the Dominion Government. In the Naval Service there has been a large expansion, and new construction is being undertaken.

Hon. Mr. BLACK: May I ask, just for information, how many planes constitute a squadron in our service?

Hon. Mr. KING: I have asked that question myself and have not received a very satisfactory answer. Apparently we are not to be told.

Hon. Mr. BLACK: I cannot understand the reticence of any departmental official or member of the Government about telling the Canadian people how many planes form a squadron and how many squadrons form a flight. I think I could make a rough guess, but I have never had an answer to that question, and I should like to have one.

Hon. Mr. KING: I have never been able to get one either.

Whereas the Department of Munitions and Supply last year expended $689,000,000, of which $200,000,000 was for the purchase of the British interest in Canadian war plants, its expenditure this year is estimated at $166,000,000, indicating that construction expenditures and the like have ceased, and that this year the capital expenditure in that regard will be less.

Then we have an item that is greater than last year. Last year $50,000,000, I think, was provided for price stabilization; this year it is estimated that $120,000,000 will be required for that purpose. As we all know, there has been an effort, and I think a fairly successful one, to stabilize prices in Canada. This has been done in some cases by the granting of subsidies to overcome disparities in price, and I believe a great portion of the $50,000,000 voted last year has been used. If one could calculate the saving to the Canadian people by reason of the stabilization of prices, I think it would be found that this saving has been very much in excess of $120,000,000.

I do not wish to say more. Our honourable friend from Saint John (Hon. Mr. Foster), in his remarks on the financial statement, dealt largely with the appropriations made under this Bill. I would move the second reading.

Hon. J. A. CALDER: Honourable members, I have not much to add to what has been said. We are here dealing with another set of expenditures. I think most honourable members are familiar with the ordinary expenditures of government, either federal or provincial, and clearly understand what is taken into consideration in connection with ordinary departmental services of government and with statutory expenses. But here we are confronted with an entirely different situation. The Government, and the Government alone, to a very large extent, is and must be responsible for the estimates that are placed before us. I am not complaining about that at all. For very obvious reasons many of the facts—I do not say all—cannot be given to Parliament. We cannot be told very plainly from the floor of Parliament what these expenditures are all about, simply because such information would be exceedingly helpful to the enemy. I know there is a certain amount of dissatisfaction in that regard. We had an illustration of it this afternoon in the simple question put by my honourable friend to my left (Hon. Mr. Black), and we have had evidences of it repeatedly since the war began. Personally I am not complaining, because I understand the situation. In another place, where they deal with these matters more fully than we do here, there may be a full discussion on the great majority of the estimates for the public service; but so far as war expenditures are concerned, after all, we have one common object in view—to defeat the enemy—and we are prepared to expend every dollar that is necessary for that purpose. All we can do is simply to hope that the money is being expended wisely, that there is as little waste as possible, and that the expenditure is made in such a way as to give us the greatest strength Canada can possess in this war.

I know, and every person in this House must know, that a thousand mistakes will be made in carrying on the war effort. That simply cannot be avoided. I am not saying that matters should not be inquired into, or that there should be no criticism, but I think that all we can do after this money is voted and placed at the disposal of the Government is to watch as closely as possible for signs of ineffective expenditure and waste, and, if we detect any, to raise our voices in protest.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: That is the only check we have on the Government at this time.

I rather liked the remark made by Winston Churchill earlier in this war, to the effect that he was not afraid of criticism in connection with the war effort; that he rather welcomed it. I am inclined to think our attitude in this country has been a little different, and that there has been too much objection to criticism.

Hon. Mr. DUFF: Hear, hear. Quite right.

Hon. Mr. CALDER: Criticism is the one thing that enables Parliament to exert a check on the Government, and the Government should be thankful for just criticism.

So far as these particular votes are concerned, what are we going to say? What do we know as to the necessity of these expenditures? We have a general idea that the Army, the Navy, the Air Force and the production of munitions have been increased. But who decides upon these increases? It is a question of war policy, of united war strategy, a question of the demand for supplies to China or Russia or Britain, and the Government must be provided with money to carry on Canada's full share in the struggle. That is all we expect, and whether the money is wisely spent or not we cannot decide at the moment. Time alone will tell. All that the public and members of Parliament can do is to watch and wait, and see what is taking place.

Some Hon. SENATORS: Hear, hear.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall this Bill be read a third time?

Hon. Mr. KING: Now, by leave of the Senate.

The motion was agreed to, and the Bill was read the third time, and passed.

DIVORCE BILLS

CONSIDERATION OF REPORTS DEFERRED

On the Order:

Consideration of the forty-fifth report of the Standing Committee on Divorce, to whom was referred the petition of Kathleen Ena Ball Royer, together with the evidence taken before the said committee.—Hon. Mr. Robinson.

Hon. Mr. SINCLAIR: Honourable members, on behalf of the honourable gentleman who is Chairman of the Committee on Divorce, I would move that this report and the following ones be concurred in.

Hon. Mr. MURDOCK: The honourable the chairman of the committee told me that he was going to let these stand, and I would respectfully insist that they stand, because the record has not been printed.

Hon. Mr. SINCLAIR: I do not think there is any objection on the part of the committee to having them stand.

The Hon. the SPEAKER: Orders 3, 4, 5 and 6 stand.

PUSINESS OF THE SENATE

On the motion to adjourn:

Hon. Mr. KING: Honourable senators, there is still a supplementary supply bill for the year 1942-43 that has not yet come over from the House of Commons. It is hoped that to-morrow at a quarter-past three we may have the Royal Assent to the bills passed this afternoon. If this supplementary supply bill is passed by the House of Commons this evening, we should have it for consideration to-morrow. In order to facilitate the work, I would suggest that the House, when it adjourns to-day, stand adjourned until two-thirty to-morrow afternoon. If the bill is then ready, and reaches us from the House of Commons, we can deal with it, and we could have the assent to the three bills at a quarter-past three. I would move accordingly, honourable senators.

The motion was agreed to.

The Senate adjourned until to-morrow at 2.30 p.m.

THE SENATE

Wednesday, March 31, 1943.

The Senate met 2.30 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILL

FIRST READING

Hon. J. W. de B. FARRIS presented Bill X2, an Act to incorporate the Church of God.

Hon. Mr. BALLANTYNE: Will the honourable senator please give us some information about this Bill? I have been away and do not know the object of this Bill.

Hon. Mr. FARRIS: I am simply introducing the Bill now. I shall give an explanation on second reading.

Hon. Mr. BALLANTYNE: It has a peculiar title.

Hon. Mr. COPP: Has the honourable gentleman not heard of it before?

Hon. Mr. BALLANTYNE: No.

The Bill was read the first time.

BUSINESS OF THE SENATE

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, before the Orders of the Day are called I should like to make a brief statement. When we adjourned yesterday I indicated that the money bills which we had just passed would, with the supplementary estimates that were expected from the House of Commons, be given Royal Assent this afternoon. I am now advised that the supplementary estimates

were not passed by the Commons last night and are still under consideration there. On that account there will be no Royal Assent this afternoon, and we shall adjourn this afternoon until to-morrow.

PRIVATE BILLS

SECOND READING

Hon. JOHN T. HAIG moved the second reading of Bill T2, an Act to incorporate the Felician Sisters of Winnipeg.

He said: Honourable senators, this Bill last session was discussed fully in committee of the Senate and given third reading here, but after passing the committee stage in the House of Commons it was lost in the final shuffle preceding the long adjournment of Parliament. I am asking that the Bill be given second reading to-day.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall Bill T2 be read a third time?

Hon. Mr. HAIG: With the consent of the House, I move that the Bill be read a third time now.

The motion was agreed to, and the Bill was read the third time, and passed.

SECOND READING

Hon. S. A. HAYDEN moved the second reading of Bill U2, an Act respecting the Canada North-West Land Company Limited.

He said: The purpose of this Bill is to change the qualification of directors. Originally the Act provided for qualification on the basis of a nominal value, in shares, of $5,000. Since that time there has been some realization of the assets of the company and a distribution in part, and it now becomes somewhat impracticable to maintain that high qualification in terms of dollar value. Therefore it is proposed simply to change the qualification to the holding of 100 shares of stock. If the Bill receives second reading, I intend to ask that it be referred to the Committee on Miscellaneous Private Bills.

The motion was agreed to, and the Bill was read the second time.

SECOND READING

Hon. A. L. BEAUBIEN moved the second reading of Bill V2, an Act to incorporate the Ukrainian Fraternal Society of Canada.

He said: Honourable senators, this society was incorporated under the Companies Act, and the purpose of the present Bill is simply to bring it under the Insurance Act so that Mr. Finlayson, the Superintendent of Insurance, will have full jurisdiction—which he has not had before. I think that if the Bill receives second reading it should be referred to the Standing Committee on Banking and Commerce, to which insurance bills usually go.

The motion was agreed to, and the Bill was read the second time.

MR. EDEN'S VISIT TO PARLIAMENT

DISCUSSION OF ARRANGEMENTS

Hon. Mr. HAIG: Has the leader of the House any statement to make about to-morrow's ceremony in the House of Commons?

Hon. Mr. KING: I shall speak of that now. Some question was raised yesterday regarding the accommodation that should be provided for senators in the House of Commons at the meeting to be held to-morrow for the purpose of hearing Mr. Eden. The situation is being canvassed, and I believe arrangements will be worked out to the satisfaction of members of this Chamber.

When I move the adjournment I shall move that the Senate stand adjourned until to-morrow afternoon at 2.45 p.m. I think it would probably be well for us first to meet here and adjourn during pleasure, and after Mr. Eden's speech to return here, and, if there is any business, as I think there will be, to resume our sitting and transact the business. We shall then adjourn for whatever period we decide upon.

Hon. Mr. MURDOCK: When we meet to-morrow shall we be told what the arrangements are?

Hon. Mr. KING: I hope so.

Hon. Mr. HARDY: Would not a quarter to three be probably too late? If we meet here at that time and have prayers, we cannot get to the House of Commons until three o'clock, by which time the members of that House will probably be in their seats, and also, as they were last year during the visit of Mr. Churchill, in seats reserved for members of the Senate. I know of two very unfortunate incidents that occurred at that time, and I think it would be regrettable if similar incidents should occur again. I would ask the leader of the House to consider our meeting at 2.30, so as to have a little more time to get to the House of Commons.

Hon. Mr. KING: Probably the suggestion is a wise one and would save confusion. I will say 2.30 p.m.

Hon. Mr. DONNELLY: Has the leader of the House any further information about what seating will be available?

Hon. Mr. KING: Definite arrangements have not been made, but they are under consideration.

Hon. Mr. DONNELLY: Before arrangements are made I should like to say a few words in regard to this matter. If I were considering only my own personal feelings I should be quite content to sit in the seat nearest the door, for my hearing is good and I could hear what was going on. But I am considering the matter from a broader aspect than that. With the permission of honourable members I will read the remarks of the Prime Minister:

> Members of the Senate will be accommodated in their gallery and also on the floor of the House in such seats as may not be occupied by honourable members.

It does not look as though we were going into the other House on terms of equality. It was explained yesterday by the honourable member from Saltcoats (Hon. Mr. Calder) that on the occasion of Mr. Eden's visit the House of Commons will not be in session, and that the Commons Chamber is to be merely a meeting place where, as publicly proclaimed in the Press and elsewhere, members of both Houses of Parliament may listen to Mr. Eden's address.

I feel it is the personal duty of every honourable member of this House to uphold the dignity and standing of the Senate as one of the important branches of Parliament. This Senate is in no sense an annex to the Government. We are an independent body whose rights are specified in the British North America Act. Control over the Senate is vested entirely in the Senate itself. There is really no justification for members of the Senate to be divided into two groups, seated opposite each other in the House; but we have followed that arrangement and had a leader of the Government and a leader of the Opposition because it has been found that this makes for a more orderly conduct of business. Members who come here from the other House notice that contrary to the rule prevailing there, when a senator rises he does not address the Speaker; instead, he addresses the senators. That is because the control of the Senate is vested entirely in the Senate itself. Our Speaker has not the same control over us as the Speaker of the Commons has over that body.

My point is that when we go to the House of Commons to hear Mr. Eden we should go on terms of equality with the members of that House. We know that in the Commons there are honourable gentlemen who speak rather disrespectfully of the Senate at times. One member from my own province of Ontario referred to us as a fifth wheel on a wagon. I feel that simply indicated he had not a thorough knowledge of the British North America Act or of the functions and duties of the Senate. Another member, from British Columbia, made some disparaging remarks, suggesting, I think, that our principal business was listening to divorce cases through a keyhole. I am of opinion, of course, that these gentlemen were simply seeking publicity, and, not having the mental equipment necessary to make a speech that would command publicity in the Press, they resorted to the old habit of criticizing the Senate. When I was sitting in the House of Commons thirty-five years ago I heard a member criticizing the Senate; so it is not a new thing at all.

My purpose in rising is to protest against the idea that we should go to the House of Commons, for this joint meeting, on anything less than terms of equality with the members of that House.

Hon. Mr. HARDY: Will the honourable gentleman read again what the Prime Minister said about where senators would be seated?

Hon. Mr. DONNELLY: This is what the Prime Minister said:

> Members of the Senate will be accommodated in their gallery and also on the floor of the House in such seats as may not be occupied by honourable members.

We come in after the members of the other House, apparently.

Hon. Mr. HARDY: There might not be any seats at all for us.

Hon. Mr. QUINN: Except down at the end of the Chamber.

Hon. Mr. DONNELLY: We do not want to show any disrespect to the Foreign Secretary or to the Government that he represents. But for that, I would suggest that we decline to attend the meeting under the proposed conditions.

Hon. Mr. HARDY: Hear, hear.

Hon. Mr. QUINN: Go on strike.

Hon. Mr. DONNELLY: Out of respect to the Right Hon. Anthony Eden and the Government he represents, I intend to go to the meeting. However, as senior member of the Senate in attendance to-day, I feel it my duty to make this protest.

Hon. Mr. BALLANTYNE: Honourable senators, if I remember correctly, when the

Right Hon. Winston Churchill addressed both Houses of Parliament, seats were reserved for senators in the Commons. I understand that now no seats at all are to be reserved. On the contrary, according to the Prime Minister's words as quoted by the honourable senator from South Bruce (Hon. Mr. Donnelly), when Mr. Eden speaks to-morrow any senator may have a seat in the Commons if he is able to find one, but it is possible there may hot be sufficient seats for us all.

Hon. Mr. KING: As I have explained to honourable members, the matter is now being considered, and I hope arrangements satisfactory to the Senate will be made. That is the only assurance I can give the House. There is no useful purpose that I can see in arguing the matter here. I am making representations to the Government and placing before it for consideration the viewpoint of this House. We may assume, I think, that the Government wants to comply as far as possible with the desires of honourable senators. This does not mean honourable members of the other House will be subject to removal from their regular seats in order that senators may be accommodated. That would not be asked for by the Senate, I feel sure.

Hon. Mr. BALLANTYNE: When Mr. Churchill spoke, seats were reserved for senators. The honourable leader (Hon. Mr. King) has a good deal of influence, naturally, but we are not asking for special reservations. It is only fair, though, that certain seats be set aside for senators.

Hon. Mr. KING: That is the idea.

Hon. Mr. BALLANTYNE: That is what was done for Mr. Churchill's visit. But now I understand the honourable leader to indicate that every member of the House of Commons will be entitled to the seat he occupies when that House is in session. That means, in plain English, that there will be no seats for us.

Hon. Mr. MURDOCK: I beg the honourable member's pardon, but he is wrong about the arrangements that were made for Mr. Churchill's visit. On that occasion we had to hustle for seats and get them as best we could.

Hon. Mr. KING: That was the trouble.

Hon. Mr. MURDOCK: We had to hustle for seats. Some senators took the seats of important members of the House of Commons and refused to let those members sit there. That is what has caused this difficulty. I know that when Mr. Churchill was here a good many senators, including myself, had to take what we could find.

Hon. Mr. CALDER: I am afraid that is what is going to happen to-morrow.

Hon. Mr. KING: I hope not.

Hon. Mr. CALDER: And probably there will be no seats at all for some senators. I consider it exceedingly unfortunate that this difficulty has arisen. Let us look at the matter once more. It is supposed to be a joint meeting of the House of Commons and the Senate, yet we are told that members of the Commons may occupy the seats to which they are entitled when their House is in session. If we are to have a joint meeting of both Houses, and the Commons is simply the place where the meeting is to be held, have we no rights in that meeting place? What becomes of our supposed rights? From what has been said, there is every likelihood that some senators will not be able to get any seat there, yet accommodation will be provided for many people who are not members of either House.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: This is a matter that could be settled very quickly and definitely, and there should not be the slightest hesitation about it. There is no need for any controversy in connection with this thing. If we are to have a joint meeting of the House of Commons and the Senate, let us have it. There is plenty of room in the other Chamber for every member of either House.

Hon. Mr. COPP: Honourable senators, if the meeting at which Mr. Eden will speak is to be a joint meeting of members of both Houses, held in the Commons when that House is adjourned, I question very much whether a member of that House would have any more right to the seat he ordinarily occupies when the House is in session than any senator would have to it.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until to-morrow at 2.30 in the afternoon.

The motion was agreed to.

The Senate adjourned until to-morrow at 2.30 p.m.

THE SENATE

Thursday, April 1, 1943.

The Senate met at 2.30 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILL

REMISSION OF FEES

Hon. Mr. HUGESSON moved:

That the parliamentary fees paid upon Bill B, an Act to incorporate Montreal Shriners' Hospital Foundation, be refunded to Mr. H. M. Daly, K.C., solicitor for the petitioners, less printing and translation costs.

Hon. Mr. MURDOCK: Can the honourable senator tell us how much the fees amount to?

Hon. Mr. HUGESSEN: I do not know the exact figure. I understand that it is a well-established practice of this House to remit fees in cases of incorporation of charitable or hospital or religious organizations.

The motion was agreed to.

MR. EDEN'S VISIT TO PARLIAMENT

DISCUSSION OF ARRANGEMENTS

On the Orders of the Day:

Hon. J. H. KING: Before the Orders of the Day are proceeded with, I desire to refer to a matter which has been under discussion, in regard to the accommodation to be provided in the House of Commons for honourable senators who may be desirous of hearing the Right Hon. Anthony Eden, Foreign Secretary of Great Britain, when he speaks in that Chamber this afternoon. I intimated yesterday that the difficulties which seemed in the way would be ironed out, and arrangements made which would be satisfactory and fully meet the wishes of honourable senators. I regret that the Prime Minister's name entered into the discussion, because, as any of us who know him are aware, nobody is more punctilious than he is, and he would be the first to resent any attempt to disparage or throw a slur upon our parliamentary institutions, and the last to cause any embarrassment to any individual senator or to senators as a body. I felt certain that when we consulted the officers of the House of Commons our difficulties would disappear.

This morning the Hon. the Speaker of this House, the Clerk and I were able to visit the officers of the House of Commons, whom we found most courteous and solicitous to meet the desires of the Senate. An arrangement has been made, as was suggested here, whereby senators will be provided with seats in the aisle, and those seats will be protected by our own officers, who will stand at the door to identify senators and will see that when they arrive they are properly placed. We know that on similar occasions there has been difficulty by reason of the crowd breaking in. It is hoped, however, that the arrangement made to-day will be carried through without any disturbance or turmoil, and to the satisfaction not only of the members of this House, but the public as well.

I may say it is the intention of the Speaker of the Senate, at the joint meeting, to extend a welcome from this Chamber to the Right Hon. Anthony Eden.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I have already informed my good friend opposite (Hon. Mr. Ballantyne) that if he feels disposed, Mr. King would be glad to have him take a seat just behind Mr. King's in the House of Commons; and the Prime Minister has asked me, as leader of the Government in this Chamber, to occupy a seat beside him.

I think the arrangements that have been made will prove satisfactory; at least I hope they will. I believe all the suggestions made to me by the whips and by other senators have been carried out, and I am satisfied that a precedent will be set and there will be no recurrence of our previous experience on occasions of this kind.

Some Hon. SENATORS: Hear, hear.

Hon. C. C. BALLANTYNE: Honourable senators, I desire to express, not only for myself, but also for other members on this side of the House, our thanks for and appreciation of the arrangements which have been made. I am sure they will prove satisfactory.

I would ask the honourable leader of the Government in this House to be kind enough to convey my personal thanks to the Right Hon. the Prime Minister for his courtesy in offering me a seat directly behind his own—an honour which I highly appreciate. I am sorry to say that, as I am still suffering from a heavy cold and have to leave for home on the 4.10 train, I shall not be able to attend in the House of Commons this afternoon. Otherwise I should have been only too happy to accept with grateful thanks the kind offer of the Prime Minister.

Hon. Mr. KING: In view of my honourable friend's statement that he himself will be unable to attend the meeting, perhaps the honourable gentleman to his right (Hon. Mr. Calder) would occupy, as acting leader of that side, the seat suggested by the Prime Minister. I have pleasure in extending an invitation to him to do so, knowing that the Prime Minister would wish that done.

Hon. J. A. CALDER: Honourable members, as one who did some stirring in the pot the other day, I feel I must congratulate the honourable leader of the House (Hon. Mr. King) upon what he has done in straightening out what was a somewhat difficult tangle. I sincerely trust that nothing of the kind will occur again, should we have a joint meeting of the House of Commons

and the Senate. For securing the arrangements that have been made on this occasion we certainly are indebted to the honourable leader. I express my thanks for the position reserved for the honourable leader on this side (Hon. Mr. Ballantyne), and, as he unfortunately will not be able to attend the meeting, I shall be glad to accept the invitation to take his place.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, April 2, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ADDRESS OF RIGHT HON. ANTHONY EDEN TO PARLIAMENT OF CANADA

MOTION TO INCLUDE IN OFFICIAL REPORT OF DEBATES

Hon. J. H. KING: Honourable senators, with the leave of the Senate I move the following motion:

That the address which the Right Honourable Anthony Eden, Secretary of State for Foreign Affairs and Leader of the House of Commons of Great Britain, delivered before the members of the Senate and of the House of Commons of Canada in the Chamber of the House of Commons on April 1, 1943, be included in the Senate Debates and form part of the permanent records of this Parliament.

I make this motion, which is similar to one unanimously carried in the other House, because we were present at the meeting on an equal footing with the members of the Commons, although the meeting was held in their Chamber.

The motion was agreed to.

REPORT OF THE PROCEEDINGS

A joint meeting of members of the Senate and of the House of Commons was held in the House of Commons Chamber, Ottawa, on Thursday, April 1, 1943, at 3 p.m.

Hon. James Allison Glen, Speaker of the House of Commons, presided.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on behalf of honourable members of both Houses of this Parliament of Canada, it is my privilege and pleasure to extend a very warm welcome to the Right Honourable Anthony Eden, Secretary of State for Foreign Affairs in the United Kingdom, who has honoured us with his presence on the floor of this Chamber this afternoon and very kindly consented to address the members here assembled a little later in the course of the afternoon.

May I say to Mr. Eden that I extend this welcome, not only on behalf of the members of the two Houses of Parliament, but on behalf of the Canadian people as a whole, whose representatives we are.

When we learned that Mr. Eden had accepted the invitation extended to him by the Government of the United States to visit the United States to discuss with the President and his colleagues matters pertaining to the war, we were delighted to learn that he hoped to be able to visit Canada before returning to the United Kingdom. I should like at once to thank Mr. Eden most warmly for having accepted so promptly the invitation which upon his arrival in Washington was extended to him by the Government of Canada—not only for his kindness in accepting the invitation, but also for agreeing in the course of his stay to address both Houses of Parliament and to speak to the Canadian people over our radio broadcasting system; and may I add, for his courtesy in sparing the time to spend two or three days with us in the capital.

I am not going to reflect upon the intelligence of members of the two Houses of Parliament by attempting to review even in briefest outline the outstanding attainments of Mr. Eden's very notable career. They are known not only in this country and in all British countries, but in all parts of the world. I would however say to Mr. Eden that we specially welcome him in our Parliament to-day because of the important place which he has filled for some twenty years past in the Parliament at Westminster, and for the position he now holds as Secretary of State for Foreign Affairs in the United Kingdom and as Leader of the British House of Commons. In his twenty years in Parliament Mr. Eden has been more intimately associated with the work of the Foreign Office than most of his distinguished predecessors in that high position. I believe it is true that the present Secretary of State for Foreign Affairs has visited more countries in Europe and in other parts of the world, has visited more parts of the British Commonwealth of Nations, knows personally more of those who are directing the affairs of both the allied countries and the enemy nations, than any previous occupant of his high office. It is certainly true that no Secretary of State for Foreign Affairs has held that all-important position at a time more critical in the affairs

of the world. He has brought to his high office exceptional qualities—qualities, may I say to him, which have been reassuring to all who are members of free assemblies.

We welcome him not only for his position as Secretary of State and for all of high attainment that it signifies, not only for his position as Leader of the House of Commons of Britain, which he holds at the present time; we welcome him as well because of the high and important mission on which he has come to this side of the Atlantic. Mr. Eden himself has told us that his mission was to undertake a general exchange of views with the President of the United States and his colleagues on all aspects of the war situation and to discuss the most effective method of preparing for meetings between the governments of all the United Nations to consider questions arising out of the war and questions which will continue to confront the United Nations as they seek to work out the problems of peace and of the post-war world. It is not less gratifying to us than I am sure it has been to Mr. Eden himself and to the President, the Secretary of State, Mr. Cordell Hull, and other members of the Government of the United States, to know that he and they were in such complete agreement in respect of the many important subjects they discussed.

Mr. Eden has come to us to discuss similar problems. As honourable members are aware, since the time of his arrival on Tuesday afternoon he has been meeting, almost continuously, members of the War Cabinet and others of my colleagues. We have been discussing the same subjects and problems. May I say to him that I think we have found ourselves in measure of agreement with him equal to that in which he and the President found themselves in relation to matters they discussed.

In his memorable address at Annapolis, before leaving the United States, Mr. Eden spoke of the British Commonwealth of Nations as affording a pattern for the better organization of the United Nations and for more effective means of consultation and conference between them in carrying out the great purposes they have in common. In making that statement I think I may say that he has spoken for Canada as well as for the United Kingdom. I am sure he has spoken for all the self-governing parts of the British Commonwealth of Nations.

We welcome Mr. Eden not only for his great accomplishments, for all that he has so successfully achieved in the twenty years of his public life, for his wide experience and his wisdom in public affairs and his knowledge of men, but also and most of all for what he is in himself. There is no doubt that the new order, which we all hope is going to follow the termination of this war and prevail in the period of peace, will take on the character of the men who are at the head of affairs and who will have to do with the shaping of that new order. It is fortunate indeed for the world that a man who holds the high standards of thought and purpose which Mr. Eden has so consistently upheld, one who has been so strong a champion of the rights of free men, and of justice as between nations, should be one who will be a foremost figure in the shaping of that new era. It is, I say, a fortunate thing for the well-being of mankind, for the relations between individuals and between nations, that one who possesses so eminently the high qualities of integrity and justice and love of human freedom, the belief in the oneness of the human family, and so strong a sense of brotherhood, should be of those who will have a commanding voice in the shaping of the new order that is to come.

In conclusion, may I ask you, Mr. Eden, if on your return to Britain you will take with you the most loyal of greetings and expressions of devotion of His Majesty's Canadian subjects to the King and Queen. Will you also take with you the warmest and best wishes to the Prime Minister of Britain? Tell Mr. Churchill how relieved we all were at his speedy recovery after the unfortunate indisposition he suffered on his return from North Africa, and tell him we do hope and pray that he will continue to the end to enjoy the vision, the wisdom and the endurance which he has manifested from the beginning in his conduct of the affairs of this war. And tell him and tell all the people of Britain that Canada is heart and soul with them in this struggle, and that we shall continue so to remain until the fight itself is ended and victory and peace have been achieved.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, speaking on behalf of the members of the Progressive Conservative party, may I add a word to what has been so eloquently said by the leader of the Government of Canada, the Prime Minister (Mr. Mackenzie King). I should like to join in the welcome he has extended to our distinguished guest and to say that we in this Chamber are honoured and privileged to have with us, not only the voice of Britain itself, but a distinguished world figure.

Mr. Eden fought valiantly, courageously and heroically in the dark and trying days of the last war. He was decorated by His Majesty for those services; and throughout the period between the last war and the present one his years of contribution to the preservation

of the peace for which he and so many others fought, shone as a beacon light in a confused and stormy international sea. At times he stood almost alone in that period. But may I say this, Mr. Speaker, that while he may have stood almost alone, he has seen, in the events of recent years, that stand fully justified.

To-day our distinguished guest continues the fight. As the Prime Minister has said, we welcome him not only for what he has done, but for what he is doing. We welcome him for what he represents, and because of what he stands for. We welcome him, too, for what he is. What the Prime Minister has said I need not repeat; but it augurs well for Mr. Eden's position in the structure which will be developed in the world after the war that friendliness, humility, honour and devotion to duty are some of the outstanding but not all the fine characteristics which distinguish him.

Mr. Eden's loyalty to the cause of justice as between little nations and big nations, his loyalty to that cause so far as "little" men and "little" women throughout the world are concerned, have been characteristic of him ever since he became a spokesman for Great Britain in the field of international politics and international law. He has had many gifts at the hands of his Government and his people. He was Secretary of State for War in Great Britain when the fateful decision had to be made whether or not Great Britain itself would have to be denuded of its strength in order that the action taken should be a favourable one with respect to holding the Suez canal. He was also Secretary for War when our Motherland and Empire went to the aid of the heroic Greeks. And I say now that we shall always look back with a great deal of pride on the daring move that was made on that occasion.

As Secretary of State for Foreign Affairs Mr. Eden is on a mission to arouse us and our fighting allies in this war to the realization of the need of fighting for common aims and formulating common plans both for victory and for peace. Our honoured guest has made a notable contribution to democracy through these last twenty years of service, but, thank God, he is still a young man as years of public life are counted. Having that youth, and having had such wide experience, two very important qualifications, we may, I think, in the days that lie ahead, look for a contribution by the Right Honourable Anthony Eden to world affairs that perhaps will eclipse even his previous record of outstanding service. As the Prime Minister said a moment ago, Mr. Eden's attachment to the pattern of the British Commonwealth of Nations, in so far as the structure for world peace is concerned, is one of course to which all of us subscribe.

The Prime Minister has asked that Mr. Eden take back to Their Majesties, to the Prime Minister of Great Britain and its people our best wishes and goodwill. I re-echo his sentiments. But I wish also to ask the right honourable gentleman if he will carry back to the Canadian armed forces overseas an expression of our recognition of the part they are playing and the sacrifices and services they are making and giving, and are prepared to make and to give, in order that we in Canada may have security and freedom. My only hope is that we in Canada, in our deliberations and our work, shall be worthy of their sacrifices and their services. To the people of Great Britain I would ask Mr. Eden to carry back this message from the Canadian people: We are prepared to fight to the last, with Great Britain and the United Nations, until every vestige of terrorism and danger to freedom is crushed and dead.

And may I say in simple and heartfelt language to our distinguished guest, when he leaves our soil: bon voyage, good luck, and may God's richest blessings rest upon him and his giant undertaking in the interest of a better world, in which freedom and justice shall be the unassailable right of all.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, we of the Co-operative Commonwealth Federation are pleased to join in the welcome extended to the Right Hon. Anthony Eden. He represents to us a brave people who stood steadfastly together, and almost alone, when many thought that our cause was lost. We remember that throughout his public career he has stood consistently for the preservation of peace by means of collective security. Nor do we forget that because in 1938 he believed that the Covenant of the League of Nations involved certain obligations he resigned the high office he held at that time.

We have noted with considerable satisfaction his timely assurances that we are fighting to-day not to preserve the status quo, but rather in order that there may be a possibility for future world progress. As a free nation in the British Commonwealth of Nations our people, too, are prepared to go forward to ultimate victory in the high hope that in association with our allies of the United Nations, we together, when victory is won, may lay the foundations of a world in which there shall be freedom from fear, freedom from war and freedom from want.

That, sir, is the message that I would ask you to convey to the British people on behalf of the party for which I speak.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, the Right Hon. Anthony Eden represents the people of a country, one of the great poets of which sang these noble words:

The old order changeth, yielding place to new;
And God fulfils Himself in many ways,
Lest one good custom should corrupt the world.

It has fallen upon Mr. Eden's shoulders in these trying times to preside, as it were, while the prophecy which was voiced in those words is being fulfilled. We desire that he shall be inspired and guided in the performance of all he does, and that wisdom, vision and courage shall be his, as they have been in the past.

Members of the Social Credit group wish to join with members of other parties in expressions of loyalty and devotion to the great cause which is symbolized by the British Commonwealth of Nations. Whenever great changes are about to be brought into being there is always the danger that we shall go from bad to worse. It must be our constant endeavour to see that we shall go from good to better. We were greatly comforted when it was reported to us the Right Hon. Anthony Eden had said that the blue-print of the future was to be the British Commonwealth of Nations. We recall that in the memorable document known as the Balfour Declaration it was set forth explicitly that members of the British Commonwealth of Nations are to be "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs." We believe that in the new world and the new order that principle should prevail. We desire that, with respect not only to members of the British Commonwealth of Nations, but also to other nations which may join themselves together in an endeavour to improve matters, it will be possible for each nation to say truthfully in the words of another great English writer:

Daughter am I in my mother's house,
But mistress in my own.

We ask that the Right Hon. Anthony Eden will take back to Great Britain our congratulations, our sympathy, our assurance of devotion and association with them—

Till danger's troubled night depart
And the star of peace return.

Hon. THOMAS VIEN (Speaker of the Senate): Mr. Eden, honourable members of the Senate and of the House of Commons, it is indeed a great honour and privilege to extend on behalf of the Senate of Canada to the Right Hon. Mr. Eden a most cordial welcome on the occasion of his visit to our Houses of Parliament.

You have come to us, sir, as a knight in shining armour. We know the important part you have taken and are still taking in the momentous struggle of the United Nations to ensure the final victory of right over might, of justice over iniquity, of liberty over tyranny and oppression. We shall be for ever thankful that, amidst your innumerable occupations, it has been possible for you to visit us. And we may tell you in advance that your stay in Ottawa will leave in our minds an imperishable memory, and that the speech you are about to deliver will be to us an inspiration and an incentive of the highest order.

May I add that the example of duty and devotion which you have set to the Empire and the world in the present war is already engraved in our minds in a most ineradicable manner.

(Translation): Mr. Eden, I take much pride in being the spokesman of my French Canadian compatriots to welcome you to our country, and I feel gratified in acknowledging in my own tongue, on behalf of the French Canadian members of the Senate and of the House of Commons, the inspiration and encouragement that will flow from the speech you are about to deliver and which will remain engraved in gold both in our public records and in our hearts.

Since 1848, French has been one of the official languages of our country. I may therefore use it to state that the French Canadians have done their full share in the prosecution of this war; that they are happy to be British citizens and to live under a form of government under which they enjoy the greatest freedom; that they always have remained faithful to the parliamentary and democratic institutions which they enjoy. Their sole desire, to the fulfilment of which they apply their best efforts, is to ensure the triumph of our armed forces and to bequeath to the coming generation an enlarged inheritance, which can be assured only through an Allied victory.

You appear to us as a fearless and faultless knight; and I wish to convey to you the gratitude we feel for the commendable part you have always played in promoting the triumph of right over might, of justice over evil and of freedom over tyranny and oppression.

Hon. J. A. GLEN (Speaker of the House of Commons): Honourable members of the Senate and the House of Commons, we are met this afternoon to receive a very distinguished visitor, the Right Hon. Anthony Eden, Secretary of State for Foreign Affairs and Leader of the House of Commons. Mr. Eden is no stranger to the forum of the House of

Commons. He, like Mr. Churchill, is a House of Commons man; and it is therefore eminently fitting and proper that Mr. Eden should give his first public address in Canada from the floor of the Canadian House of Commons.

It would be a work of supererogation for me to recite the many virtues which have been expressed to-day by members of the House regarding Mr. Eden. His name is a familiar one in Canada. His career is known to many people throughout our Dominion. And I believe that on this occasion—and none could be more appropriate than this gathering of members of both Houses of Parliament—Canada through its Parliament would wish to express to Mr. Eden the deep-souled appreciation and unstinted admiration of the courage and fortitude of the British people during those tragic months of 1940 and since. We who understood the desperation of those times will ever be thankful that there was a noble band of leaders in the United Kingdom who, when it seemed that the last bastion of freedom in the European world was crumbling in ruins, stood steadfast and firm, never faltering; and that they and the British people gave an example of courage and determination greater and more heroic than that displayed at any other time in the long history of Britain. Mr. Eden was an outstanding leader among those leaders of whom I have spoken.

To us in Canada it is a most comforting thought that in that crisis Canada and the other nations comprising the British Commonwealth never swerved from their stern and implacable purpose to support the United Kingdom and to resist with all their strength and resources the forces of evil ranged against democracy. The Commonwealth, let it never be forgotten, stood alone in those days. We now have allies of the most powerful nations in the world. And although the road may be long and dreary, and the end not yet in sight, there is no doubt now as to the issue.

Now, sir, I hand over to you the members of both Houses of Parliament. The listening world is eagerly awaiting your address. You are not bound by the rules of this House—you may even read your speech. And our rule limiting speeches to forty minutes is with unanimous consent, now given, suspended entirely.

Honourable members of the Senate and the House of Commons: I present to you the Right Hon. Anthony Eden, Secretary of State for Foreign Affairs in the United Kingdom.

Right Hon. ANTHONY EDEN (Secretary of State for Foreign Affairs in the United Kingdom): Mr. Speaker, I am deeply grateful to you and to the members of the Parliament of Canada for the compliment which you have paid me in thus inviting me to speak to you here from the floor of the House. I understand, of course, that the compliment is not paid to me personally, but to our own House of Commons at home, of which I happen to be, for the time being, the unworthy leader. I feel sure that my colleagues in the House of Commons at Westminster would wish me to express to you here and now their warmest thanks and gratitude for this truly thoughtful gesture. There is no compliment, as you, sir, have hinted, that could appeal more to the heart of any House of Commons man.

Sir, this procedure and these surroundings are familiar to me, though I confess that your House is at once more spacious and more generously fitted—and, let me add, less battered—than our own. As you are perhaps aware, our own chamber at Westminster has been destroyed, and as an act of gracious generosity we now meet in what was formerly known to us as "another place." None the less I can assure you with all conviction that the spirit of the House of Commons lives on, undismayed by enemy action or even by its present more august setting.

I should like to take this opportunity, sir, to express to my old friend the Prime Minister, to his colleagues and to other friends here in Canada my warm thanks for the kindness and hospitality they have shown me since I have been in this great city. The Prime Minister referred just now to the work we have done together in a few crowded hours. I almost think that he and I have been keeping the kind of hours that are usually associated with my own Prime Minister. However that may be, I share with him the full satisfaction at the result of the work we have been able to do together.

Some very generous things have been said about me this afternoon. If I thought there was any danger of your believing any of them, I should be highly nervous, but I am comforted by the reflection that there is no risk of that.

I would preface what I say to-day by giving you this assurance, if I may. Those who have preceded me have given many generous messages to my country. I shall regard myself as privileged to take back to Their Majesties the King and Queen, to our great Prime Minister, Mr. Winston Churchill, and to the people of

Britain, the encouraging, the heartening and cheering words which have been uttered in this Parliament to-day.

To think of Canada in these times is to think of her armed forces by land, sea and air, and it is of these that I would speak to you first. It so happens, by the chance of events, that I have been lucky enough to see something of the Canadian forces since the earliest days of the war. As Dominions Secretary in the opening months of the war it was my privilege to travel to a certain port, there to welcome the first contingent of your army to reach the shores of the Old Country. Sir, I could never forget that scene. It was a beautiful winter morning, such as we do have in Britain sometimes, at a famous port which I suppose must still remain anonymous; such are the rules of censorship. I was the spectator of the scene from the flagship of the commander-in-chief of the home fleet. As the great armada of liners swung into sight under the escort of the Royal Navy, cheering Canadian troops lined the decks, and the band of the flagship played "O Canada." I suppose that seldom in human history have so many great transports and so many powerful ships of war been assembled together at one time. That was Canada making her contribution in the hour of need, and that was only the beginning. Many contingents of your army have followed the forerunners. When in April, 1940, a few brief weeks before the drama of Dunkerque, the Prime Minister, Mr. Winston Churchill, formed his Government, he asked me to take over the War Office. There again I had the opportunity of meeting officers and men of the Canadian forces. Those were the dark days of 1940 to which you, sir, have just referred, when the presence of your troops was at once a safeguard to our threatened citadel and an inspiration to our own efforts. Since those days the Canadian army in Britain has had to endure a long period of training and waiting. No experience can be more exacting for the morale of any army. Its officers and men have sustained this ordeal with a patience and a sense of discipline that has won the admiration of us all. Save for the attack at Dieppe, carried through with that brilliant dash and daring which the world has come to associate with Canadian arms, the lot of your fellow countrymen in Britain has been one of waiting for the hour that will come. This message I should like you to give to the people of Canada, in all sincerity : As the months and the years have passed, the affection of the British people for their Canadian guests and comrades has grown until we have come to regard them not as visiting kinfolk, but as our very own—men whom we respect and admire. We know that one day their distinguished commander, General McNaughton, will lead them to victory.

Now, sir, let me speak for a moment of the undying achievements of the Royal Canadian Air Force, made possible by the well-planned execution of the Commonwealth Air Training Scheme. It so happens that as Dominions Secretary I also saw the first conception and early execution of that scheme. I do not think that any of us then quite realized—I freely admit that I did not—the extent to which its development might influence the whole course of the war, even though its potentialities did inspire us all to do what we could to ensure the success of its early beginnings. Well, sir, if Canada had done nothing else in this war, her predominant share in the Commonwealth Air Training Scheme would ensure for her an enduring place in the roll of fame.

I had a fortunate experience this morning, such as seldom falls to the lot of those of us who have to bear political burdens in this time. I took a couple of hours off, and I went not far from this city to see one of those training centres. It was a truly inspiring experience. Clearly the work that is being done there has much more than merely wartime importance. In one flight I saw young men from Canada, from Australia, from New Zealand, from the United States and from the Old Country working together in complete comradeship and understanding. It does not require much imagination to understand the significance that can have for the future. These young men are getting to know and respect one another. They are breaking down some of the old barriers. Some of the old prejudices are being removed by this greater comradeship of the air. All the instructors to whom I spoke gave me evidence of this. So, sir, I say that these young pilots may be the best ambassadors of the future. If we can only capture and keep the spirit which they have learned in these schools there is no international problem which we cannot resolve.

I am going to ask honourable members of these two Houses if for a moment now they will cast their minds back to the early days of the war, because I should like to tell them that there is in the minds of all my countrymen one recollection above all which stands out from those days. We can never forget that when we went to war to redeem our pledged word—a fact that I like to keep present in my mind—when we did that, you stood with us. Four self-governing Dominions of the British Empire took their stand in partnership with us. That event is part of recorded

history. No man can change it. It is an event of which the British Commonwealth will always be, I trust, supremely proud. This close association in the hour of danger was the outward expression of the inner meaning of the British Commonwealth.

Let us for a moment consider its significance, because I am of the opinion that we do not talk about ourselves enough. What did it mean? It meant that a number of self-governing communities scattered all over the world realized as clearly as we did, who were very much closer to the scene, the peril that beset not only them, but mankind. Understanding full well that the threat to one was a threat to all, they rallied unanimously in defence of the common cause. That event is all the more remarkable when we reflect that the citizens of this Commonwealth are not all of one common stock. Here in Canada are millions of French descent, whilst in South Africa the majority is in fact of Dutch origin. Moreover, India and the colonial territories of the Empire have from the first day taken their place at our side. When, therefore, all is measured, there has been no more striking, no more inspiring episode in human history than this free and spontaneous action by all the peoples of the British Empire.

Since those days we have battled through some pretty stern times together. We have known dark days and, on occasion, brighter hopes. To-day when we survey the world scene, we are conscious of the support of many and powerful friends, so that if we hold together and persist until the end, the issue is not in doubt. In recent months encouraging reports have reached us from many theatres of war. We are entitled to rejoice at them, to take fresh heart from them, but there would be an element of danger if they were to cause us for one moment to relax our efforts.

The better news must not tempt us to underrate our enemies' strength; it must only nerve us to greater efforts. Our Turkish friends have given many wise sayings to the world. There is one in particular which I would commend to you as being a suitable motto for the stern business of war—"Though thine enemy be an ant, imagine that he is an elephant." So it is our duty to concentrate all our strength upon the first task in hand, which is the utter defeat of the enemy. It is well, very well that we should take thought and counsel together as to the future problems that may beset us. It would be bad if we were to allow such necessary preparation to dim for one instant our vision of the work at hand and our determination to see it through.

Sir, even as I speak at this hour, the battle of the Atlantic is raging. It is yet undecided. In the struggle that has ebbed and flowed these months and years, the Royal Canadian Navy has played a glorious part. The epic of the convoys is never ending; it would require libraries to do justice to it; the words of the greatest poets that ever lived would not suffice. We must regard the U-boat as our greatest menace. It is the ceaseless task of our navies to protect our life-lines, and to fight a way through for our convoys. The enemy is clearly staking heavily upon his U-boat offensive. We must not only continue, but intensify our efforts against this desperate challenge. You may be confident that we shall do so.

Sir, having uttered this warning, perhaps I may yet speak to you for a little of the future. As the war progresses we see the conception of the United Nations gradually taking shape. I believe it is better that this development should come about in this gradual way. Co-operation which is born of stern necessity and forged by experience has the best chance to survive into the years of peace. It is better to build as we go along, to test our mutual understanding and to develop it rather than to devise all at once some elaborate structure into which we shall seek to fit the component parts as best we may. In this sphere of international endeavour the Commonwealth has its specific contribution to make.

Sir, it has been our practice for many years to allow and encourage co-operation to grow. We have neither rigid rules nor precise formulæ between us, but we have the spirit of understanding and we know the road that we would travel. Can we infuse something of this same spirit into the sphere of international relations? If we can, we shall have made an essential contribution to a peace that can endure.

(Translation): One thing I should like you to know about our British people is that, after three years of war, they show no sign of weakening. The British are united in a stubborn determination to see the struggle through to a finish, for they are armed with strength, courage and fortitude. The enemy's pre-war slander about the British being exhausted and done for has been disproved with a consummate vigour unparalleled in history. Above all, the British have a very youthful spirit and, both east and west, you may depend upon them until the end of the conflict and until triumphant peace.

Many a nation has painfully suffered in this war. France has known a particularly hard and bitter ordeal. Throughout my life I have believed in the greatness of France and, to-day, my faith in her future remains unshakable. For our part, we have but one wish: to witness a renewal of the bond which unites all

Frenchmen who have sworn to fight our common enemy. We will always be ready to help them achieve that purpose, for it marks the first step toward the regeneration of France and the opening of a new chapter in her glorious history.

(Text) Sir, when we consider the unhappy years, the distressful years between the two wars, we should surely do so in the determination to learn the lessons of our failure. I have myself had some experience, as have your Prime Minister and others of your Canadian statesmen, of the attempts which have been made to keep the peace by international machinery. Well, sir, one lesson is predominant in my mind. The League of Nations suffered, no doubt, from a number of human failings and shortcomings. We all do. However, what above all it lacked was a sufficiently wide international authority to express its decisions with conviction and an adequate force to see them executed.

So it was that the gangster nations, Germany, Italy and Japan, could test their strength and work their will. Mr. Speaker, we must never be in that position again. It is essential that when this war is over the United Nations should maintain sufficient force to ensure that neither Germany nor Italy nor Japan can ever plunge the world into war again. The experience through which I have lived is similar to the experience which many of you have known. I have taken part, as you have done, as a soldier in one war which we had hoped, as I have just been reminded, was a war to end war. I now watch my son prepare to take part in a second war. Mr. Speaker, it is our duty to see to it that this cruel and inhuman lot is not also the heritage of our children's children.

For my part I, therefore, say definitely that I am not prepared to take risks again with either Germany, Italy or Japan. I have no faith in the promises of their statesmen or in the smooth assurances of their apologists. There is only one security for mankind in respect of all of them—to ensure that they shall be totally disarmed and in no position ever to try their strength again. And then indeed peace may have its chance. After the bitter lessons which we have learnt we must insist upon the fullest precautions. Sir, to say these things is not to show a lack of humanity, but to clarify our thought on issues upon which the future life of the world will depend.

It is no easy task to co-ordinate the action of the United Nations in war, nor will it be simple in peace; but if the basis which I am propounding is accepted, as I am sure it will be by us all, then the task can be achieved. I have myself been greatly encouraged by the conversations which I have had upon these matters a year ago in Moscow and more recently in Washington. They have been an inspiration to me. Admittedly there will be differences and divergencies amongst us. Five per cent, I think, the President allotted to them, and of course there always will be such. But they are not insurmountable, because at heart we want the same thing—international security, so that all of our peoples may live and develop their lives in freedom and at peace.

Let me then sum up my message to you. For this task we shall need not only a close understanding among the nations of the British Commonwealth, the United States, Russia and China, but the full co-operation of all the United Nations. Together we can win the war and win the peace, and nothing less shall content us. It is our duty to hand on to our children a world in which freedom can live and a man command his soul, free from that constant dread which shadows our own time. To that task we have set our hands and will dedicate our lives. Let us give this pledge this afternoon: We will neither falter nor fail until we have redeemed our word and opened to future generations a peace and promise that we have never known.

Hon. J. A. GLEN (Speaker of the House of Commons): I do not propose to add anything to the address to which we have just listened. All I shall do is to express to you, sir, the profound thanks of Canada and of both Houses of Parliament here assembled, for a speech memorable in phrase and style, and moving in its appeal. And I would seek to express the prayer of multitudes of people in all parts of the world that you and your colleagues may be given strength and wisdom to complete the high task to which you have been called and that, through victory, peace and happiness may return soon to this war-torn world.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman P. Duff, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day for the purpose of giving the Royal Assent to certain bills.

DIVORCE COMMITTEE REPORTS

MOTION FOR CONCURRENCE

On the Orders:

No. 1.—Consideration of the forty-fifth report of the Standing Committee on Divorce, to whom was referred the petition of Kathleen Ena Ball Royer, together with the evidence taken before the said committee.

No. 2.—Consideration of the forty-sixth report of the Standing Committee on Divorce, to whom was referred the petition of Margaret Heddrick Lieth Gauld, together with the evidence taken before the said committee.

No. 3.—Consideration of the forty-seventh report of the Standing Committee on Divorce, to whom was referred the petition of Elizabeth Alexandra Ida Robb Lewis, together with the evidence taken before the said committee.

No. 4.—Consideration of the forty-eight report of the Standing Committee on Divorce, to whom was referred the petition of Joseph Aloysius Lavigueur, together with the evidence taken before the said committee.

Hon. J. E. SINCLAIR: Honourable senators, on behalf of the honourable Chairman of the Committee on Divorce (Hon. Mr. Robinson), I move concurrence in the reports covered by Orders Nos. 1, 2, 3 and 4. I may say that the evidence in connection with the case covered by the fourth order has not yet been distributed to honourable members, but I am assured by the Clerk of the Committee that it will be here this afternoon. If the Senate is agreeable, we could concur in the report and hold back presentation of the Bill until honourable members have had an opportunity of studying the evidence.

Hon. JAMES MURDOCK: Honourable senators, I should hope that the motion for concurrence in the fourth order will not be pressed at this time, as we have a right to see the evidence taken in a divorce case before we consider the committee's report. A few days ago we gave second and third readings to forty-two divorce Bills, and next day the evidence in one of the cases came to us in the mail. If my judgment is any good at all, there was nothing in that evidence bearing the slightest semblance to the commission of adultery. I repeat that I think we should hold up this fourth order until we get the evidence in the case.

The Hon. the SPEAKER: The motion for concurrence can be moved now only with the unanimous consent of the Senate, and, in view of the objection taken, Order No. 4 must stand until the next sitting. The motion will now be that Orders 1, 2 and 3 be taken en bloc.

Hon. Mr. MacARTHUR: Perhaps the acting chairman of the Divorce Committee can tell us whether these are contested cases.

Hon. Mr. COPP: No; they are unopposed cases.

The motion for concurrence in the reports covered by Orders Nos. 1, 2 and 3 was agreed to.

Hon. Mr. MURDOCK: May I ask whether the motion just passed covers the first three Orders only?

The Hon. the SPEAKER: Yes. No. 4 stands until the next sitting.

PRESUMPTION OF DEATH AND DISSOLUTION OF MARRIAGE BILL

MOTION FOR SECOND READING—DEBATE ADJOURNED

Hon. J. W. deB. FARRIS moved the second reading of Bill W2, an Act to enable a married person in certain circumstances to apply to a court of competent jurisdiction for a declaration that the other party to the marriage be presumed dead and for dissolution of marriage.

He said: Honourable senators, I approach discussion of this Bill with a little hesitation, not that I have any doubts as to its merits from my viewpoint, but because I know some honourable senators are opposed to divorce and therefore I may not be able to convince them. In any event, I think it is an excellent thing that no Chamber dealing with public matters considers and scrutinizes questions of this kind more carefully than does the Senate. For this reason I would ask your indulgence while I state the reasons which I think justify this Bill being given second reading.

The Bill itself is short and any honourable senator can soon get the gist of it. Its principal features may be outlined under four or five headings.

First, it proposes that any court having divorce jurisdiction may, on the petition of one of the parties to the marriage, decree two things: presumption of death; dissolution of the marriage.

The second important matter to consider in this connection is the evidence upon which such a decree is to be based. There are two distinct types of evidence. The first is that one of the parties to the marriage, say the wife, in support of her petition presents to the court evidence to show that in all human probability her husband is dead. He may have been on board a ship which was known to have been sunk in mid-Atlantic under such circumstances that there could be no reasonable possibility of any survivors other than those that had been rescued. The wife might wait two or three years, or longer, before taking action. Then, under this Bill, she would be permitted to go before the court with detailed evidence as to the circumstances which

in all human probability resulted in her husband's death. If that evidence satisfies the judge, he may decree that the man be presumed to be dead, and that as a consequence of this presumption the marriage be dissolved.

There is another branch in this case, relating to presumptive evidence. I think all members of this House, whether lawyers or not, are familiar in a general way with what is meant by "presumptive evidence." Certain facts are produced from which presumptions may arise. This Bill, if enacted, would apply equally to either sex, and would provide that if a man, say, has been absent for seven continuous years and his wife has known nothing of him during that time, and, to use the language of the Bill, "has no reason to believe that the other party has been living within that time," the court may—not shall, but may—if satisfied, without any detailed evidence of a ship's sinking or an explosion or anything else, make, first, a decree of presumption of death, and second, on the basis of a continuous absence for seven years under such circumstances as to raise a presumption of death, a decree of dissolution of the marriage.

That is the scope of the Bill under the first two headings to which I call attention.

The next point is that this Bill is limited to provinces now having jurisdiction to grant a divorce a vinculo matrimonii; that is, a divorce as distinguished from an annulment. So, in the result, it would not apply to the province of Quebec.

Hon. Mr. HAIG: Nor to Prince Edward Island.

Hon. Mr. FARRIS: Nor to Prince Edward Island; but in putting in this provision I had in mind more particularly the province of Quebec. Honourable members will understand why. I might elaborate to this extent. In the first place, under the Bill the machinery of a divorce court is required, and of course there is no such machinery in the province of Quebec.

And just here, if I am permitted to digress, having in mind some of the discussion that occurred the other day, I would say that within the four corners of the law as it now exists, the court which sits in this end of the building dealing with divorces from the province of Quebec is, in my opinion, one of the most efficient courts in any part of Canada. I asked a question the other day to bring that out, when it was suggested that jurisdiction might be given to the Exchequer Court rather than to the courts of Quebec. In my opinion, the Exchequer Court is the last place in the world to which that jurisdiction should go. It is not equipped in any way to do the work. If the jurisdiction should go from the Senate, I should prefer that it go to the courts of Quebec; but I can see no reason why it should not remain where it is, with a court which has functioned competently and efficiently for a great many years. But that is a digression.

To return, I say, first, that the machinery necessary is not available in Quebec. In the second place, coming as I do from the province of British Columbia, I would not for one moment presume to move that a bill of this kind should apply to the province of Quebec. If in days to come there is any modification along this line, it should come from the representatives of that province and no others.

The fifth point which is outstanding about this Bill, and which honourable members should consider, is that the Bill is taken verbatim, as far as local conditions permit, from the provisions in the English Divorce Act of 1937, about which I shall have something to say in a moment.

I next present to you my reasons for introducing this Bill. In March, 1942, I received a letter from my friend the Hon. Mr. Maitland, Attorney-General of British Columbia, who had received a letter from one of the judges of the Supreme Court of the province expressing the unanimous views of the judges of that court on this question. Mr. Maitland, who is now not only Attorney-General, but also Vice-President for Canada of the Canadian Bar Association, says in regard to this measure:

> I feel such an amendment is both reasonable and necessary, and for that reason I am forwarding a copy of this letter to you, and I would appreciate it if you would advise me what further I can do to initiate this legislation.

Honourable senators, of course, must make their own decision, but the opinion of an experienced Attorney-General should assist them.

Mr. Justice Robertson, who next to the Chief Justice is the senior judge in the Supreme Court of British Columbia, wrote on the 4th of March, 1942, a letter, which Mr. Maitland enclosed to me, as follows:

> At a meeting of the judges of the Supreme Court, held yesterday in Vancouver, I was asked to lay before you certain facts with a view, if you thought it advisable to obtain necessary federal legislation, to permit a married person to apply for a divorce where the other party has not been heard of for seven years. Applications are frequently made to the court by a married person for a declaration that the other party to the marriage "be presumed dead," the reason being that the applicant desires to remarry. See In re Carlson (1923) 32 B.C. 24, where an order was made declaring that the wife of the petitioner was presumed dead and that he should be allowed to remarry.

With all due deference to whoever the judge may have been, every lawyer would agree that he had no jurisdiction to make the

order. The only possible effect it might have would be to make it a little easier for that petitioner to satisfy the Crown authorities in case he were prosecuted for bigamy.

Hon. Mr. ASELTINE: Is that the Alberta case?

Hon. Mr. FARRIS: No; a British Columbia case.

Hon. Mr. ASELTINE: I understand that there was a case decided the other way in Alberta.

Hon. Mr. FARRIS: Yes, that is right.

All that Mr. Justice Robertson is seeking to do is to bring before the authorities the puzzling predicament with which judges are confronted in regard to this very trying situation, and to give the benefit of their experience and viewpoint as a reason why Parliament should change the law in this connection. He goes on to say:

In the case of Re Jesse Warren Ball (1923) 33 B.C. 162, an order was given granting leave to presume death. In that case the petitioner desired to be at liberty to remarry.

From time to time some of our judges have made a declaration presuming death and giving leave to remarry. Others have granted declarations as to death and refused leave to remarry.

In my humble judgment they should make no order one way or the other.

Declarations as to death have been refused except when the declaration was incidental to the exercise of some jurisdiction, for example jurisdiction to admit a will to probate. This has been the practice in Ontario.—See Re Sell (1924) 56 O.L.R. 32.

I would point out to honourable members that I do not think that has any relation to the problem at all. It is true that if a man is absent and the woman wants probate, which comes entirely within the jurisdiction of the provincial courts, the woman may apply to the court for a declaration of death, as to such matters as are within provincial jurisdiction; but the order, after being made, would have not the slightest effect so far as the validity of the marriage is concerned, if the party who has disappeared should at a later date reappear on the scene.

The Court of Appeal of Manitoba held that their courts had no jurisdiction to grant such a declaration where the petitioner's only reason for asking it was a wish to remarry.

I am a little surprised that the court based the decision on the ground that purely declaratory judgments without any specific object in view should not be granted. I should have thought the obvious answer was, "If your only reason for making the petition is a desire to remarry, we have nothing to do with that, and cannot grant your application."

The letter continues:

See In re Morgan (1939) 2 W.W.R. 156—See also an interesting article on this question in volume 17, The Canadian Bar Review, page 685.

I have that volume here, but it really only re-summarizes the situation as Mr. Justice Robertson has stated it, and I will not read it. His letter continues:

This difficulty has been solved in England by an amendment to the Divorce Act.

—and he gives the quotation. This is identical with our Act except for two things. In England there is a King's Proctor, an officer who, if you feel his existence is justified, is highly desirable. It is not the practice in our provinces to have a King's Proctor. But that does not interfere with the principle of the Bill before us. The other thing is that in England they have provision for an order nisi for six months—unless good reason is shown within six months. That is not the usual custom in Canada, though I am inclined to think it is the practice in Ontario.

Hon. Mr. HAIG: What is the practice at the Coast?

Hon. Mr. FARRIS: We used to have that procedure, but we have it no longer. It was just decided to discontinue it, and now we do not have it. I have an open mind as to which system is best. However, that is a collateral matter, and I do not want to confuse the very simple issue of the Bill which I am asking honourable senators to consider.

The conclusion of Mr. Justice Robertson, speaking for the Trial Court Bench—and that is where all the grief occurs—is as follows:

We therefore beg to suggest to you that steps be taken to have the Dominion Parliament enact legislation along the lines of the English Act of 1937.

I think I should say also that the Law Society of the city of Vancouver, where the great bulk of the lawyers of British Columbia are and where most of the cases in the province would arise, knew that I had this matter up last year, and, in November of 1942, it appointed a committee to confer with me on the question. In January of this year the executive of that law society, which is a representative executive, passed a unanimous resolution. I will not bother to read it, but will simply state that it endorses the Bill I am now sponsoring.

Then, not long ago, I took the liberty to write Mr. Conant, Prime Minister of Ontario, who, as you know, has been for a number of

years Attorney-General of that province. As the chief law officer of our largest province he has had a great responsibility and a large experience in the administration of justice. On the 27th of this month I received from Mr. Conant a reply, which I think honourable members would wish me to read in full. It is as follows:

Dear Senator Farris,

This will acknowledge your letter of the 22nd instant enclosing copy of a bill extending the grounds for divorce. This Bill in the form submitted is, with necessary modifications, similar to section 8 of the English Matrimonial Causes Act. Furthermore, it would if enacted bring the law with respect to divorce for desertion in line with the provisions of section 308 (3) (b) of the Criminal Code.

I ask honourable members to keep that in mind, because I intend to refer to it again.

Desertion as a cause for divorce has, I am informed, existed in Scotland for about 400 years and prevails at the present time in Australia, New Zealand, South Africa, Denmark, France, Germany, The Netherlands, Norway, Portugal, Rumania, Sweden, Switzerland and the United States (with the exception of South Carolina and New York).

It seems an anomaly to me that divorce should be granted for a single act of infidelity while it is denied at present in this country when the whole purpose of marriage has been frustrated by deliberate and permanent desertion.

The proposed Bill would afford relief principally to the poor people on whom the present law and grounds bear particularly harshly. A poor woman deserted by her husband lacks the means to discover his whereabouts or to prove his infidelity. She is in the cruel position of being neither a wife nor a widow, with the obvious results.

For the reasons above briefly stated and others which could be set out with equal force, I am of the opinion that the amendment to the divorce law, as proposed in your Bill, should be enacted.

Respectfully yours,

G. D. Conant.

Hon. A. L. BEAUBIEN: Before the honourable senator goes further, may I ask him a question?

Hon. Mr. FARRIS: Certainly.

Hon. A. L. BEAUBIEN: If this Bill became law, what would happen to a husband or wife who reappeared after having been divorced because presumed to be dead?

Hon. Mr. FARRIS: I shall deal with that, if I may, in the course of my remarks. This seems to me a matter as to which all the different points should be dealt with in sequence, and my notes have been arranged accordingly.

As I have mentioned, and as Mr. Conant mentioned in his letter, this Bill takes its form from a section of the English Act of 1937, the Matrimonial Causes Act. I want to deal with that statute for a few moments. It was introduced in 1937 by Mr. A. P. Herbert, M.P., following upon the study made by a royal commission appointed in 1909, which made its report three years afterwards, in 1912. This report, which I have in my hand, contains a great many contentious things that as an advocate I should be very ill-advised even to mention here, because they would only sidetrack the discussion and make for unnecessary controversy; but in regard to the question we are now dealing with, the report contains nothing controversial. The members of the commission included a long list of very distinguished men and women. I will mention a few of the names. There was Baron Gorell, the late President of the Probate and Divorce Division in Great Britain, who of course, because of the many years he occupied that position, would have a wide experience in connection with divorce problems. Then there were the Archbishop of York, the Earl of Derby, Lady Frances Balfour, Sir William Anson—whom all lawyers know as the author of the work, "Anson on Contracts"—Sir Rufus Isaacs, afterwards Chief Justice of England, and many others, representing all classes and walks of life in Great Britain.

The commission reported, as I have said, in 1912. There were a majority report and a minority report. The minority report seriously challenged some recommendations of the majority report, but I call the attention of honourable senators to what the minority said, as found at the bottom of page 190 of this document, on the point we are concerned with:

We concur in the recommendations of the majority report with regard to presumption of death.

So that on this subject the royal commission, a highly competent and most cosmopolitan tribunal, which held sittings over the years I have indicated, was unanimous.

In outlining the features of this Bill I have of necessity indicated the arguments in favour of it, but perhaps I might support those general observations with more detailed reasons for sponsoring the Bill. In the first place I want to call the attention of honourable members to the fact, as I understand it, that the State to-day has not the courage of its convictions in this matter; that the law as it now stands on this question is neither one thing nor the other. I would also point

out that in every other province of Canada the restrictions with regard to the legal presumption of death are greater than they are in the province of Quebec. My honourable and learned friend from De Salaberry (Hon. Mr. Gouin) was good enough to give me a memo on the Quebec law, and I was in hopes that he might address the House in this connection; but he is not here to-day.

Let us confine ourselves at the moment to the other provinces, to which this Bill, if enacted, would be applicable. In every one of those provinces one of the parties to a marriage may, upon giving satisfactory evidence, obtain from the courts a declaration of death of the other party to the marriage, so as to justify probate, or to justify payment of insurance moneys, or to satisfy legal requirements in other matters within purely provincial jurisdiction. To that extent the provincial laws recognize what I may term a de facto divorce as distinguished from a de jure divorce. The declaration is for all practical purposes regarded for the time being—I am keeping in mind the question asked by my honourable friend from St. Jean Baptiste (Hon. Mr. Beaubien)—a de facto divorce.

Then we come to the Criminal Code of Canada, section 308 of which makes it an indictable offence for a married person to marry again when the other party to the marriage is living. A person convicted under this section is liable to a penalty of seven years' imprisonment. But subsection 3 says:

> No one commits bigamy by going through a form of marriage
>
> (a) if he or she in good faith and on reasonable grounds believes his wife or her husband to be dead; or
>
> (b) if his wife or her husband has been continually absent for seven years then last past and he or she is not proved to have known that his wife or her husband was alive at any time during those seven years.

The present Bill uses almost exactly these words.

Now, I say that proposition is neither flesh, fish nor fowl. What does the State say to a woman who for seven years has not heard from her husband, whom she believes to be dead? The State says: "Although bigamy is a serious crime and we will punish bigamists, you have our permission, so far as the criminal law is concerned, to marry again." And to clergymen and authorized laymen it says: "So far as the criminal law is concerned, you are permitted to perform the marriage ceremony in a case such as this."

Let us suppose that a woman comes under the first clause of this subsection 3, that is, that in good faith and on reasonable grounds she believes her husband to be dead. Suppose she has every reason to believe that her husband was on a ship which was sunk in the Atlantic, and that he was drowned. Well, the proceedings to have her husband legally presumed dead will not be initiated by anyone but herself. A woman when acting in good faith in a matter of that kind will not jump in hurriedly and ask for a declaration. If she did proceed with undue haste, it would be a pretty good indication that she was a person who, when unable to get her way legally, would not worry about the moral implications of getting it otherwise, and she certainly would be out of luck in the courts. But let us assume the ordinary case of a woman with attachment for her husband, a woman who for a long time could not believe the news of his death and who lived in hope that something would turn up. She would be the last person in the world to admit his death. But, in the normal course of events, time is a great healer. New affiliations take place, and, if she is a young woman, she may meet some man worthy of her affections, and marry him, in the belief that her husband is dead. Under the criminal law that is permitted to-day. A happy home may be established and children born of that second marriage. At the ceremony the clergyman would have given again the solemn warning: "Whom God hath joined together let no man put asunder." But suppose Enoch Arden comes back. This rarely happens, and I have an idea that if it should happen the first husband would deem himself better off to find his wife legally and happily remarried than to be confronted, as he would be under the present law, with the proposition of declaring that she had been living in adultery and that the children were illegitimate.

Then let us take the other case, where there is this seven years' presumption of death. This means that the man has left his wife for seven years. She has never heard from him during all that time, his absence being under such conditions that she at no time during the seven years even knew that he was alive. She may still be a young woman. She is told it is not illegal, and she marries to-day under the law—this betwixt-and-between kind of law—and a clergyman performs the ceremony. A comfortable home is established and they have a family. Then the first husband comes back. To do what? To destroy a home that he has no claim on, a home that he deserted. He has absolutely failed to live up to any of his marriage obligations. He has come back to put asunder those whom God hath joined together, and to have it declared that the woman whom he deserted has been living in adultery and that her children are not legitimate. It

seems to me, honourable senators, that all the instincts of humanity revolt against such a condition of things, and I submit that the experience in England points to the conclusion that this proposed legislation is necessary and proper in the provinces I have referred to.

May I say in conclusion that if this Bill passes this House and goes to another place, I hope it will be dealt with there. We hear remarks and read newspaper editorials about what the Senate does not do. There is one thing, honourable members, the Senate never does: it never allows a bill to be buried so that certain issues may not be faced.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FARRIS: I hope that after the Bill leaves this House the issues will be faced and there will be a discussion and a decision on it in another place.

Hon. A. MARCOTTE: Is this Bill to be referred to one of our standing committees?

Hon. Mr. FARRIS: If honourable senators so wish. There is just one issue involved, the principle of the Bill, in view of the fact that after long consideration similar legislation was enacted in England, and we have the benefit of England's five-year experience so far as its practical aspects are concerned. However, if any honourable senator feels there are details that might be considered, of course the Bill should go to a committee.

Hon. Mr. MARCOTTE: The matter is so important and the reasons for the measure have been so fully stated by my honourable friend from Vancouver South (Hon. Mr. Farris) that I think we should have a little time to consider the Bill. If I remember rightly, a couple of years ago a bill was presented to enlarge the grounds for divorce. To my mind, this is another way of securing a further ground for dissolution of marriage. Unless there is particular urgency, I would ask that the debate be adjourned so that we may have a chance of examining the Bill.

Hon. J. A. CALDER: Honourable members, before the debate is adjourned I desire to say a word or two. I think it will be generally agreed that we have had a very clear exposition of the Bill from its sponsor. Similar legislation has been in force in England, but, as he has definitely pointed out, it would be a new departure in this country. I am not able to discuss the nice legal points involved in this Bill; I leave that task to lawyers of repute; but it seems to me the honourable gentleman has made out a good case for extension of the causes for granting divorce in those sections of Canada where divorce is recognized. I rise now merely for the purpose of indicating that certain persons and organizations may desire to appear before a committee of this House in order to express their views on this important matter. I remember some time ago reading about the tremendous discussion that took place in England over a long period of years regarding this, in one sense, very contentious matter, before agreement was reached and legislation enacted. I think it would do no harm to refer this Bill to a committee, where those interested would have an opportunity to present their views.

Hon. JOHN T. HAIG: Honourable members, I rise, not to speak on the motion, but to recall a bit of history. Three or four years ago—

An Hon. SENATOR: Five years.

Hon. Mr. HAIG:—we had a divorce bill before us, but we kept it in our committee so long that it got into a jam in the Commons. Goodness knows, I am not here to defend the other House, but I do say this: Let us face the issue here so that we can give the other House a reasonable time to consider the Bill. That is only fair. While I agree with the principle of the Bill, others may be opposed. Those persons may wish to come before a committee of the Senate and present their views on what they regard as a very important piece of legislation.

Hon. Mr. CALDER: I thoroughly agree with the view that if the Bill is to go to a committee of our House it ought not to be there for any length of time. A day might be fixed on which those who desire to be heard should be present. I think that a day or two of work on the part of the committee would do all that should be necessary in that respect.

Hon. A. L. BEAUBIEN: There is a motion by the honourable senator from Ponteix (Hon. Mr. Marcotte) to adjourn the debate.

Hon. Mr. FARRIS: I understand my honourable friend from Ponteix desires that the Bill should go to a standing committee.

Hon. Mr. MARCOTTE: The honourable gentleman from Vancouver South has made out a very good case, but you will notice that he has stated the Bill would not apply to the province of Quebec at all. We have several lawyer senators from Quebec, but I do not see any of them here to-day except the Speaker. It seems to me they should at least have a chance to speak on the principle of the Bill.

Hon. Mr. ASELTINE: They knew this Bill was coming up to-day. Why are they not here?

Hon. Mr. MARCOTTE: I cannot speak for them. In order to deal with the arguments placed before us in support of the Bill, I should need at least a couple of hours to study our own divorce law and the divorce law of England.

Hon. Mr. FARRIS: Would my honourable friend be satisfied to let the Bill go to a committee? Then if there is occasion for further discussion it could be had on the motion for third reading. If we are to adjourn to-night until the 13th, that would be the logical date for which those interested should be notified to attend before the committee. However, I do not want to press the matter.

Hon. Mr. MARCOTTE: If we adjourn the debate there may not be any necessity for the Bill to be referred to committee.

Hon. A. L. BEAUBIEN: It appears to me, honourable senators, that if you give this Bill second reading you adopt its principle.

Hon. Mr. CALDER: Not necessarily.

Hon. A. L. BEAUBIEN: That is our procedure.

Hon. Mr. CALDER: Very often in this Chamber when dealing with a bill we give it second reading on the understanding that thereby its principle is not necessarily adopted. That has been done to save time in order that the bill might go before the appropriate committee.

Hon. A. L. BEAUBIEN: I understand that; but if you give it second reading you cannot at a later stage attack the principle of the bill. That is the rule here, as I know it is in the other House.

Hon. Mr. CALDER: No.

Hon. A. L. BEAUBIEN: I am pretty certain it is. I know that in the other House, once a bill has been given second reading, it cannot be amended in any particular affecting its principle.

Hon. Mr. COPP: As I understand, the honourable gentleman across the way (Hon. Mr. Marcotte) desires a little more time, not so much for the purpose of opposing the Bill as of studying it, and I think he was about to move the adjournment of the debate to give himself that opportunity. As, however, we do not know how frequently we shall be meeting, this course might well delay the Bill for some considerable time. In order to expedite the Bill its sponsor suggests that it be given second reading and referred to committee. The honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien) contends that the mere fact of giving a bill second reading implies approval of its principle. That is the rule, no doubt, but, as has been said by the honourable gentleman from Saltcoats (Hon. Mr. Calder), we frequently give a bill second reading on the understanding that its principle may be discussed on the motion for third reading.

Hon. Mr. CALDER: It has been a common practice in this House.

Hon. Mr. COPP: Yes. In order that the Bill may be fully discussed it would be well, I think, for the honourable senator from Ponteix to consent to its being read a second time now and referred to one of our committees. Then, next week, if the Senate accepted the Bill, it could be sent to the other House in time for adequate consideration.

Hon. Mr. MARCOTTE: If we sat to-morrow we could dispose of the Bill so far as I am concerned. The matter is important to me, not on religious grounds at all, not because I belong to the Catholic faith and my Church is opposed to divorce; not at all. What strikes me as important is that the sponsor of the Bill has expressly stated that it would not affect the people of the province of Quebec. I move adjournment of the debate.

The Hon. the SPEAKER: Honourable senators, the motion before the House is the motion of Hon. Senator Marcotte, seconded by Hon. Senator Beaubien, that the debate be adjourned. As this motion is not debatable, the discussion is out of order.

Is it your pleasure, honourable senators, to adopt the motion to adjourn the debate?

The motion was agreed to.

PRIVATE BILL

SECOND READING

Hon. J. W. de B. FARRIS moved the second reading of Bill X2, an Act to incorporate the Church of God.

He said: Honourable senators, this Bill is in the hands of a well-known firm of Ottawa lawyers, Messrs. Gowling, MacTavish and Watt. The proposed incorporators are from the city of Vancouver. May I say in opening that I quite appreciate that the name as stated in the Bill is inappropriate—

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. FARRIS: —and must be changed.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. FARRIS: That can be done best in committee.

I have some knowledge of this matter, but the information furnished me by the solicitors is as follows:

The church has been in existence for a period of fifty years under the name "The Church of God" in the United States of America. The central organization of the church is located in the State of Indiana.

The belief of the adherents and members is stated to be similar to the belief of the Baptists.

I hope honourable members will not think that is why I object to the name.

It is based on the New Testament.

The applicants and proposed members in Canada are largely Polish and Ukrainian, and on investigation have proven to be good people. It is desired to incorporate in order that the affairs might be more properly administered across Canada.

I would ask honourable members to give this Bill second reading on the distinct understanding that if in committee some satisfactory name cannot be arrived at, that will be the end of the Bill.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. SINCLAIR, on behalf of the Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill Y2, an Act for the relief of Kathleen Ena Ball Royer.

Bill Z2, an Act for the relief of Margaret Heddrick Lieth Gauld.

Bill A3, an Act for the relief of Elizabeth Alexandra Ida Robb Lewis.

MOTION FOR SECOND READINGS POSTPONED

Hon. Mr. SINCLAIR: With the leave of the Senate, I would move the second readings of these bills.

The Hon. the SPEAKER: It is moved by Hon. Senator Sinclair, seconded by Hon. Senator Buchanan, that these bills be now read a second time.

Hon. Mr. MURDOCK: Oh, no.

The Hon. the SPEAKER: Next sitting of the House.

Hon. Mr. SINCLAIR: Honourable members, I know that the rules of the Senate do not permit these bills to be read a second time now, but in view of the facts that we are likely to have a long adjournment, that these cases were not contested, that the evidence has been in the hands of honourable members now for two days, and that it has been the custom in such circumstances to give bills the second and even the third reading without delay, I would ask the honourable senator from Parkdale (Hon. Mr. Murdock) to use his good judgment to permit these bills to advance another stage.

Hon. Mr. MURDOCK: Most certainly not. The other day we gave second and third readings to forty-two bills, and in the case of the forty-first bill the evidence came to our mail boxes the following day. As I read English, there was not the slightest semblance of adultery in that case. As to these bills, I want to speak to them when they come up for second reading.

The Hon. the SPEAKER: Stand.

THE ROYAL ASSENT

Hon. Mr. KING: Honourable senators, there is a supplementary supply bill before the House of Commons this afternoon, and I think the Minister is hopeful that he may get it through before six o'clock. If he does, it will be sent to us immediately, and there will not be any great delay in dealing with it here. There then would be an opportunity to have the Royal Assent to three bills. As the message from Government House did not fix the hour for the Royal Assent, all we can do now is to adjourn during pleasure, to reassemble at the call of the bell, and I would so move.

The motion was agreed to, and the Senate adjourned during pleasure.

After some time the sitting was resumed.

Hon. Mr. KING: Honourable senators, the Bill which we are awaiting from the House of Commons is still under consideration there and cannot be received here before six o'clock. In the circumstances I would suggest that His Honour the Speaker call it six o'clock, and that we resume at 8.30. It is hoped that the Bill will come over some time this evening.

At 6 o'clock the Senate took recess.

At 8.45 o'clock the sitting was resumed.

Hon. Mr. KING: Honourable senators, I have just come from the House of Commons and I regret to say that I cannot report much progress. The supplementary estimates for which we are waiting are still under consideration in that House, but I am informed the Bill is expected to be passed and ready for us this evening. If that proves to be true, and if we finish our discussion on the Bill in time

to have Royal Assent this evening, we shall be able to adjourn until, I should say, the 13th of April. But if the expected Bill does not come from the Commons to-night, we should probably have Royal Assent to the two bills already passed by both Houses, and should come back next week to deal with the other one. That is not good business, if it can be avoided. The moneys covered by the Bill have been contracted for, and, in part, expended. They are relatively small sums, less than one per cent of the total estimates, but in the other House there has been considerable discussion upon them and, perhaps, upon some related matters.

I would move that the Senate adjourn during pleasure, to return at the call of the bell.

Hon. Mr. BLACK: Honourable senators, I would ask the honourable leader if we are expected to wait around indefinitely. I do not think we ought to be held here at the pleasure of the Commons. When the Bill does come over I may have some further remarks to make upon this matter, but at the moment I would simply suggest to the honourable leader that we set a definite hour for resuming, and that if the Bill has not come over then we should have the Royal Assent to such measures as are ready, and adjourn to another time.

Hon. Mr. KING: I do not see how we can set any definite time for reassembling. In adjourning during pleasure we are following the practice usually adopted when legislation of this character is expected from the other House. True, this waiting is inconvenient, even unpleasant, but it cannot be helped. I cannot promise that the Bill will reach us by 10 o'clock. Not even the Minister in charge of it could give a pledge of that kind. The House of Commons adjourns at 11 o'clock, but I do not think we shall have to wait until then, for no doubt we shall be advised if there is no hope of the House of Commons disposing of the Bill by that time. In that event we may have Royal Assent of the two Bills now in our hands.

Hon. Mr. BLACK: None of us has seen the Bill, but I assume it is a supplementary vote of moneys already expended during the year just past.

Hon. Mr. KING: For 1942-43.

Hon. Mr. BLACK: Yes. So, after all, the money has been expended and received.

Hon. Mr. KING: No, not all.

Hon. Mr. BLACK: I cannot conceive of any urgency in this case.

Hon. Mr. KING: Some contracts have not been fully paid.

Hon. Mr. MacARTHUR: I think the majority of senators would prefer to stay here until midnight, or even later, so as to have a clear week-end. The whips should be able to say approximately when the estimates will be put through, and if there is reasonable assurance of the Bill reaching us to-night, we should wait. The House of Commons occasionally sits after 11 o'clock.

Hon. Mr. BLACK: Those of us who live at a distance will have to stay here over the week-end in any case.

The Senate adjourned during pleasure.

After some time the sitting was resumed.

Hon. Mr. KING: Honourable senators, I have been over to the House of Commons, and I do not think we can be assured of receiving to-night the Bill we have been waiting for. It would seem better, therefore, that we should adjourn, and I would move that when the House adjourns to-day it do stand adjourned until Monday, April 5, at 3 o'clock.

The motion was agreed to.

The Senate adjourned until Monday, April 5, at 3 p.m.

THE SENATE

Monday, April 5, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

APPROPRIATION BILL NO. 2

FIRST READING

A message was received from the House of Commons with Bill 57, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: This Bill deals with the supplementary appropriations for the fiscal year 1942-43. Usually these appropriations are passed before the 31st of March and the moneys are available to carry any over-expenditures that may have been made, but

owing to delay in another place the Minister found it necessary to have section 3 amended to read as follows:

Notwithstanding the provisions of the Consolidated Revenue and Audit Act, 1931, the amounts appropriated by this Act may be paid at any time on or before the thirtieth day of April, one thousand nine hundred and forty-three, and such payments shall be deemed to have been made in and be chargeable to the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-three.

The items set out in the schedule concern many departments of Government, and honourable members will find an explanation given opposite each item.

It is not customary for the Senate to delay the passing of a bill of this character. Assuming, therefore, that we shall follow the usual procedure, I have advised the Government that it will be acceptable to the Senate to have Royal Assent given to-day, not only for this Bill, but also for the other two financial bills which reached us from the other House some days ago. If agreeable to honourable senators, Royal Assent will take place at a quarter to six this afternoon.

I do not think I have anything to add in regard to the Bill.

Hon. J. A. CALDER: Honourable senators, it is quite customary to have a bill of this character at this stage of the session. I am sometimes inclined to think that a good many people entertain the idea that supplementary estimates are all nonsense; that Parliament should not be bothered with them. However, as we all are aware, it is absolutely impossible for Ministers and their chief officials to prepare their estimates in such a way as to take care of all the ordinary expenditures of the public service, for the reason that, though the estimates are very carefully prepared, expenditures that could not be anticipated have to be provided for. Hence we have the supplementary estimates.

In glancing through these, I find they total about $2,700,000, and that some three or four estimates take care of the larger part of that sum. For instance, I think that under the Maritime Freight Rates Act there is a vote of something over $700,000, which is in a sense statutory, as an agreement was reached and must be carried out. Again there is the cost-of-living bonus, which also is statutory, whether granted through Order in Council or by statute. At any rate, it is a provision that has been made and must be taken care of. That accounts for another $700,000. Then there is a provision for about $100,000 for an increase in the vote for the Royal Canadian Mounted Police force. I take it that that also is necessary. There is an amount approximating $100,000 for the Post Office. Goodness knows, the facilities of the Post Office must have been extended very greatly during the last year. And so it goes with other services of the Government. I can see no reason why the supplementary estimates as presented should not be passed by this House without any undue delay.

While on my feet I should like to say just a word in reference to another matter which has arisen during the past few months. As everyone knows, there is an idea abroad that there is a good deal of waste and extravagance in the public service. I think those of us who have had any departmental experience at all will agree that something of the nature of extravagance is continually occurring. Some months ago the Government, realizing that such was the case, appointed Colonel John Thompson to take care of that, or try to take care of it. We all know what happened. Colonel Thompson is not now on the job, and I understand that very shortly an inquiry will be held elsewhere as to why he is not. I do not intend to discuss the matter at all, but I wish to say that after my experience, both provincial and federal, with what is ordinarily called the public service, I have the gravest doubt as to the possibility of a reform being made, so far as the Civil Service is concerned, by an outside agency. I know the Civil Service thoroughly. I was a civil servant myself for a good many years, and as a Minister of the Crown, both in Saskatchewan and here, I had many dealings with civil servants. I know their attitude, their mentality, their reservations, their ideas. As I have said, I doubt very much whether it is possible for any outside agency appointed by the Government to deal successfully with any condition in the Service which involves waste or extravagance. The Government's idea of attempting to control anything of that kind is perfectly sound and proper, but the Government must have confidence in the heads of the Civil Service, and get into contact with those heads and place the situation squarely and fairly before them. Out of that should come an organization within the Service itself.

No person can tell me that there is not throughout the Civil Service a desire to avoid and prevent unnecessary extravagance and undue waste. So it seems to me—this is merely a suggestion on my part—that if the Government desires to deal effectively with the situation it should, after consulting such sections or officers of the Civil Service as it deems desirable, set up an organization for economy within the Service itself, make the necessary attachments to that organization, and see that it has branches in every department of the Service. I have no doubt

at all that if that is done considerable economies can be effected in that field. Of course, the field is small, the amount of money involved is not very great, but I am sure everyone will agree with me that in the present circumstances every dollar saved is valuable.

Let me give you a very simple illustration. When I came down here as a Minister, in the year 1917, some person connected with one of the departments that I was dealing with conceived the idea of adding some furnishings to the room I occupied. I did not know anything about it. The matter was not discussed with me in the remotest sense; I gave no authority to do anything, but in my room there were placed certain furnishings, which I did not even notice. In due course the public accounts were printed, and some very vigilant, enthusiastic political trouble-digger got busy and in that department's estimates found an item of $25 for a waste-paper basket. Then there was a miniature storm, and in the House I had to explain—though not to justify—what happened. I had nothing to do with ordering the furnishings, and did not know any had been ordered; yet $25, or a sum in that neighbourhood, had been paid for a waste-paper basket for my room. Well, I think every person within the hearing of my voice will agree that that was simply gross extravagance of the worst kind, and it should never have occurred.

It seems to me that is but a simple illustration of the character of waste that may go on in the Service unless there is a proper check put upon it. That check can be supplied only by members of the Service itself. They have a thousand ways in which to block any attempt by an outsider to correct any gross extravagance within the Service and they will use those ways if any such attempt is made by an outsider.

As to these estimates now before us, I know of no reason why there should be any delay in passing them. All the money has been spent, and, so far as I can see, the votes are all necessary for the services for which they are provided.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

DIVORCE BILL

REPORT OF COMMITTEE

On motion of Hon. Mr. Robinson, the forty-eighth report of the Standing Committee on Divorce, to whom was referred the petition of Joseph Aloysius Lavigueur, was concurred in.

Hon. Mr. ROBINSON: Honourable senators, as I understand the Senate is likely to have an adjournment after to-day, and the evidence in connection with this forty-eighth report of the Committee on Divorce has been distributed, there would perhaps be no objection if I presented for first reading a Bill based on this report.

FIRST READING

Bill B3, an Act for the relief of Joseph Aloysius Lavigueur.—Hon. Mr. Robinson.

SECOND READING

Hon. Mr. ROBINSON moved the second reading of the Bill.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. ROBINSON moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

PRESUMPTION OF DEATH AND DISSOLUTION OF MARRIAGE BILL

ORDER POSTPONED

On the Order:

Resuming the debate on the motion for second reading of Bill W2, an Act to enable a married person in certain circumstances to apply to a court of competent jurisdiction for a declaration that the other party to the marriage be presumed dead and for the dissolution of marriage.

Hon. Mr. MARCOTTE: Honourable senators, the debate on the motion for second reading of this Bill was adjourned by me on Friday last. It has been agreed with the honourable leader of the House (Hon. Mr. King) to ask that this order be postponed until the next sitting of the House, which I understand will be Tuesday of next week.

The Hon. the SPEAKER: The Order stands.

DIVORCE BILLS

SECOND READINGS

On the Orders:

Second reading, Bill Y2, an Act for the relief of Kathleen Ena Ball Royer.

Second reading, Bill Z2, an Act for the relief of Margaret Heddrick Lieth Gauld.

Second reading, Bill A3, an Act for the relief of Elizabeth Alexandra Ida Robb Lewis.

Hon. Mr. ROBINSON: Honourable senators, I move that these three orders be taken together, and that the Bills be now read the second time.

The motion was agreed to, and the Bills were severally read the second time.

Hon. JAMES MURDOCK: Honourable senators, as a layman I want to refer as briefly as I can to some statements that were made by a distinguished legal gentleman the other day when he moved second reading of a Bill to make it possible for a married person to obtain a divorce if the other party to the marriage had disappeared and been unheard of for seven years. The honourable senator from Vancouver South (Hon. Mr. Farris) said—

Hon. Mr. ROBINSON: We are not on that Bill now.

Hon. Mr. MURDOCK: I am not speaking on that Bill. I am referring to what he said, in order to lead up to what I want to say on the motion for the second reading of the three Bills now before us.

The Hon. the SPEAKER: I should like to make clear the stage that has been reached in these proceedings. Hon. Senator Robinson moved, seconded by Hon. Senator Sinclair, that these three Bills be considered together and be now read the second time. These Bills have been taken together and have been read the second time. The next stage would be a motion for third readings.

THIRD READINGS—DISCUSSION ON DIVORCE AND ON WORK OF COMMITTEE

Hon. Mr. ROBINSON: I would move third readings of the Bills.

The Hon. the SPEAKER: Honourable Mr. Robinson moves, seconded by Hon. Mr. Sinclair, that these Bills be now read the third time. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Mr. MURDOCK: Your Honour, perhaps I am too slow. I tried to get the floor.

The Hon. the SPEAKER: The honourable senator was too quick.

Hon. Mr. MURDOCK: I tried to get the floor before the Bills were read the second time, because it is on the motion for second readings that with propriety I should speak, but I was not in time.

Hon. Mr. ASELTINE: Go right ahead.

The Hon. the SPEAKER: I take it that the honourable senator has unanimous consent to speak now.

Hon. Mr. SPEAKER.

Hon. Mr. MURDOCK: The distinguished legal gentleman from Vancouver South (Hon. Mr. Farris), last Friday, in support of his motion for the second reading of the Bill which he sponsored, said, in part:

> And just here, if I am permitted to digress, having in mind some of the discussion that occurred the other day,—

when the honourable senator from Pictou (Hon. Mr. Tanner) raised certain questions about divorce—

> —I would say that within the four corners of the law as it now exists, the court which sits in this end of the building dealing with divorces from the province of Quebec is, in my opinion, one of the most efficient courts in any part of Canada. I asked a question the other day to bring that out, when it was suggested that jurisdiction might be given to the Exchequer Court rather than to the courts of Quebec. In my opinion, the Exchequer Court is the last place in the world to which that jurisdiction should go. It is not equipped in any way to do the work. If the jurisdiction should go from the Senate, I should prefer that it go to the courts of Quebec; but I can see no reason why it should not remain where it is, with a court which has functioned competently and efficiently for a great many years.

That, honourable members, I use as the text for what I, as a layman, want to deal with. In May last, when I was sitting as a member of the Divorce Committee, before it was determined that I was too insistent in developing facts, and so should be relieved of my duties as a member of the committee, we handled what was known as the Traver case. It originated down around Drummondville, Quebec. The respondent, the husband, opposed the petition for divorce. I think it was fortunate that he did, because he brought out certain information that to me is valuable in determining whether the divorce court "which sits in this end of the building" is all that my honourable friend from Vancouver South holds it to be. We discovered that the detectives who were engaged in that case had perjured themselves. There is no question of that, and I do not think my statement will be contradicted. For example, in their evidence to the committee they both swore that when they were in a little cottage lying alongside a lake, where the respondent was living with a young lady, the niece of his wife, they, the detectives, turned on the electric light. Later it came out in evidence that there were no electric lights within five miles of the cottage. It was also disclosed that those two detectives never had the door opened to them, but that they had looked through the window with another kind of light, and had sized up as best they could, and to their own satisfaction, the compromising situation to which they testified.

Now, honourable senators, I am only a layman and I do not know—what legal gentlemen in this Chamber probably do know—whether, if a competent judge had heard the case, charges would not have been preferred against those detectives for perjury. Nothing was done here, though. I am not criticizing that particularly. However, no action was taken. But what was the result? On the 25th day of March we gave second and third readings to forty-two divorce bills. If you look at Senate Hansard you will find those forty-two bills are given about one inch of space. No human being in Canada could tell what they mean—except, of course, someone who had actually been connected with framing up the statement put in Hansard. But let me draw your attention to this fact: one of those two detectives who gave perjured evidence in the Traver case in May, 1942, appeared as a witness in fifteen of those forty-two cases.

With all due respect to the compliments paid by the honourable senator from Vancouver South to the Divorce Committee, I doubt whether he has ever been present when the committee was functioning and seen what goes on. I have done that, and I can well recall this particular detective putting on his hat and, with the Bible in his hand, taking an oath which to me did not appear to mean anything. Maybe I am unduly prejudiced, maybe I am mistaken, maybe I don't know what I am talking about, but the fact remains there was perjured evidence in the Traver case, and then out of the forty-two cases passed in this House the other day fifteen were cases in which this same detective presented the evidence for securing divorce.

I come now to another question, which has something to do with the procedure in the Divorce Committee. Canada, as we all know, is at war. Canada needs money. Over the radio, during the last couple of days, we have been told that in three weeks from now our people will be asked to subscribe one billion, one hundred million dollars to another war loan. I have for some time wondered whether we in this Senate should be as profligate as we are with the funds that properly belong to the State. What do I mean by that? As I recall, my honourable friend from Westmorland (Hon. Mr. Copp) towards the end of last session told us that the Divorce Committee had handled some seventy cases during the session then about to close, and that in forty of them there was a remission of fees. What did that remission of fees amount to? It amounted to $5,075 of the money that belongs to the treasury of Canada. And we are continuing our liberality this session. In the forty-two cases that the Divorce Committee had dealt with up to the 25th of March, and in two of the cases that I am speaking on now, the petitioners were given donations totalling $1,430. Personally I do not believe that the fee remitted goes to the petitioner, who may be in hard luck. I have no way of confirming my belief, but, as I say, I doubt very much whether the petitioner gets the remitted fee. I have in mind one particular case heard by the committee last year. But I desire, before going into that, to place on record one of the Senate rules. There is moss on it, and it should be brought to our attention. I refer to rule 142:

> The Committee—
>
> meaning the Divorce Committee
>
> —shall examine the notice of application to Parliament, the petition, the information endorsed upon or appended to the petition, the evidence of publication of the notice, the evidence of the service of a copy of the notice and of a copy of the petition, all other papers referred with the petition, and also the notice, if any, given by the respondent to the Clerk of the Senate.

I am told, in the presence of my distinguished seat-mate (Hon. Mr. Robinson) here, that for thirty years that rule has never been complied with. Naturally, as a layman seeking information and hoping to do the right thing, I should like to know why. I have in mind one particular case where I saw a clerk come before the committee with a file of correspondence and heard him read what, it seemed to me, he thought we were entitled to hear, but not by any means all that was on the file, the result being that in the case of one dear old lady we cut the fees from $210 to $75, without the slightest knowledge of the fact that there were three grown-up sons, all over twenty-one years of age, and that one of those sons—as I have discovered since upon investigation—was, I should judge, far better off financially than I am. Should we not have had that information beforehand? No, we did not get it. The same sort of thing applies to many of the other cases where remission of fees has been granted. I ask any legal gentleman in this House to tell me, would a remission of fees be granted by the courts of Ontario or by those of any other of the provinces where divorce cases are handled, or would not an applicant for divorce pay the freight? Why, then, in this Canada of ours, needing every dollar that it can get, should we make a cut rate here for those who want to get their marital ties severed?

It seems to me that the two or three questions I have briefly referred to should be considered by this House. I remember how surprised and dumbfounded I was when, the

other day, our distinguished, high-class senatorial colleague from South Bruce (Hon. Mr. Donnelly) told the House that he did not want to be bothered any more with reports of the evidence in divorce cases. In other words, though appointed and paid as a senator of Canada, yet he was not willing to assume such responsibilities as possibly ensued in investigating to see whether in these cases the proper thing was done by the individual and by Canada as a whole.

When I heard my distinguished friend, that high-class legal gentleman from Vancouver South (Hon. Mr. Farris), make so eloquent and clear a statement on the divorce question, I decided that there were some other phases to it that a layman should bring before this House to ascertain whether we are going to keep on as we have been doing in the past. Most of these remissions were for $110, but four of them were for $160. This means that instead of a fee of $210 only $50 was paid. Again I say, I do not believe the applicant for divorce got that reduction. I cannot confirm my belief, but still I feel it is well founded. I believe that the fees so remitted went somewhere else, and that the applicant paid the freight, namely, $210, for coming before our committee and getting the divorce. Then there were six cases in which there was a remission of $135, which meant that the fee was cut down to $75. Most of the remissions amounted to $110; so all that was charged was $100. In other words, last year thirty-seven applicants for divorce got remissions, and three who could not sustain their cases got back everything, just as though they had been fraternal or church organizations that were building up a reputation for something in their locality. It seems to me, honourable senators, that some of these things ought to be given consideration, and that if we cannot get a divorce court in Quebec or elsewhere to handle these cases, we should stop this business of cutting rates and making Senate divorces cheap.

I would also suggest to the members of the Senate Divorce Committee, with all due respect, that they seriously consider the fact that a gentleman who came before them in May last and unquestionably perjured himself has appeared before them and presented evidence on fifteen occasions during the present session of Parliament.

Hon. G. LACASSE: Honourable members, I want to say just one word, and to put it in the form of a question. Apparently this is a day of atonement for my honourable friend, and I hope he will permit me to proceed. I seldom mix in debates regarding divorce, and you know why. I wonder whether my honourable friend, inasmuch as he was a member of the Divorce Committee for some time, will be candid and fair enough to assume and acknowledge his share of responsibility for the so-called generosity of the Divorce Committee.

Hon. Mr. MURDOCK: I frankly admit that in many cases last year I voted for the remission of fees. I voted for the cutting down to $75 of the fee for the dear old lady to whom I have referred. Why? Because, as I have stated, I did not know of rule 142. Otherwise I would not have done so. It was only during the last few minutes of the hearing of the case that we got the evidence that there were three grown-up sons, over twenty-one years of age, and it was afterwards that I got the evidence that at least one of them was substantially well enough off to take care of the claims of his mother.

Hon. W. M. ASELTINE: Honourable senators, in my opinion the honourable senator from Parkdale (Hon. Mr. Murdock) has been very unfair in his remarks about the committee. There is no committee of this House that sits more faithfully than, or does as much hard work as, the Divorce Committee. Furthermore, the honourable gentleman himself, when he was a member of that committee, was one of those who insisted on poor persons getting a reduction in the filing fee of $210, which quite frequently is reduced to the cost of printing and advertising when the applicant is earning from $10 to $15 a week and has no opportunity of saving enough to pay the full fee. The honourable gentleman knows very well that the average cost to the applicant in an undefended divorce case is $555. He knows also that the Senate Committee—Parliament, in fact—has no authority to deal with the questions of costs, alimony, custody of children or anything of that sort, and that even after Parliament has passed a bill dissolving the marriage these matters have to be decided by the courts of the province, the result being that in many cases the total cost to the applicant runs as high as $1,000. Why should not Parliament, or the Senate Committee, in the cases of very poor persons who are unable to pay, reduce the fees and allow such persons to re-establish themselves in life in a proper manner?

Hon. A. L. BEAUBIEN: Where does the $500 come in?

Hon. Mr. ASELTINE: That includes the $210.

Hon. Mr. MURDOCK: I never heard that before.

Hon. Mr. ASELTINE: There is the $210 filing fee, and in addition there are the cost of bringing witnesses here to give evidence, and the fees of counsel.

Hon. Mr. COPP: And advertising.

Hon. Mr. ASELTINE: The Clerk of the Committee has worked out the average. He gave me these figures some time ago, and I think he would be glad to itemize them.

Hon. A. L. BEAUBIEN: Is there a uniform set of fees for legal services?

Hon. Mr. ASELTINE: Oh, no. The fees charged are higher in some cases than in others. I presume a counsel coming from Montreal would charge by the day. The cost of getting witnesses would run into hundreds of dollars. Sometimes it might be less.

Hon. A. L. BEAUBIEN: But $500 is about the average?

Hon. Mr. ASELTINE: Five hundred is about the average for an undefended case. Of course, in a defended case it would be more; and if the parties then had to go to the courts, the case would all be fought out again and the costs might run as high as $2,000.

The honourable gentleman from Parkdale referred to the fact that there is no reduction of fees in the courts of the various provinces. That is a simple matter to explain. It costs only about $250 to try a case in the province of Ontario or in my own province of Saskatchewan. In thirty years of practice at the Bar I have participated in only one divorce case in which the cost went up to $300, and that covered everything, including the getting of evidence, the costs of the trial and the fees of counsel, and everything was disposed of, including the question of costs, the custody of the children, and alimony. Naturally, when the cost is $250, or $300 at the outside, no refund can be made. The only reason refunds are made here is that the people are poor.

Hon. A. L. BEAUBIEN: In other words, the lawyers from Saskatchewan work more cheaply than the lawyers down east.

Hon. Mr. ASELTINE: For these reasons I am in favour of the courts handling these cases; not that we may get out of work. but because the procedure in the courts is cheaper and more expeditious. There a case can be launched, set down for trial and disposed of in a month or two, whereas to get a divorce through Parliament sometimes takes a year or two.

I repeat that the honourable gentleman has been unfair in his remarks. I for one have been giving everything I have to this committee, and I think the committee is doing good work. The members of the committee do not always agree. Sometimes I would agree with the honourable senator from Parkdale, and frequently he would not agree with me. But I am quite sure the chairman and the other members of the committee are as faithful as possible under the circumstances. If occasionally a case goes through as to which all do not agree, it is the majority who govern, and nothing more can be done about it.

Hon. Mr. MURDOCK: May I ask a question? Is not one of the important factors in the cost of divorces from the province of Quebec the result of a closed shop among the legal fraternity in Canada? In short, because a Quebec lawyer has not authority to practise in Ontario, he has to have a "stoogie" when the case is heard before the committee.

Hon. Mr. ASELTINE: No, that is not the case. It is true that a lawyer who is authorized to practise in the province of Quebec cannot also practise in the province of Ontario unless he obtains a licence to do so, or complies with the rules of the Law Society of Ontario; but every lawyer in Canada, no matter from what province he may come, has the right to appear before a parliamentary committee and urge his case. The reason why some of the lawyers do not appear here is that they are not familiar with our procedure. They employ Ottawa counsel to appear for them, but they themselves have a perfect right to appear.

Hon. L. M. GOUIN: Honourable senators, may I make just one remark, because of references made again and again to the attitude of my dear old province of Quebec towards this matter of divorce? I rise to-day with some apprehension, for I realize the imperative necessity for unity at the present time, and I wish to speak as a Canadian and as a Christian in justifying our opinion, which is not shared by all of you, but which I assure you is absolutely sincere.

We have inherited from our old French law the principle of the indissolubility of marriage, which is proclaimed by section 185 of our Civil Code. I know very well that by the British North America Act this Parliament was given jurisdiction in the matter of marriage and divorce, under paragraph 26 of section 91 of that Act, and at the same time as jurisdiction was given to the provinces in the matter of the solemnization of marriage. Our Civil Code went into force before the proclamation which conferred on this country its present Dominion status, and the article to which I have referred is interpreted by our courts as admitting the legal validity of the divorce granted by the Dominion of Canada. But when remarks are made to the effect that

it would be better for all provinces to have divorce courts, we wish to state, with all due respect to you, honourable senators, that we consider the present system a lesser evil than would exist if our courts were normally, in the ordinary course of justice, to be allowed to grant divorces. If the courts of the province of Quebec were given jurisdiction in the matter of divorce it would mean that a petitioner, provided he had the necessary proof, had the legal right to obtain a divorce. Under the present system divorce is granted only as what I should call an extraordinary remedy, by Parliament, in the exercise of its discretion.

As you know, honourable senators, we abstain from taking part in discussions here concerning divorce cases. Therefore I am not at all familiar with the procedure followed by the Divorce Committee of the Senate. It would not be fair for me to criticize this committee, because, to put it simply, as a matter of principle I do not participate in any way in the decisions rendered by the committee, or even in those rendered in this honourable House with respect to the committee's reports and bills. In these matters we are considered as always dissenting—we are, as it were, perpetual dissidents—for we believe, of course, that truth cannot vary, and that the principle of the old law is the principle which should still be followed.

I wish to assure you again, honourable senators, that it is with the best intentions in the world that I have tried to clarify the situation a little. Professionally I wish to assure my honourable colleague from Parkdale (Hon. Mr. Murdock) that I have a real passion for justice, and that I should be willing to make any sacrifice if I could possibly find a fair and equitable remedy for a situation which, I admit at once, is evidently in certain respects undesirable.

Hon. Mr. MURDOCK: May I ask a question? Do you think that the evidence of a detective who perjured himself last year should be taken in fifteen cases this year?

Hon. Mr. GOUIN: I have not examined the records; so I am not in a position to answer that question.

Hon. Mr. CALDER: Honourable members, I rise merely to ask a question. In the course of his remarks the honourable gentleman from Parkdale (Hon. Mr. Murdock) made an assertion that to me is rather astounding. It was to the effect that for many years the Divorce Committee of the Senate has not complied with the rules in carrying out its procedure. As yet we have had no rebuttal of that from anybody. There are on that committee a number of eminent lawyers, and I should like to have from someone a statement with regard to the extent to which the rules have not been complied with, and why.

Hon. Mr. MURDOCK: May I present that point once more? Then I think my seat-mate (Hon. Mr. Robinson) may have a word to say about it. Last year, when we were near the close of the session, I took particular exception to one divorce case, and intimated that if rule 142 had been complied with we should not have been up against what I thought we were up against. I was with the chairman of the committee in the office of the Chief Clerk of Committees, and the Chief Clerk dumbfounded me by saying, "That rule has not been adhered to for thirty years."

Hon. Mr. CALDER: What was the rule?

Hon. Mr. MURDOCK: Senate rule 142, which I read into the record a few moments ago.

Hon. Mr. CALDER: All of it?

Hon. Mr. ROBINSON: Honourable senators, rule 142 states that the committee shall examine the papers in every divorce case. This rule has been in effect for a great many years, and the complaint is that the committee does not examine in detail all the papers filed before it. When there is an application for remission of fees, the papers are produced before the committee. We do not read over every item in those papers, but the affidavits dealing with the petitioner's financial situation are gone over and read to us, and then we decide whether or not we should recommend a remission. Then, as a further safeguard, when the petitioner comes to the stand later on we examine him or her pretty carefully on those affidavits, to find out just what the petitioner's income is, whether or not he or she has any property, and so on. In other words, our purpose is to see whether the recommendation we make as to remission is justified.

That procedure is always followed. In one case this year we thought, upon making this further inquiry of the petitioner, that a mistake had been made in our recommendation; so we reduced the amount of the remission, which meant that the petitioner had to pay more fees than had at first been decided upon. I repeat, so that it will be clear, that every case is gone into carefully by the committee. Not only are the affidavits read to us before we decide in the first instance whether or not to recommend remission, but a second inquiry is made by us when the petitioner appears in person, for we then examine him or her

on the affidavits, and try to check upon their accuracy. The committee has been particularly careful along those lines.

Remission of fees has been made for a great many years in cases where the petitioner has so little money that this course appears justified. The honourable senator from Parkdale (Hon. Mr. Murdock) said that in one particular case where remission was granted, one of the petitioners' sons was worth more money than the honourable senator is. I do not know how much the honourable senator is worth, but what he said as to the son is to a great extent surmise. The committee went into that carefully, and did not agree with the honourable senator from Parkdale. If we made a mistake, it was because of an error in judgment, not because we did not give this matter all the consideration we could. I am not sure that at the time the committee reached its decision the honourable senator from Parkdale did not agree with it, for he often will agree with something and afterwards disagree.

Hon. Mr. ASELTINE: He always agreed about the remission, because he did not want one law for the poor and another for the rich.

Hon. Mr. ROBINSON: In the Traver case, I myself thought the detective made a mistake; but, mind you, it was not proven, by any manner of means, that he did, although it was proven that there was no electric-light switch. We thought there were other things surrounding the case—

Hon. Mr. MURDOCK: You knew he never got into the house.

Hon. Mr. ROBINSON: We thought that there were surrounding the case other things which warranted the recommendation we made. All the evidence was taken into consideration by the committee. I might say that the detective in question has been before us on numerous occasions, and this was the only case in which we were at all doubtful with regard to his evidence. So far as we have been able to judge, his evidence has been reliable in all the other cases. Of course, we never base a recommendation for divorce on the evidence of one detective only. One of the principles we follow is that the evidence given by a detective must be corroborated in order to be considered.

The committee is pretty careful in dealing with these cases. The witnesses are examined before us, and whenever there is any doubt as to their evidence, we question them and try to get at the truth. Before making any recommendation either as to divorce or as to remission of fees, the committee does its best to reach a proper decision based on the evidence produced. I do not think there is anything in the suggestion that someone other than the petitioner would benefit financially because of the remission of fees. When remission is recommended it is done openly; so the petitioner knows of it, and I do not see how he could be persuaded to pay out of remitted fees anybody whom he does not have to pay.

Hon. Mr. MURDOCK: How about the closed shop for lawyers?

Hon. Mr. ROBINSON: There is nothing in that at all. The "closed shop for lawyers" is only in the provincial courts. Lawyers from anywhere in Canada have the right to appear before the Divorce Committee, and, as a matter of fact, the person appearing to make representations in a case need not be a lawyer at all.

Hon. Mr. ASELTINE: He does not have to be a lawyer at all.

Hon. Mr. ROBINSON: No. Sometimes one of the parties will appear without counsel. There is no "closed shop for lawyers" in the committee. The procedure before us is the same as it was before our predecessors, and we have tried to carry on to the best of our ability. I think that my colleagues on this committee are as capable for the work as any men you could find anywhere. Several of them are lawyers, and all are men of good judgment.

Hon. Mr. DUFF: Honourable senators,—

Hon. Mr. CALDER: Honourable senators, I should like to have this question cleared up, if I can. The honourable senator from Parkdale (Hon. Mr. Murdock) made a definite statement, which will go out from this House, to the effect that several rules of the Senate have not been complied with.

Hon. Mr. MURDOCK: One rule, 142.

Hon. Mr. CALDER: One rule, which has several sections.

Hon. Mr. ASELTINE: I omitted to answer that allegation. I can do so now, with consent of honourable members.

Hon. Mr. CALDER: What I should like to know, clearly and definitely, is what the requirements of that rule are, and why they have not been complied with. If that is not explained, a wrong impression will go abroad from one end of this country to the other.

Hon. Mr. ASELTINE: I can answer that question. The explanation is simply that our Chief Clerk of Committees has duties similar to those of a clerk of a court, namely, to receive and examine papers before a case is set down for hearing. He examines and checks all the papers prior to the taking of evidence, because the committee, under this rule 142, has delegated to him the authority to see to it in advance that everything is in order. There is no divorce rule that I know of that has not been complied with.

Hon. Mr. MURDOCK: Rule 142 has not been complied with for thirty years.

Hon. Mr. ASELTINE: That is not correct.

Hon. Mr. ROBINSON: The whole point is, as explained by the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine), that the committee has delegated to the Chief Clerk, who has had many years' experience, the duty of examining all the papers and of keeping the committee posted as to whether those papers are in order or not.

Hon. Mr. CALDER: Then it is only a quibble to say that the rule has not been complied with.

Hon. Mr. COPP: Hear, hear.

Hon. Mr. ASELTINE: The file is brought in before the committee at the hearing.

Hon. Mr. COPP: In every case.

Hon. Mr. ASELTINE: At the trial of a case the judge never examines all the preliminaries. He looks at the papers that are before him, and that is exactly as we do.

Hon. Mr. MURDOCK: In the Bella Wolfe case we were never given the first intimation that there were three grown-up sons.

Hon. Mr. CALDER: What difference does that make, so far as the divorce is concerned?

Hon. Mr. MURDOCK: We got that information later on, after granting the remission.

Hon. Mr. COPP: There is no legal responsibility on a son to provide money to enable his mother to petition for a divorce.

Hon. WILLIAM DUFF: Honourable senators, this discussion is not only very interesting, it is also very important. The honourable senator from Parkdale (Hon. Mr. Murdock), quite properly in his opinion, brought up the question as to certain proceedings in the Divorce Committee. Not being a member of that committee, and therefore personally not knowing what happened, of course I am not in a position to pass judgment; but in spite of the fact that I am absolutely opposed to divorce, I still think that the committee appointed by this section of Parliament is comprised of the very best men in this Chamber—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DUFF: —and while, of course, there are no supermen among them, still I cannot understand why those gentlemen, with their legal and business experience and their many years in the public life of this country, some of them having served as long as thirty, forty or fifty years, should not be in a position to render, on the whole, a fair and impartial judgment on the cases brought before them.

But, honourable senators, I would not have risen had not the honourable senator from De Salaberry (Hon. Mr. Gouin), in his desire to prove that the majority of the people in his native province are opposed to divorce, felt he should stand in his place and give the reasons why that is so. I accord him full credit for voicing his views on divorce. But in giving those reasons—and I say this in all kindness—he appeared to apologize, as it were, for the stand his own province takes, and to regret that the rest of us could not see the question as he and those of his province see it. Let me tell my honourable friend that many people in the other provinces are opposed to divorce just as strongly as are the people of his province. I think in saying this I am voicing the sentiments of most honourable members present. There are, of course, cases where perhaps it is just as well that man and wife should be separated. Nevertheless, we of the other provinces believe in the solemnity of marriage, we regard it as a sacrament, and we stand by the marital tie. At odd times there may perhaps be a little trouble in the family, but when the morning breaks, the clouds disperse and the sun shines forth, those disagreements pass away. So I say to my honourable friend: do not get the idea that we in Nova Scotia, Prince Edward Island, New Brunswick, Ontario, Manitoba, and the other provinces to the west are not as sincere in our reverence for the marriage vows as any of our friends in Quebec. We believe in maintaining marital relations. The only reason for a divorce court in this Parliament is that the provincial authorities in Quebec do not want to give their courts the necessary jurisdiction. I am not criticizing them for their refusal to recognize divorce; indeed, under the British North America Act they are probably within their legal rights. I am convinced that I am well advised when I say that the great majority of the people of the other provinces are just as much opposed to divorce, and have as great a reverence for the marriage tie, as the people in the province from which my honourable friend comes.

Hon. J. H. KING: Honourable senators, I do not wish to prolong this discussion, nor do I intend to defend the committee. I do not think it needs any defence.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I have been a member of the committee for many years. I know no body of men appointed by Parliament or by any other authority who have devoted themselves more seriously to the carrying out of their duties. My honourable friend from Parkdale (Hon. Mr. Murdock) disagrees with certain findings of the Divorce Committee, and I see no reason why he or any other senator should not bring his views to the notice of this House, but I think he is rather unfair and stands on dangerous ground when he undertakes to say that his judgment on divorce cases is superior to that of the majority of the committee. In these circumstances I should hesitate, as I think would most other honourable members, to take such a stand.

Rule 142, to which the honourable gentleman from Parkdale referred, is intended to guide the committee, and the objection which he based on it is, as my honourable friend from Saltcoats (Hon. Mr. Calder) said, a quibble. In any department of Government the Deputy Minister from day to day assembles the facts bearing on any case, clarifies them, and submits a summary to his Minister. That is the deputy's duty. Similarly, as my honourable friend (Hon. Mr. Aseltine) said a minute or two ago, petitions are received in our courts and examined by a clerk. So with our Divorce Committee: the Clerk receives petitions, examines them, and advises the committee if they are not in order. Such is the purpose of rule 142. Certainly the honourable gentleman from Parkdale should not seek to cast doubt on the work of the committee on the ground that it was not conforming to the rules as laid down by the Senate. From my experience as a member of the committee I am convinced that the rules have always been complied with, and that the work has been done with great care and good judgment.

On the question of divorce itself, as we all know, a large body of the population in one province and a considerable number of our citizens scattered throughout the other provinces are opposed to divorce. Undoubtedly, in the one province the people through their church organization—

Hon. Mr. DUFF: The other churches also are opposed to divorce.

Hon. Mr. KING: —and in their religious life do definitely object to divorce. But under modern conditions it has been found necessary to provide some means whereby husband or wife may be released from conditions that none of us would like to endure. Fortunately, the Fathers of Confederation placed upon the Parliament of Canada the responsibility of dealing with applications for divorce. I am sorry to say that under present-day conditions these applications have increased to a deplorable extent, and it has been found necessary to establish divorce courts in most of the provinces. Personally, I would not force divorce jurisdiction on any province, but surely it is our duty to provide proper judicial facilities for those seeking dissolution of marriage. Persons domiciled in Quebec who desire divorce may apply to the Divorce Committee of the Senate, the members of which, I think it will be generally admitted, deal fairly with all applications coming before them.

The motion was agreed to, and Bills Y2, Z2 and A3 were read the third time, and passed, on division.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman P. Duff, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.45 p.m. for the purpose of giving the Royal Assent to certain bills.

ADJOURNMENT

Hon. Mr. KING: In order that honourable senators may be advised, I move that when the Senate adjourns to-day it do stand adjourned until Tuesday, April 13, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Honourable Sir Lyman P. Duff, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Right Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bills:

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

An Act for granting to His Majesty aid for national defence and security.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1943.

The House of Commons withdrew.

The Right Honourable the Deputy of the Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, April 13, at 8 p.m.

THE SENATE

Tuesday, April 13, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

REMOVAL OF DEPARTMENT OF TRANSPORT

INQUIRY

Hon. Mr. DUFF inquired of the Government:

1. Have the Department of Transport and the officials of the said department removed from the West Block?
2. If removed, what was the date of such removal?
3. What was the cost of such removal?
4. What was the reason, if any, for such removal?
5. Where is the present location of said department and its officials?

Hon. Mr. KING: This is the reply to the inquiry:

1. Yes, some sections of the department.
2. December, 1942.
3. $1,613.
4. To provide space for the Department of Fisheries in the West Block and consolidate the Department of Transport in the Hunter Building.
5. Hunter Building.

DEPARTMENT OF FISHERIES

INQUIRY

Hon. Mr. DUFF inquired of the Government:

1. Have the Department of Fisheries and the officials of the said department removed from the Hunter Building?
2. If removed, what was the date of such removal?
3. What was the cost of such removal?
4. What was the reason, if any, for such removal?
5. Where is the present location of said department and its officials?

Hon. Mr. KING.

Hon. Mr. KING: The reply to the inquiry is as follows:

1. Yes.
2. Removal completed January 5, 1943.
3. $1,308.70.
4. To permit a consolidating of staff of the Department of Transport.
5. West Block.

FISH LIVER OILS—PRODUCTION, IMPORT AND EXPORT

RETURN

On the inquiry by Hon. Mr. Duff:

1. How many gallons of raw or ordinary cod oil were extracted from fish livers by fishermen and others for each of the years from 1939 to 1942, inclusive?
2. How many gallons of raw or ordinary cod oil were imported into Canada in each of the above years?
3. How many gallons of said oil were refined for medicinal or other purposes in each of the above years?
4. How many gallons of herring oil were extracted from herring in each of the years 1939, 1940, 1941, 1942?
5. How many gallons of oil or other products were derived from halibut livers in each of the above years?
6. How many gallons of seal oil were imported or brought into Canada in each of the above years?
7. How many gallons of whale oil were imported or brought into Canada in each of the years 1939, 1940, 1941 and 1942?
8. What quantity of oils described above, viz., cod, herring, halibut, seal and whale, were, after being produced in or imported into Canada, exported during the above years to the United States of America or any other country, and which country or countries?

Hon. Mr. KING: Honourable senators, this question involves an extended answer, and I would ask that it be treated as an order for a return. I table the return now.

WHEAT ACREAGE REDUCTION BILL

FIRST READING

A message was received from the House of Commons with Bill 66, an Act to amend the Wheat Acreage Reduction Act, 1942.

The Bill was read the first time.

PRESUMPTION OF DEATH AND DISSOLUTION OF MARRIAGE BILL

MOTION FOR SECOND READING NEGATIVED

The Senate resumed from Monday, April 5, the adjourned debate on the motion for the second reading of Bill W2, an Act to enable a married person in certain circumstances to apply to a court of competent jurisdiction for a declaration that the other party to the marriage be presumed dead and for the dissolution of marriage.

Hon. A. MARCOTTE: Honourable senators, before beginning the discussion of this Bill, may I say how sorry I am to learn that the honourable senator who presented it is absent from his place, owing to a slight sickness. I hope he will recover soon and be with us before the closing of the debate on this measure, which he so ably presented.

At the outset of his address on this Bill, the honourable senator from Vancouver South (Hon. Mr. Farris) mentioned that it was a good thing that no chamber dealing with public matters considers and scrutinizes questions of this kind more carefully than does the Senate. This being true, I did not hesitate the other day to move the adjournment of the debate, so that more time might be devoted to the study of the proposed measure, which is so important that the honourable senator himself said it was with some hesitation he approached the discussion of it, because he knew that some senators are opposed to divorce.

This opposition I do not have to explain at great length, because the reasons for it are very well known. We are at war at the present time to secure, among other liberties, freedom of thought and freedom of worship; so, if it is right and proper for people who approve of divorce to try to create new grounds for securing the dissolution of marriage, it is just as right and proper for some of us to oppose such measures on religious grounds, even if that should be our only reason.

But there are some features of this Bill that I disapprove for other reasons. I shall discuss them very briefly, as I know that some other honourable senators are to speak, and no doubt they will go more deeply into the matter than I.

I will first refer to the statement that this Bill would not affect the province of Quebec. I do not agree with that, but I wish to thank the honourable senator for his statement that he, coming from the province of British Columbia, would not for one moment presume to move that a bill of this kind should apply to the province of Quebec, and that if ever any modification is made along that line it should originate among the representatives of that province. This is very considerate, and the honourable senator's attitude is no surprise to me.

But when I disagree with that phase of the Bill, it is because it is unfair to those people of the province of Quebec who believe in their right to obtain dissolution of marriage. They would be placed on a very unequal footing, as they would be deprived of a ground for divorce which would exist for people of other provinces. True, there is no machinery provided in the province of Quebec for the securing of divorce in its courts, but there is machinery provided whereby its inhabitants may secure divorce, and it is right here in our Parliament. If some other provinces are granted new grounds for divorce, then this Parliament should have the same privileges; and the proposed granting of that inequality of rights makes it imperative upon us, in my opinion, to oppose this measure. I do not approve of divorce, but neither do I approve of inequality of rights in matters of that kind.

While on this phase of the discussion, let me say that I agree with the honourable senator from Vancouver South (Hon. Mr. Farris) that the suggestion to give the Exchequer Court jurisdiction to deal with divorces is not a good one. That court was created for entirely different purposes, more especially to adjudicate on matters in dispute between the Crown and citizens of our country; and obviously divorces would not come under that heading.

The proper courts would be the ones which are now dealing with annulment of marriages, separation of bed and board, alimony, and care of children. But it is up to the province of Quebec to decide on that point, and the Senate would be ill advised to impose on the people of Quebec legislation which they do not desire.

In the meantime, our Divorce Committee here has been doing very well. There are possibilities of error in the recommendations made, since the members of the committee are human and subject to error. Honourable members must consider that most of the cases are ex parte and undefended, and you should be satisfied with the committee's records. If I am not mistaken, the greatest reason for wanting a change of court is that Parliament stops at the dissolution of marriage and does not adjudicate any further.

If sometimes we receive a batch of reports from the committee, it is on account of our adjournments. The committee, at great inconvenience to its members, works during some intervals when the Senate is adjourned, and consequently we afterwards receive in a day the results of its sittings, extending over several weeks.

As to the criticism, made elsewhere, that the Senate wants to get rid of even this work, that is ridiculous. The Senate has the courage to face issues, disdains to dodge them, and has more pity than scorn for its accusers.

Let us study the Bill for a few moments. The first section reads:

> Any married person who alleges that reasonable grounds exist for supposing that the other party to the marriage is dead, may, in any one of those provinces of Canada in which there is a court having jurisdiction to grant a divorce

a vinculo matrimonii, present a petition to such court to have it presumed that the other party is dead and to have the marriage dissolved, and the court, if satisfied that such reasonable grounds exist, may make a decree of presumption of death and of dissolution of the marriage.

Honourable members will notice that there is no time limit set within which an application may be made. The reasonable grounds for the presumption of death may be invoked in a few months or a few years.

We are at war. Casualties of all kinds are happening in different ways. Men disappear in circumstances where it is impossible to know of their fate. It is not only in moving pictures and fiction books that in the past we have heard of the unexpected return of people who had disappeared. True, the courts would be diligent in getting proper evidence. But we know of the hasty marriages taking place in these exciting days. The emotions of a few moments vanish rapidly; reason prevails and regrets are born: new dreams come. We have the records left by the last war on the same grounds, and I venture to say that the courts would be pestered with petitions of the kind provided for under the first clause of this Bill, if it became law.

Subsection 2 says:

In any such proceedings the fact that for a period of seven years or upwards the other party to the marriage has been continually absent from the petitioner, and the petitioner has no reason to believe that the other party has been living within that time, shall be evidence that he or she is dead until the contrary is proved.

Note the words "until the contrary is proved." What will happen if it is proved? Another legal marriage will have taken place, and the first husband will be deprived of his legal wife.

Evidence brought under subsection 2 would be prima facie evidence of the presumed death. In the first section you have the word "may," but in subsection 2 you have the word "shall," and we know what the difference is.

I will not deal with the difference between the effects of the presumption of death in the different provinces. It is not necessary for my purpose. I will merely say that section 108 of the Civil Code of the province of Quebec specifically states that presumption of death of one of the parties to a marriage shall not be a ground for the other party to have the right to remarry without producing proof of that death. I prefer to leave these points to our legal friends from the province of Quebec who are members of this House.

But the letter of Hon. Mr. Conant and the explanations given by the honourable senator from Vancouver South (Hon. Mr. Farris) indicate very clearly, so far as I am able to judge, the real purpose of this Bill: to declare desertion as a ground for divorce. As I have stated before, I am opposed to divorce, and therefore I am opposed to any new grounds on which to base dissolution of marriage.

It is not necessary for me to give any further reasons on the point. I would merely add that it is not always desertion which causes married people to live apart: there are and may be other reasons, such as domestic disagreements, separation agreements and so forth. I know there are a number of cases in which unhappiness is brought about by desertion, but it is one of those misfortunes which have to be borne with courage and fortitude.

In making a comparison between the wording of this Bill and of subsection 3 of section 308 of the Criminal Code, the honourable senator from Vancouver South said:

The State says: "Although bigamy is a serious crime and we will punish bigamists, you have our permission, so far as the criminal law is concerned, to marry again." And to clergymen and authorized laymen it says: "So far as the criminal law is concerned, you are permitted to perform the marriage ceremony in a case such as this."

I beg to differ. The Criminal Code does not give permission to either party to remarry in the circumstances; it says in effect: "Although you are not permitted to remarry, you will not be punished if you do so in good faith." There is a big difference between the two propositions. The present Bill uses the same words, but the effect would be vastly different.

I would not presume to give honourable senators a lecture on marriage and divorce, on the blessings of the one and the evils of the other. History has taught us that woman owes to Christianity the uplift of her status as a member of society. To some of us marriage is a sacrament; but to all of us it is the most solemn of contracts.

Hon. Mr. DUFF: Hear, hear.

Hon. Mr. MARCOTTE: The family is the foundation, the essence of society. Marriage makes the family stable and permanent. It is its formula, its conception, its binding tie. If you break that tie, you disunite the family, you disperse its members, you weaken and destroy the foundation of society. As a general rule, in this Christian country marriage is highly respected by the great majority of our people.

In Canada the percentage of divorces to the number of marriages is still small, but it is increasing at a very alarming rate since some of the provinces acquired jurisdiction to dissolve marriages. From 1931 to 1940 divorces

have increased 239 per cent. For instance, take the three provinces of Alberta, Saskatchewan and Manitoba: in 1919, there were three divorces granted by our Parliament, but as soon as the courts of these provinces began to deal with divorces the number increased to 125 in 1919, 175 in 1920, 270 in 1921, until in 1940 the total was 605.

In 1930 jurisdiction was given the Supreme Court of Ontario to deal with divorce. What was the result? In 1930, Parliament had approved of 204 applications for divorce from Ontario. In 1932, under the new jurisdiction, the number of divorces increased to 343, and in 1940 to 916. These figures are taken from the Canada Year Book of 1940.

I need not mention the other provinces. These figures are sufficient to show the danger of opening the door somewhat wider by creating new grounds to secure dissolution of marriage. So let us be careful in applying this dangerous remedy.

In citing the hypothetical case of the return of a long-absent husband, the honourable senator from Vancouver South said:

> But suppose Enoch Arden comes back. This rarely happens, and I have an idea that when it does happen the first husband would deem himself better off to find his wife legally and happily married than to be confronted, as he would be under the present law, with the proposition of declaring that she had been living in adultery and that the children were illegitimate.

I disagree with the statement that the woman, having gone through a legal ceremony of marriage, would be living in adultery and her children would be illegitimate. I know there are provisions covering these cases, more particularly in the province of Quebec, and this statement is not in accordance with the provisions of the Civil Code. There is such a thing as "le mariage putatif."

Article 163 of the Civil Code of Quebec reads:

> A marriage, although declared null, produces civil effects, as well with regard to the husband and wife as with regard to the children, if contracted in good faith.

And article 164 is in these words:

> If good faith exist on the part of one of the parties only, the marriage produces civil effects in favour of such party alone and in favour of the children issue of the marriage.

To-day millions of our men are ready, in this terrible war, to make the supreme sacrifice, to defend our civilization, our way of life, our society. Honourable members must have noticed that one of the first gestures of our enemies to create their so-called new mode of living is to make a mockery of marriage, of this solemn way of creating families, of forming society. They are seeking to revive the practices of pagan times, when women were treated as just human cattle. We Christians cannot countenance such a descent to barbarism—not even by gesture.

Those who believe in divorce should regard it as a kind of special remedy to be invoked only in exceptional cases of domestic distress. And we should be very careful so to apply this remedy that it may not become a dangerous drug. In my humble opinion, measures like the present Bill are dangerous because they enlarge the grounds for dissolution of marriage.

For these reasons, honourable senators, I shall vote against the Bill.

Hon. E. BEAUREGARD: My first word will be of thanks to honourable senators for the courtesy they have extended to their Quebec colleagues in adjourning to the present sitting the debate on the motion for second reading of this Bill. But before taking advantage of your courtesy, I hasten to confess that owing to the importance of this piece of legislation I feel that I am without a good excuse for not having been present when it was introduced.

However, I have read carefully what has so far been said in this debate, and therefore I am fully aware that the Bill is limited to provinces now having jurisdiction to grant divorce a vinculo matrimonii; which means that it would not apply to Quebec nor to Prince Edward Island. But, accepting this reservation, I would remind honourable members that amendments to the law governing divorce or procedure in divorce are matters of no small concern to those responsible for public legislation in this country.

On many topics we take pleasure in stating that they are dealt with irrespective of language, race or creed. For obvious reasons, divorce has been, and will remain, an exception of paramount importance to this rule. I take it that, on account of my dual capacity as a Catholic and as a Quebec representative, honourable members are in no doubt as to my attitude towards the principle of this Bill.

Though I cannot agree with the majority of this House on the fundamental principle of divorce, I have been asking myself if this Bill could not be amended in such a way as to achieve its purpose and yet not be objectionable to Catholic elements, who after all represent one-third or more of the population of Canada.

The Bill under consideration proposes that any court having divorce jurisdiction may, on the petition of one of the parties to the marriage, decree two things: 1, presumption of death; 2, dissolution of the marriage. Presump-

tions, as everybody knows, are either established by law or based on facts, and these facts are left to the discretion and judgment of the court.

If a petition is granted by final judgment on evidence based on presumption, it becomes res judicata—a presumption juris et de jure; that is, a presumption that cannot be contradicted. In other words, as soon as the evidence of the petitioner, based on presumption of death of his or her consort, has been confirmed by final judgment of a competent court, there is no longer a mere presumption of death. We are now facing a judicial fact, that is, the death of one consort, proven for all legal purposes. It occurs to me that there is hardly any jurisdiction for the court to issue a decree operating as a dissolution of marriage between the petitioner and his legally dead consort.

With all due deference to the honourable senator from Vancouver South, I have come to this view after reading his comments on the case of Carlson, (1923) 32 B.C. 24, which was referred to by Mr. Justice Robertson. In this case, it will be remembered, we were told that an order was made declaring that the wife of the petitioner shall be presumed dead and that he shall be allowed to remarry. If I, in turn, may comment on the comments of the honourable senator from Vancouver South, I would say that it appears to me that his main objection to the judgment is based on the opinion, not that it is not a sensible judgment, but that the judgment was not rendered according to the law. This, I admit, is a good ground for criticism.

For the purpose of discussion let us consider that judgment as if rendered according to law. What does it amount to? To no more and no less than a regular certificate of death of the absentee. Thus it serves the main purpose of this Bill, which is to give the petitioner the status of an unmarried person, and, as such, the right to remarry.

I can see that a decree of divorce a vinculo matrimonii between the petitioner and his judicially dead consort has been resorted to as a measure of protection against the always possible return of the missing consort, who in the absence of a decree of divorce may claim the benefits of his undissolved marriage, with all that it means in the event of a second marriage.

On the other hand, we are no better off socially with the situation which this Bill is likely to create in such circumstances. Let us say that the absentee returns after the petitioner has remarried subsequently to the granting of a decree of divorce. He finds that during his absence the law has broken up his home and his family life. The war, which has now entered into its fourth year, will no doubt increase the number of absentees in the legal sense of the word. What about those unfortunate soldiers who, on the faith of an inaccurate or incomplete report as to their last whereabouts, will find that a new law has disposed of all that was dear to them? We cannot charge them with desertion. Desertion in itself implies an intention on the part of the consort to forgo his marital obligations, which mere absence does not imply in se. It appears to me that a decree of divorce, within the limited scope of this Bill, affords protection only in the case of the return of the absentee after the remarriage of his consort, and that even in such a case, especially after four years of an unfinished war, this protection is liable to work against the returned soldier.

The danger of the possible return of the absentee would no doubt act as a deterrent to the petitioner. It would inject into his mind a dose of prudence sufficient to prevent him from lightly contracting another union. Such a possibility would also serve as warning to the court to ponder the evidence most carefully, and would tend to prevent laxity on the part of both the petitioner and the judge. Laxity by both or by either of them might easily alter this new ground for divorce and, in practice, turn the purported ground of presumed death into the large and dangerous ground of mere absence of one of the consorts. Everyone knows that wherever mere absence is a cause for divorce it lends itself most readily to collusion.

These are some of the reasons arising from the wording of the Bill, and showing why, to my mind at least, it would be preferable to amend the law in such a way that judgments similar to the one rendered in the Carlson case could legally give the relief asked for without adding new grounds for divorce.

It cannot be ignored that divorce has been most disastrous in the United States, where each concession has only led to further concessions. Divorce is law in the forty-seven states. Causes for divorce vary greatly from one state to another. In all of them but South Carolina the primary cause for divorce is adultery. Most of the states allow divorce for mere absence for five years or more. Desertion is a universally stated cause for divorce or separation. A number of states grant divorce for desertion for one, two or three years, and so forth. The social damage resulting from the excessive kindness of the legislators in the granting of new grounds for divorce may be judged from these estimates of the United States Bureau of Census for the year 1940. I have been unable to get the

figures for the last two years. That source gives the following numbers of marriages and divorces recorded for each of the years mentioned:

Year	Number of marriages	Number of divorces
1890.....	542,307	33,461
1900.....	685,284	55,751
1910.....	948,166	83,045
1920.....	1,274,476	170,505
1930.....	1,126,856	191,591
1940.....	1,565,000	264,000

From this table we glean the fact that in 1890 there was 1 divorce for every 16 marriages, whereas in 1940 there was recorded 1 divorce for 5·9 marriages, an increase of approximately 275 per cent in fifty years.

These figures are appalling, and fully justify the momentous statement which may be found in the pastoral letter issued by the archbishops and bishops of the United States after their meeting at the Catholic University of America, in September, 1919, namely:

We consider the growth of the divorce evil an evidence of moral decay and a present danger to the best elements in our American life. In its causes and their revelation by process of law, in its results for those who are immediately concerned, and its suggestion to the minds of the entire community, divorce is our national scandal.

And in this connection I may cite a few lines from an authority in sociology, F. W. Forster.

(Translation): The family is the centre of all human preparation for social life, that is, all preparation for responsibility, sympathy, self-control, mutual tolerance, and reciprocal education. And the family holds this central place solely because it lasts for a lifetime and is indissoluble, and because, thanks to this permanence, community of life in the family becomes deeper, more stable, better adapted than any other to relations among men. It can be said that monogamic marriage is the conscience of all human social life.

I do not intend to reopen the debate on the merits and the demerits of divorce, nor to review even summarily the pros and cons of this paramount question; but in order to recall once more that the province of Quebec at large and the Roman Catholics are not the only adamantine opponents of divorce and divorce-facilitating procedure, may I be allowed to cite the words of that great American Theodore Roosevelt, who declared:

Easy divorce is a bane to any nation. It is a curse to society and a menace to the home, an incitement to married unhappiness, an evil thing for men and a still more evil thing for women.

And also this statement issued by the Conference of Bishops of the Anglican Communion, Lambeth, 1920:

The Conference affirms as our Lord's principle and standard of marriage a lifelong and indissoluble union, for better, for worse, of one man with one woman, to the exclusion of all others on either side, and calls on all Christian people to maintain and bear witness to this standard.

Official pronouncements of the General Synod of the Church of England, and Social Service of the same Church, are in the same vein.

The legislation of Great Britain has often paved the way in the matter of divorce, but during the last months of 1935 and the first months of 1936, when divorce raised a question of national interest, it received from parliamentarians, and newspapermen as well, the most severe condemnation that I know of in modern times. The majority report of the British royal commission was made possible by reason of the differences of opinion amongst the Christian forces, the Roman Catholic Church standing for indissolubility, the Church of England recognizing divorce for adultery only, but denying the possibility of remarriage, and the other Protestant churches generally recognizing this one ground of divorce and solemnizing remarriage, the Methodist Church limiting this by refusing marriage to the guilty party to a divorce. The minority report draws attention to the fact that, while there may have been difference of opinion among Christian scholars on exegetical points, "all are agreed that Christ intended to proclaim the great principle that marriage ought to be indissoluble."

There you have the consensus of Christian humanity on divorce and grounds of divorce. I fail to see that absence, even coupled with presumption of death of one of the consorts, has been accepted as a ground for divorce by any of the highest social authorities in the world. When I oppose the principle of this Bill I stand in good company.

On Sunday last a woman of Great Britain, whom I beg permission to identify only as the first lady of the land, made an appeal over the radio to women of the Empire for a revival of religion in the home. Those who were not fortunate enough to listen to her address have, no doubt, read the text of it in Monday's papers. It is a most inspiring appeal to the lonesome consorts of the war absentees. The closing words are as follows:

I feel that in all the thinking and planning which we are doing for the welfare of our country and the Empire, yes, and concern for other countries, too, we women as homemakers have a great part to play; and, speaking as I do to-night from my dearly-beloved home, I must say that I keenly look forward to a great rebuilding of family life as soon as the war ends.

I would like to add with my fullest conviction that it is on the strength of our spiritual life that the right rebuilding of our national life depends.

I wish every honourable member would have that inspiring appeal and those closing words in mind when he comes to consider the propriety of relaxing the marriage bond.

Some Hon. SENATORS: Hear, hear.

Hon. A. B. COPP: Honourable senators, the promoter of the Bill, the honourable member from Vancouver South (Hon. Mr. Farris), is unavoidably absent, and he has asked me to carry on and sponsor the Bill if the Senate is willing to accept it as he explained it to us the other day. It would be presumption on my part to attempt to add to or improve any argument the honourable senator from Vancouver South made when he laid the Bill before this Chamber and explained its contents. We all realize, of course, that there is always a difference of opinion whenever the question of divorce is raised in Canada; but the honourable gentleman took particular care to impress upon the members of this Chamber that he did not for one moment presume to impose his own particular ideas on any part of Canada which had not a divorce court competent to try divorce cases. The Bill was to apply only in those provinces which now have courts competent to deal with divorce.

My honourable friend across the way (Hon. Mr. Marcotte), as well as my honourable friend behind me (Hon. Mr. Beauregard), has made a strong appeal with respect to the religious side of this matter. Well, I am no fonder of supporting divorce than any other honourable member of this House, and do so only upon proper evidence being adduced and for the purpose of safeguarding the people in general in the provinces of Canada. Under the law seven of the provinces have courts competent to try divorce cases. After a law is passed it is necessary to appoint men to administer it, and for this purpose judges are selected from among the members of the legal fraternity of our provinces. In seven of the provinces such men have been appointed, and they are competent to hear and decide upon divorce applications presented to them. They may make mistakes, but it is their responsibility to discharge the duty we have placed upon them. If this Bill were to pass, applications for divorce would go before these judges, and they would consider the evidence. They do not jump at conclusions, and the Bill would not make divorce any easier. If, in their opinion, evidence before them was sufficient to justify a presumption of death, they would so decide, and their decision would give them the power to grant a dissolution of marriage.

My honourable friend who introduced this Bill (Hon. Mr. Farris), and, I think, my honourable friend behind (Hon. Mr. Beauregard), referred to the royal commission appointed in England some years ago—I think, as far back as 1909. Out of that commission there came a majority and a minority report. It must be borne in mind, however, that the minority report particularly excluded the features dealt with in this Bill, and was in favour of making a presumption of death and of granting a dissolution of marriage in such a case.

In 1938 this House passed a Bill known as an Act respecting divorce and matrimonial causes. Honourable members who were here at that time will remember it. It was discussed and debated in this House, was referred to committee, where some amendments were made, and was finally passed here, but when it went to the Commons it was defeated. That proposed legislation contained the same provision as is embodied in this measure, and neither in this House nor in the Commons was there one word of objection to that particular portion of the Bill.

You will remember the instance my honourable friend gave of a man who was aboard a vessel reported lost at sea, and from whom no word had been received for a considerable length of time. In that case, in seven of the provinces, the wife of such a man could apply to a court of competent jurisdiction and place before it evidence which, if deemed sufficient, would warrant the presumption that the husband was dead. The judge could presume the man's death and dissolve the marriage.

A similar illustration can be given in the case of an aeroplane accident. If a married man or woman was a passenger on an aeroplane which did not arrive at its destination, and there was no word of any of the passengers, an application could afterwards be made under this Bill by the wife or husband of such a person.

Passing of this Bill would overcome a difficulty that arises in certain cases under the present law. A man has not heard from his wife for seven years or more, let us say, and, presuming her to be dead, he gets married to somebody else, in good faith, and is raising a family. Afterwards the first wife comes back. Under the present law she could, if she wished, destroy that second marriage. The same thing would of course be true if a man who had disappeared returned some years later, after his wife had, in good faith, remarried: he could destroy the woman's happiness. But under this Bill a judge of a court of competent jurisdiction, in any one of seven provinces, could dissolve the first marriage, upon the application of the man or woman who produced reasonable evidence for presuming the death of the other party to that marriage. Surely if a man

deserts his wife for five, six, seven or more years, we need not make it easy for him, if he comes back, to destroy a home that has been established in good faith.

In a general way, these are the considerations that appeal to me. These are the considerations that were very well put on the record the other day by my honourable friend from Vancouver South (Hon. Mr. Farris). I have not the slightest fault to find with any honourable members who oppose the Bill on religious grounds. But I do say that in those provinces where we have a court of competent jurisdiction for divorce, it is felt that the provisions of this Bill are necessary to meet certain situations that arise. That is why the Bill is brought forward. The other day my honourable friend from Vancouver South placed on Hansard extracts from the Attorney-General of British Columbia and a judge of that province, in support of such a bill as this. He also placed on Hansard a letter from Mr. Conant, who is both Prime Minister and Attorney-General of Ontario, the largest province in Canada, supporting this very measure. Since then my honourable friend has received a letter from the Attorney-General of Saskatchewan, who says this:

Dear Senator Farris:

I acknowledge receipt of your favour of the 22nd instant, enclosing a proposed Bill relative to the dissolution of marriage upon presumption of death.

I have perused this Bill and believe it is in the best interests of all parties that such legislation should be passed. It is a problem that has come to our attention a good many times, but one over which the province has no jurisdiction. I would like to see the legislation passed by the Parliament of Canada.

With kind personal regards, I am

Yours truly,

J. W. Estey.

So we have the Attorneys-General of British Columbia, Saskatchewan and Ontario supporting this measure. Besides, there is a letter from the Attorney-General of Prince Edward Island, expressing similar views.

These considerations do appeal to me, and I believe they will appeal to the majority of honourable members of this House, as reasons for believing that this Bill would be in the best interests of all concerned and of the country. It would be the means of settling a matter that has been disturbing the minds of certain people in Canada for a number of years. I hope the Bill will pass and become law.

72542—11½

The motion for the second reading of the Bill was negatived on the following division:

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Honourable Senators

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Ballantyne	Little
Calder	Michener
Copp	Paterson
Euler	Robinson
Foster	Sinclair
Hardy	Smith
Harmer	(Victoria-Carleton)
Hugessen	Stevenson
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NON-CONTENTS

Honourable Senators

Beaubien (St. Jean Baptiste)	Léger
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Bench	Marcotte
Blais	McDonald (Shediac)
Blondin	McGuire
Bourque	McIntyre
Campbell	Molloy
David	Paquet
Duff	Prevost
Duffus	Quinn
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Hushion	Vien—27.
Lambert	

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

Hon. Mr. KING: Now that we have reached the end of the Orders of the Day, I should like to remind honourable senators that to-morrow morning the Committee on Economic Re-establishment and Social Security meets to hear the views of a number of gentlemen prominent in the industrial life of this country. No doubt members of the committee will be in attendance, and I may say that if other honourable senators desire to attend, the chairman of the committee will welcome their presence.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, April 14, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILLS

THIRD READING

Bill U2, an Act respecting the Canada North-West Land Company Limited.—Hon. Mr. Hayden.

REPORT OF COMMITTEE

Hon. Mr. DONNELLY presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill V2, an Act to incorporate the Ukrainian Fraternal Society of Canada.

He said: I may say that the amendments made by the committee were made with the consent of the promoters of the Bill, and meet with the approval of the Superintendent of Insurance and the Law Clerk of the Senate.

The motion was agreed to.

THIRD READING

Hon. A. L. BEAUBIEN moved the third reading of Bill V2.

The motion was agreed to, and the Bill was read the third time, and passed.

WHEAT ACREAGE REDUCTION BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 66, an Act to amend the Wheat Acreage Reduction Act, 1942.

He said: Honourable senators, I think we are all thoroughly familiar with this measure, and I will be brief in explaining it. In 1941 Parliament passed an Act permitting the Government to arrange by regulation for taking land out of wheat production. The acreage used in wheat production in the years 1939 and 1940 was taken as a basis. Under the regulations the Government paid $4 for every acre taken out of wheat production and put to summer-fallow or sown to rye or grasses, and $2 for every acre sown to the coarser grains, such as oats and barley. As rye and grasses are sown in the fall and come to maturity the next season, there had to be a dating back to the period of sowing in the fall of 1940 or 1941, for the payments on rye and grasses, $2 at the time of sowing and $2 on the 1st of July the following year.

Considerable reduction in wheat acreage was brought about by this legislation. It is estimated that about ten million acres were taken out of wheat acreage and put into summer-fallow, coarse grains, grasses or rye, and a sum of $34,500,000 was paid to farmers for this reduction.

In 1942 Parliament passed a measure which amended the Act and replaced the regulations

of 1941. The object at that time was not so much a reduction in wheat acreage as an increase in the production of coarser grains and some oil producing plants. The 1942 amendment retained the wording of the regulations of 1941 in regard to certain matters, more particularly rye, but rye was removed from the definition of coarse grains. That was done unintentionally, because of an oversight, and when the Government started to pay under the amending Act of 1942 it was found that the Act gave no authority to make payments to farmers who had taken land out of wheat and sown it to rye in 1941 and 1942. The result is that a large sum which should have been paid to farmers has been held up; and this Bill, in section 3, authorizes payment to farmers who complied with what was in fact the intention of the 1942 amendment.

The plan is that from now on the Government will pay a flat $2 per acre for land taken out of wheat production and put to summer-fallow or sown to grasses, rye or coarser grains. In other words, there will no longer be any payment on the basis of $4 an acre.

Section 6 deals with the matter of relationship between landlords and tenants. Many farms in the West are, I believe, worked by tenants, and the payment of money under this legislation was often divided between landlord and tenant in certain proportions, based on the wheat produced. It has been found difficult to settle or adjust these payments as between tenants and landlords. There was some discussion in the other House in regard to that matter. Section 6 of this Bill requires that a landlord, to be eligible for any payment under this Act in respect to wheat acreage reduction, shall make an application, on which must be endorsed the tenant's acknowledgment that the applicant is the landlord, this application to be made to the secretary of the municipality not later than the 30th day of June.

I think that is all I need say in explanation.

Hon. C. C. BALLANTYNE: If I understood the honourable the leader of the Government correctly, it appears that rye was not specifically mentioned in the 1942 Act. Therefore the farmers who sowed rye have not been paid, and the object of this amendment is to enable them to be paid as far back as 1941. I remember the 1942 legislation referred to by the honourable the leader. Under it $2 was to be allowed for summer-fallow. I may say in that connection that all farmers, whether in Eastern Canada or Western Canada, summer-fallow a certain amount of acreage for the benefit of the land. I think the Western farmers were very generously treated when they were paid $2 an acre to summer-fallow

their land. They would have had to do it anyway if they wanted to keep the land in condition to produce grain.

Hon. Mr. KING: It was taken out of wheat and put into summer-fallow.

Hon. Mr. BALLANTYNE: The honourable gentleman says it was taken out of wheat acreage. I do not know that it makes very much difference. The fact is that the land was summer-fallowed and the farmers were paid $2 an acre. The legislation also provided for the payment of $2 an acre for all coarse grains they might sow.

Hon. A. L. BEAUBIEN: It was taken out of wheat production.

Hon. Mr. BALLANTYNE: I quite understand that. Probably it was necessary to do all this for the Western farmer. My only regret is that more has not been done—in fact, nothing has been done—for the Eastern farmer. I will not touch on the price that was fixed for flax at the same time, namely $2.50 an acre. I am under the impression, though I may be wrong, that the Western grain grower has fared pretty well this year with the acreage allowance and the price he has obtained for wheat and flax; but inasmuch as the legislation was passed and this relates only to payment, and those payments have to be made, there is no comment I can offer except to tender my congratulations to the Western grain growers.

The motion was agreed to, and the Bill was read the second time.

EASTER ADJOURNMENT

Hon. J. H. KING: Honourable senators, we have reached the end of the Orders of the Day. Inquiries have been made of me by various members concerning the Easter adjournment. I may have misled some of them, for it was my idea—and it had been stated—that the House of Commons would adjourn on the 16th. Some three or four weeks ago, in making the announcement of the Easter adjournment, the Prime Minister indicated that if satisfactory progress were made with a certain financial bill the House of Commons would adjourn on the 16th, but failing to make progress the House would continue to sit until the 21st. I understand that an effort is being made in the House of Commons to complete certain bills this week, and to that end that House will sit to-night and again on Friday night. In the meantime I cannot definitely advise the Senate in regard to the adjournment. We may have to remain here. I hope that by to-morrow I shall be able to give honourable members something definite, so that they may make their plans accordingly.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, April 15, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

NAZI CRIMES AGAINST HUMANITY

MOTION AND DISCUSSION—DEBATE ADJOURNED

Hon. A. K. HUGESSEN moved:

That this House views with indignation and horror the barbarous treatment inflicted by Nazi Germany on the peoples of occupied Europe, expresses its sympathy with the unfortunate victims, and urges that stern punishment be inflicted on those who are shown to be responsible for these crimes against humanity.

He said: Honourable senators, in moving this motion I have omitted the words "and ruthless," which preceded the word "punishment" in my notice of motion, for I do not want it to be thought that we on our side are descending to the atrocious behaviour of our opponents.

I have no apology to make for bringing the subject of this resolution to the notice of the Senate. It is a matter of great and painful moment, on which I think honourable senators should have an opportunity of pronouncing. The resolution relates, broadly speaking, to international affairs, and it is my view that such affairs and the international relationships of this country are perhaps better and more fittingly dealt with by this than by the other Chamber. We are not primarily concerned with considerations of party politics or of political advantage, and questions relating to international policy should equally be removed from these considerations. This Chamber has been designed, and should, I submit, operate, as the medium for the expression of the sober second thought of the country; and it is in such an atmosphere as prevails here that our vitally important international relationships should be considered.

The same principle applies in Great Britain in relation to the attributes and functions of the House of Lords. It is interesting to recall that during the last fifty years most of the better known and most famous foreign ministers of Great Britain have been members

of that House. I refer to such noted foreign ministers as Granville, Salisbury, Lansdowne and Curzon. The House of Lords claims as its particular province the consideration of matters of international import. In that connection I was interested to read, and I shall take the opportunity of quoting to this House, a short excerpt from the Manchester Guardian Weekly of March 12 last, dealing with what the House of Lords was then proposing to consider. This excerpt reads:

> The Lords are to discuss post-armistice welfare and resettlement on a motion of Lord Nathan's, economic expansionism on a motion of Lord Barnby's, and supplies to Russia at the instance of Lord Beaverbrook. The Bishop of Chichester's motion urging the Government to make the same distinction in its war aims between "the Hitlerite State" and Germany that Stalin has done will also be debated at the next sittings.

In December last the House of Lords held a debate and passed a resolution on the subject of German atrocities in Poland, a part of the subject which is embodied in the resolution I am now submitting. The report of the debate in the House of Lords on German atrocities in Poland is to be found in the official report of the House of Lords of December 15 last, which I hold in my hand.

The same principle holds true in the United States. There it is the upper House of Congress, the Senate of the United States, which concerns itself more particularly with international matters. Indeed, without a two-thirds vote of that body no treaties binding upon the United States can be made or become effective.

These seem to me to be reasons why this Senate should concern itself with questions of this character. But there is a still further reason. I submit that it is time the voice of Canada's Parliament should be heard in these matters. So far there has been little encouragement of either this House or the other Chamber to engage in discussions of Canada's international position, and so far during the present war this country has for the most part allowed its name to be used, or allowed itself to be spoken for, by one or other and sometimes by both of the two great nations with which we are more particularly allied, Great Britain and the United States. That was the case with the Atlantic Charter; that was the case with the Casablanca Conference. Canada has been content in these cases to say in effect, "Me too." I have no complaint, honourable senators, about this; I think the Government of the day has been perfectly justified in that attitude; but I do say it is now time for the Parliament of Canada to begin to speak for this country on matters of international concern.

After all, what is our position to-day? What is our relative importance with respect to the twenty-six or twenty-eight allied nations who are carrying on this war together? In terms of total war potential, the capacity to make effective war, I think it cannot be denied we rank fourth among the Allies, and are exceeded only by the United Kingdom, the United States and Russia; and if you talk in the restricted terms of man-power alone, we with our comparatively moderate population of eleven and a half millions rank sixth in man-power, being exceeded by only those three nations I have already named, and by China and India. I say, therefore, we have no reason to be bashful or backward, or to let others speak for us, and that Canada should let her voice be heard and her weight be felt in discussions of international affairs.

Now, I submit that it is particularly appropriate that our views should be heard on the subject of the German treatment of occupied Europe. For one thing, in the sense that we are far removed from the scene of these atrocities, we have no direct interest. Our country has not been invaded or even bombed. Our men have not been sent into slavery in Nazi Germany; our women and children have not been starved. We have no territorial designs and no propaganda interests to serve. We are not even in the position in which the House of Lords found itself when it debated the Polish atrocities last December; because, after all, Great Britain did guarantee Poland against German aggression, whereas Canada has not done so. So our only object in considering this question is that of common humanity and the tenets of the Christian religion.

I know that objection will be taken to this resolution. People will say: "What is the use of passing a resolution of this kind? What useful purpose can the Senate of Canada achieve? Will the Nazis pay any attention whatever? Of course they will not. They will continue with their brutality and their violence for as long as it suits them to do so, and you will merely have made a completely useless gesture." Well, to anyone who uses that argument I should be disposed to reply somewhat like this: "My friend, you may be right; it is quite possible that you are right; but yet there may be some small chance that a resolution of this kind will have some small effect in mitigating the evils to which the people of occupied Europe are now subjected. Remember, my friend, these two things. News and opinions travel very fast these days. They travel into occupied Europe and even into Germany, by underground and over the air waves, in spite of all that the Nazis can do

to keep them out. And remember this second point: the German people are just beginning to realize they will lose this war."

I submit it is quite possible that the German armies of occupation, in face of the dawning of this realization, knowing, as they will know, the opinion of the democratic peoples as to this sort of behaviour, may be induced in future to treat the peoples of occupied Europe with a little less brutality than they have treated them in the past. They will know that every act of brutality committed in the future will inevitably involve them in trial and punishment at the conclusion of the war.

But even if a resolution of this kind should have no effect upon the oppressors, I still think it ought to be adopted. And the reason is this. It expresses our deep and profound sympathy for those suffering millions of our Allies. After all, it is for the moment the only thing that we can do. But it is a little more than an expression of sympathy; it is an expression of our solidarity with them, and a promise that their sufferings shall not go unavenged in the final reckoning. I say that in the midst of their terrible troubles it is our duty to do anything we can to encourage them, to encourage the underground resistance in which they are still engaging after these three years, and to assure them that their sufferings are not being forgotten by their Allies who happen to be in a more fortunate position than themselves.

The actual terms of this resolution may be divided into three parts. Firstly, it condemns the inhuman treatment of the peoples of occupied Europe by the Nazi forces; secondly, it expresses our sympathy with those oppressed peoples; and thirdly, it calls for stern punishment of the crimes which have been committed against them.

With reference to the first part of the resolution, I think it is common ground that the behaviour of the Nazi conquerors towards the inhabitants of occupied countries has been a succession of what may be called the blackest crimes in all recorded history. I am not referring to individual acts that may have been done in hot blood in the course of fighting in an invaded country. I am referring to large-scale, long-term actions that are part of a well defined policy engaged in by the Nazi authorities in flagrant violation of all the tenets of international law. Let me enumerate a few of these actions.

The bombing of Rotterdam in May, 1940, after the Dutch Government had laid down its arms, and the slaughter of ten or fifteen thousand innocent civilians caused thereby.

The deliberate machine-gunning of those pitiable refugees who flocked over the roads of France and Belgium in the early summer of 1940.

The continuous shooting of hostages in France and in the Low Countries.

The forcible removal of many hundreds of thousands to slave labour in Germany.

The wiping out of the Czech village of Lidice.

The murder of many thousands of prominent Czechs.

The looting and starvation of the Greek people.

The policy of deliberate extermination of whole nations or sections of nations, carried out in Yugoslavia and Poland.

The Calvary which has been inflicted on the Jewish race in Eastern Europe. With respect to this last, I wish to read just one quotation from a statement made by the Archbishop of York last December. He said this:

> In Poland there is taking place one of the most appalling outrages that the whole history of the world has ever seen. We are watching the deliberate and cold-blooded massacre of a nation.

These, honourable senators, are only some of the enormities which have been committed by the deliberate policy of the Nazi authorities. They stagger the imagination. They violate every principle of international law, every concept of humanity, every precept of religion, everything that distinguishes man from the brute creation. They add up to an appalling total of human misery and human degradation unknown in the history of mankind. I say it will be well for us to remember these things when the Germans come whining to us for mercy, as they did in 1918 and as they will once again.

It is against these almost unbelievable enormities, these betrayals of the spirit of man, that we feel called upon, as men, to protest. And, as men, we are fully justified, on the record, in branding those Nazis who are responsible for such policies and such practices as something less than men; as, in fact, an obscene gang of mental and moral degenerates, unworthy of the name of men.

I submit that this House should formally record its condemnation of these dreadful deeds. But I think it should go further. And here I pass to a consideration of the second part of this resolution: our deep sympathy with the nations and peoples who have been victims of these policies. Let us for a few moments consider these peoples and what we owe to them.

I take first the Czechs. They were the first to suffer invasion and oppression by Hitler. Czechoslovakia was a model republic, a democratic people, an enlightened and progressive nation in the heart of Europe. You will all recall how Czechoslovakia was abandoned by Great Britain and France in 1938, abandoned to her fate at the hands of Hitler, in the vain hope of appeasing Hitler. Appeasing Hitler! How that word "appeasement" stinks in our nostrils to this day!

Then the brave people of Poland, the first who had to suffer armed invasion by the German might in 1939. Their armies were destroyed, their cities were razed, and ever since they have been subjected to the savage and implacable hatred of the conquerors. But they still fight on, both in and out of their country, and some day they will rise again. Hitler has attempted to exterminate two races, the Poles and the Jews. I venture to suggest that neither can be exterminated, and that some day the ghosts of those whom Hitler has slaughtered in their millions will rise to haunt the German people for generations to come.

Take the Norwegians, a race of people whom we all admire. We admire particularly their steadfast loyalty to their king, to their church and to their democratic institutions—loyalties which they have maintained in face of all the blandishments, all the threats and all the cruelties to which they have been subjected by the Nazi occupiers. The Norwegians are fighting for us to this day, on the seven seas and in the air as well.

The next in order of conquest are the nations of the Low Countries, the Dutch and the Belgians. These are stubborn and tenacious races. In the vast majority they have refused to have anything whatever to do with Hitler or his so-called new order. Those of them who remain in their countries treat the invaders with quiet disdain, and look forward with hope to the day of their deliverance, while those who have succeeded in escaping still carry on the war at our side.

Nor can we forget the people of Southern Europe, the Yugoslavs and the Greeks. We owe a great debt to both peoples. The Greeks were the first to deflate that malodorous gas-bag, Mussolini, and his Fascist State. The Yugoslavs, by their gallant if short-lived resistance in the early summer of 1941, threw the German invasion time-table out of gear, delayed the German attack upon Russia, and prevented what might otherwise have very well happened, a complete German victory on the continent of Europe, particularly in Eastern Europe, by the autumn of that year. The Greeks and the Yugoslavs are now harried and oppressed. Their villages are burned, their people are massacred or starved, but they continue to fight on in guerilla warfare with the greatest determination and gallantry. I for one venture to hope that relief for those peoples is not very far off; that after the present campaign in Tunisia has been brought to a successful conclusion, and the Mediterranean has been converted into an Allied lake, it will be possible to help them before this summer is out.

But, after all, honourable senators, the people who lie closest to our hearts are the unhappy people of France. We pity and condole with their terrible sufferings, both physical and moral. We are told that the old France, the France which we knew and visited and loved in former and happier days, is dead. Well, it may be so. But is it not true to say that a new France is being born on the African continent and is taking up the fight again by the side of her Allies under the leadership of such tried and capable generals as de Gaulle and Giraud? When you talk to me about France being dead, I am reminded of the phrase used to announce the advent of a new French king, which, to meet present-day conditions, I would paraphrase thus: La France est morte. Vive la France!

With all those brave but miserable and unfortunate people this resolution expresses our deepest and most sincere sympathy. That is all we can do directly at the moment; but indirectly, of course, we are doing far more. We are in this war to a finish, with all our resources of man-power and wealth, and we are joined with the other Allied nations in a solemn pledge to set these captive populations free in God's good time.

I come now to the third and final part in this resolution. It is not sufficient that the enslaved peoples of Europe should be set free. Justice demands more than that. Justice demands that punishment, stern and implacable punishment, should be imposed upon those who have abused them. In that regard, will you allow me to quote a statement made in the House of Lords by Lord Simon, the Lord Chancellor, on the 10th of last month, announcing the policy of Great Britain and the other Allied nations? I quote:

> We mean to do the utmost in our power to secure that the war criminals are punished for their wholesale barbarities, perpetrated on innocent, defenceless people by the Nazis and their willing instruments, and the mass persecution of people of all ages and both sexes. The villainies of the Gestapo, the deliberate extermination of Jewish communities—these are all things that have disgraced the German name for ever. They cry aloud for just punishment.
>
> But let it be clearly understood and proclaimed all over the world—we British will never seek to take vengeance by wholesale mass

reprisals against the general body of the German people. Our methods will be the methods of justice.

The United Nations are preparing for the just punishment of the guilty, not only those who inspired and directed the crimes, but also those who with cold-blooded ferocity organized and took a definite and responsible part in carrying them out.

There will thus be two classes of criminals. First, the heads of the Nazi State, the men responsible for the general policy. Those men are pretty well known to everybody, and I suggest they will most fittingly be tried by an international tribunal, set up by the Allied Nations. But there is a second and far more numerous class of such criminals: the local military, police and Gestapo agents who carried out the tasks assigned to them in a brutal and bestial manner. They, I suggest, should far more fittingly be dealt with by local courts in the countries, indeed in the very districts, in which their crimes were committed. I am told that careful records are being kept of all the happenings in the occupied countries and that when the war comes to an end there will be a fairly complete dossier of the men who should be brought to trial for these local crimes to which I have referred.

Now, I think it will be generally agreed by us that, in contradistinction to the German people as a whole, the Nazis are criminal gangsters who have caused untold misery and suffering throughout Europe. They should be treated with implacable justice. And the same holds true of those members of the German military caste who have made themselves the willing tools and instruments of Nazi policy. I venture to hope that the very widest publicity will be given to the trials of these men by newspaper and radio, particularly in Germany itself, so that the great masses of the German people will have an opportunity to realize the crimes that have been committed by their leaders, and by the agents and minions of those leaders, and the justice of the punishment inflicted upon them.

And so, honourable senators, I venture to submit this resolution to the House. As I have said, it consists of three parts: a condemnation of the Nazi brutalities in Europe; an expression of our deep sympathy for and our solidarity with the victims of those brutalities; and a determination that the perpetrators of those brutalities shall suffer just punishment for their crimes. It is a statement of high principle and of firm resolve. And such a statement, however ineffectual it may appear for the moment, cannot in the long run be without results. It is worth while making for its own sake. I bespeak its earnest consideration by the members of this assembly.

Hon. C. C. BALLANTYNE: Honourable senators, up to a few moments ago I was under the impression that it was to be the privilege of another senator on this side of the House to support the resolution which my honourable friend has so ably presented to us. No member of this House is better equipped to move the resolution, for the honourable gentleman is qualified not only by his broad knowledge of international affairs, but also by tradition and training. I desire to thank him for what he has just done.

The brutal atrocities of the German leaders are unparalleled in world history. But it is not likely that after this war Germany will ever again be in a position to scourge the peoples of Europe. This time the United Nations are determined that it shall be a fight to the finish, followed by the total disarmament of Germany and her allies.

The honourable mover of the resolution has referred, and quite properly, to the fact that the war has turned in favour of the Allied Nations. The glorious victories of the Eighth Army in Egypt and Libya and of our First Army and the army of our American and French allies in Tunisia, clearly prove to the world that it will be only a short time before every German or Italian is driven out of North Africa. Then we can expect that a second front will soon be opened in the West. But whether the war be long or short, its end spells the doom of Germany, Italy and Japan.

As my honourable friend has pointed out, the terrible atrocities which the Germans have inflicted on the unfortunate peoples of the countries they have overrun will be effectually dealt with by the Allied Nations when they bring to trial the villainous authors of those outrageous crimes against humanity.

I find myself in complete agreement with my honourable friend when he says that this House should urge that stern punishment be meted out to those who are shown to be responsible for those crimes, but I do not feel as modest as he does about Canada not playing in international affairs as important a part as she is entitled to play. I am not a member of the present Government, but, having been a member of the Cabinet during the last war, and having the honour to be a Canadian Privy Councillor, I know very well that during the present war the Prime Minister has been kept fully informed of every move the Allied Nations have made. I am sure he was advised of what was going to happen in connection with the meeting of President Roosevelt and Prime Minister Churchill at which they announced the Atlantic Charter, and with their second meeting at

Casablanca and the events which preceded their visit to North Africa. Certainly Canada has, through the Prime Minister and his Government, expressed her views on all these very important international questions, and although the Prime Minister may not have given to Parliament in detail the information that he has, I think it safe to say that he and his Government have been consulted, and that Canada has played her full part in this war both in conference with our Allies and in her great contribution to the war effort.

Let me conclude these unprepared remarks by again thanking my honourable friend for bringing his resolution before the House and by assuring him that I deem it a great privilege to support it. The resolution will, I have no doubt, have a good effect not only in our own country, but throughout the world, and I am confident that his speech in support of it will reach the ears of the Nazi gangsters and cause them grave consternation. The ex-Kaiser, when he saw his attempt at world domination must fail, fled to Doorn in Holland. I know of no country that will grant asylum to these Nazi blackguards when they seek to escape the doom that awaits them, and the dire prospect must add to their present disquietude and disappointment. I desire once again to assure my honourable friend that it was quite right and proper for him to bring this resolution before honourable senators.

On motion of Hon. Mr. Howard, the debate was adjourned.

ADMINISTRATION OF MONTREAL ABATTOIRS

ORDER FOR RETURN

Hon. ARTHUR SAUVE moved:

That an Order of the Senate be issued for the production of a copy of all representations, letters, documents and telegrams, from January, 1942, to March, 1943, inclusive, between the Federal Government or its representatives and any person who has voiced complaints with regard to the administration of Montreal abattoirs and ill-treatment of farmers or producers on those markets.

He said: Honourable senators, my motion is based on a claim for justice on the part of an important section of the population in the Montreal region. I ask for the production of the documents mentioned in the motion because I want to know, and the public also want to know, what has been done to remedy an unbearable situation arising from the ill-treatment to which farmers, producers and traders have been subjected at the public abattoirs of Montreal. I myself denounced the situation to the federal authorities last year. If a satisfactory explanation had been forthcoming, following my letters of 1942, I would not ask for these documents. According to a recent public denunciation by the Liberal member for the Chambly-Rouville constituency, things are growing worse at the Montreal abattoirs in spite of protestations and warnings to the federal authorities.

Here is a fact. On December 2, 1942, I transmitted to the federal authorities the complaints made by various farmers to Mr. W. A. Peterson, Superintendent of Animal Production, and to Mr. L. C. Robitaille, Chief of Wartime Agricultural Production, Montreal. I pointed out to them the situation of the farmers at the abattoirs, and cited to them the following typical case. A farmer brought in eight live hogs, weighing one thousand seven hundred and fifty pounds, the price of which was $12.60 per hundred pounds. This farmer should have drawn $220.50, but instead, a few days later, he received $202. He protested, claiming his due. The Government inspector nervously made calculation after calculation, but failed to arrive at the correct price, or even to explain the difference between the amount claimed and the amount paid. Finally he offered $5 to the farmer as a settlement. But the farmer insisted on receiving the full amount due him. I then intervened, and Mr. Peterson instructed his assistant, Mr. Blair, that the matter pertained to the Markets Division of the Federal Department of Agriculture, adding that the Government inspector at the abattoir was responsible for the selection of animals brought in and for the verification of their weights. He was right. But what has the inspector done, and what is he still doing?

He probably is the man who sent to Mr. Blair the answer "that the lower returns from the carcasses were due to abnormal dressing percentages." This is merely a pretext, a subterfuge, an evasion, an abuse of confidence. If the reasons he invoked were sound, why did he offer a settlement of $5 to the farmer making the claim?

That man, a federal inspector and Government agent, reproached the farmer for having got into touch with a senator; but after hearing the farmer's intelligent answer he apologized and promised to inquire in order to give him satisfaction. But what has he done since that time? Nothing. There has been no answer whatsoever to the farmer's letters, any more than there has been to my own. In my 1942 correspondence to Messrs. Peterson and Robitaille I was asking for the appointment of a representative of the producer-sellers at the abattoirs to verify the classifications and

weights. I was urging the appointment of a fair, energetic and impartial representative, to put a stop to abuses and robbery.

There is a black market in Montreal, as in all the large commercial centres. The Government says it must be repressed without mercy. There is a branch of that black market at Montreal abattoirs, but it appears that very little is being done to suppress it. Five months after my request and my statements were made, nothing has been done, apparently, for it is only a few days since the Liberal member for Chambly-Rouville denounced the same abuses and graft. This member for a rural constituency, a district close to the Montreal market, had to repeat the same compiaints, denunciations and requests that I myself made in my 1942 correspondence. I am glad that my friend from Chambly-Rouville has, in a discreet way, offered me his assistance, and I am thankful to him. I did not know he could so accurately guess the contents of my correspondence with the Government and its agents. Here is an excerpt, taken from La Presse of Montreal, of what my honourable friend from Chambly-Rouville said:

Speaking about bacon hogs, I must say that I am not satisfied with the treatment meted out to farmers in that connection. However, I feel that if the Government knew the facts as they have been reported to me, they would endeavour to straighten out the situation. The bonus is paid on bacon hogs only if they weigh from 180 to 220 pounds, I believe. If a hog is one pound over or under weight, not only is the bonus not paid, but the hog is placed in a lower grade, and such a low price is set on it that it does not pay the farmer to put it up for sale, considering what the farmer has to pay for the feeding and the care of those bacon hogs. The Government should appoint bacon hog producers, as representatives of the farming community, who would be stationed at the slaughter houses where they would check the weight of those bacon hogs, thereby protecting the farmer's interests. I do not mean that the abattoir owners rob the farmers, but I do say that the latter must accept the arbitrary decision of interested people. Were the Government to hold an inquiry in this matter, perhaps they would find that even in the cattle trade, and in the abattoirs, there may be trust operators against whom the farmers should be protected.

When a farmer, through a trucker or a hog dealer, sends one hundred or one hundred and fifty hogs to the Montreal market, there is no one in a position to decide how many of them fill the conditions required by the Government to warrant the payment of the bonus. The hogs are not weighed in the presence of the farmer or the trucker at the abattoir. They are told to return a week later to ascertain what amount they are entitled to, how many animals command a premium, and how many are subject to a cut. When the farmer or his representative returns the following week, he finds out that perhaps sixty out of one hundred hogs did not entitle him to the bonus, but were subjected to such a cut that no profit can be derived from raising them. This condition should be remedied at once.

If such a situation is maintained, the farmers, I fear, will refuse to sell their products at those abattoirs and will reduce or change their production.

Such abuses not only provoke criticism detrimental to our production, but confirm a feeling spreading among our rural populations against the impotence of our political regime to protect the good elements of the community and give justice to honest producers. Since there is a heavy imposition of war taxes upon our people, who are most desirous of contributing according to their resources and their vision of the future, they can rightly demand from the Government efficient protection against waste, against graft of any kind, and against vexatious dealings of incompetent and partial officials. In order to obtain the greatest production we must see to it that the producer, the labourer and the taxpayer do not feel they are being frustrated and robbed.

With the member for Chambly-Rouville, Mr. Dupuis, I reiterate a request for an investigation, an impartial inquiry. Notwithstanding my withdrawal from active politics, I am still living in the midst of a rural population, for whom I have the deepest esteem and respect. I will not fail to serve them in serving my country. "What is bred in the bone will never come out of the flesh."

Hon. Mr. KING: Honourable senators, I am not in a position to reply to my honourable friend now. He has said a good deal. He accuses Government officials, I take it, of being dishonest and inefficient.

So far as the resolution is concerned, I see no objection to it. It asks for the production of representations, letters, documents, and telegrams from January, 1942, to March, 1943, between the Federal Government or its representatives and any person who has voiced complaints with regard to the administration of Montreal abattoirs and ill-treatment of farmers or producers on those markets. I see no objection to that. If there is correspondence of that character, let it be brought down. But my honourable friend has gone a little farther than that. Under the guise of asking for papers, he has suggested irregularities without producing any proof of them. We know it has been the policy of this Government and of all governments to see to it that there is proper regulation or inspection of the people who are engaged in the slaughtering of animals. There is probably no more thorough inspection done by Government officials than that of the work carried on in these abattoirs.

I will not say any more. So far as I am concerned, the resolution itself is acceptable.

Hon. Mr. COPP: Honourable senators, it seems to me the wording of the resolution is improper. No proof has been given by my honourable friend of ill-treatment of farmers. If he would strike out the word "ill," so that the reference would be simply to the treatment of farmers, there would be no objection.

Hon. Mr. BALLANTYNE: Substitute "unfair" for "ill."

The Hon. the SPEAKER: Honourable senators, it is moved by Hon. Senator Sauvé, seconded by Hon. Senator Blondin:

That an order of the Senate be issued for the production of a copy of all representations, letters, documents, and telegrams, from January, 1942, to March, 1943, inclusive, between the Federal Government or its representatives and any person who has voiced complaints with regard to the administration of Montreal abattoirs and ill-treatment of farmers or producers on those markets.

Hon. Mr. COPP: Mr. Speaker, I am submitting that the word "ill" should be left out.

Hon. Mr. SAUVE: "Unfair" treatment.

Hon. Mr. COPP: No.

The Hon. the SPEAKER: Is it moved that the word "ill" be struck out and the word "unfair" substituted?

Hon. Mr. COPP: No, Your Honour. The suggestion is that the word "ill" be stricken out. The correspondence will show what kind of treatment there has been.

Hon. Mr. LEGER: Honourable senators, I do not know what the purpose of the motion would be if neither the word "ill" nor the word "unfair" were included. The honourable senator's reasons for wanting the correspondence brought down is that he knows, or fears, or suspects, that there has been unfair treatment or ill-treatment of farmers. I for one think his motion is perfectly in order. The correspondence will show whether there has been unfair treatment or ill-treatment. If there has been none, he will have no case; on the other hand, if the correspondence does show unfair treatment or ill-treatment, there will be a case. Perhaps the word "unfair" should be substituted for "ill."

Hon. A. L. BEAUBIEN: Honourable senators, I am certainly not going to support a resolution which states that there has been unfair treatment or ill-treatment of farmers, until I have seen the correspondence. If we pass the motion as it is worded, we shall all be responsible for what it says. I do not know whether the farmers referred to by the honourable senator have been unfairly treated, and I cannot come to any conclusion in the matter until the documents are before us. If we support the motion as it reads, we are saying that there has been ill-treatment of farmers.

Hon. Mr. LEGER: The resolution does not say that; it says there have been complaints of ill-treatment. Evidently the honourable senator from Rigaud (Hon. Mr. Sauvé) has evidence that complaints of ill-treatment have been made by some person or persons, but he does not say as a matter of fact that there has been ill-treatment. The motion asks for correspondence "between the Federal Government or its representatives and any person who has voiced complaints with regard to the administration of Montreal abattoirs and ill-treatment of farmers or producers on those markets." That does not say that farmers have actually been ill-treated.

Hon. Mr. HOWARD: But the honourable senator said so in his speech.

Hon. Mr. LEGER: We are dealing now with the wording of the resolution, not with the honourable gentleman's speech.

Hon. Mr. LAMBERT: Honourable senators, I think that the point of the honourable senator from L'Acadie (Hon. Mr. Léger) is right—that the purpose of the resolution is to ask for correspondence from persons who have voiced complaints of ill-treatment of farmers. It seems to me the difficulty could be easily overcome if the resolution were slightly changed, so as to ask for correspondence, etc., "between the Federal Government or its representatives and any person who has voiced complaints of ill-treatment of farmers or producers under the administration of Montreal abattoirs."

Hon. Mr. COPP: When the correspondence is brought down we can conclude what kind of treatment the farmers got.

Hon. Mr. LAMBERT: I do not think it was the intention of the mover to establish by this resolution the fact of ill-treatment. The resolution could easily be interpreted as having that meaning, I know, but it seems to me that what is desired by the honourable senator from Rigaud would be made clear if the wording were changed as I have suggested.

Hon. Mr. LEGER: That would do it very well.

Hon. Mr. MURDOCK: Honourable senators, this is not the first time—

Hon. Mr. SAUVE: The word "ill" could be stricken out, and then the reference would be simply to the treatment of the farmers.

Hon. Mr. KING: Yes, that would be all right.

Hon. A. L. BEAUBIEN: No.

Hon. Mr. SAUVE: The farmers are complaining. Their complaint, which has been expressed by Mr. Dupuis, the member for Chambly-Rouville, was established in my correspondence of 1942, and I am reiterating it.

Hon. Mr. HOWARD: If the word "ill" were dropped, the motion would be all right.

Hon. Mr. MURDOCK: Honourable senators, this is not the first time in the present session that we have heard about conditions not being altogether right in the stock-yards of Canada. On the 5th of February the honourable senator from Saskatchewan North (Hon. Mr. Horner) said, as reported on page 57 of Hansard:

> What purpose do the stock-yards serve now that we are at war? The farmer takes in a load of cattle for sale. He finds a whole army of men assembled there, and they pound the animals with canes to separate them and weigh each one in order to take advantage of the odd pounds and the break of the beam. I have killed my own beef and I can tell what weight an animal will dress, and what it will be on the hoof. After the cattle have been weighed as I have described, they are presumed to be sold to the commission men, but after you go back home there is a resale to the packers. That is the way our public cattle markets are being run. Packing companies buy cattle at 9 cents a pound and sell as though they had paid at the rate of 12 cents a pound. The Government should take over the yards, put in inspectors, send the cattle to the slaughter-houses as they can handle them, and credit the cattleman with the proceeds. Our people are dissatisfied with the manner in which the stock-yards are conducted to-day.

I do not know anything about it.

Hon. Mr. SAUVE: I know something.

Hon. Mr. MURDOCK: I am just putting that on record.

Hon. Mr. COPP: It is already on record.

Hon. Mr. KING: The honourable gentleman is dropping the word "ill" from his motion?

Hon. Mr. SAUVE: Yes. That is acceptable to the honourable leader of the Government and the leader of the opposition on the other side (Hon. Mr. Copp)?

Hon. Mr. KING: Yes.

Hon. Mr. LACASSE: Honourable senators, one can easily see where the difficulty is. I suggest it would be eliminated by the insertion of the word "presumed" before the word "ill-treatment."

Hon. Mr. SAUVE: My honourable friend presumes too much.

Hon. Mr. LACASSE: The difficulty arises because of the belief of some honourable members that the motion as now worded refers to complaints of ill-treatment of farmers, whereas other honourable members consider the motion to be a statement of fact that there has been ill-treatment. The difficulty could be solved, I suggest, by placing the word "presumed" or "suspected" before the word "ill-treatment."

Hon. Mr. COPP: The correspondence will speak for itself.

The Hon. the SPEAKER: Honourable senators, I should like to point out that this discussion is a little out of order. A motion made by an honourable senator and seconded by another honourable senator must be considered in the form in which it is presented to the Senate. A mover, with the approval of the seconder, and with unanimous consent of the House, may amend his motion. But in this instance we have had a series of suggestions as to how the wording of the motion could be changed, and it is that procedure which, I am afraid, is not quite correct. Furthermore, I do not believe the motion lends itself to the objections that have been raised, because what is asked for is the production of documents in which complaints have been voiced with regard to the administration of Montreal abattoirs and ill-treatment of farmers or producers. However, I understand that as a result of suggestions that have been made, the honourable mover (Hon. Mr. Sauvé), with the approval of his seconder (Hon. Mr. Blondin), is willing to drop the word "ill" from the motion. Is that so?

Hon. Mr. SAUVE: I am not willing, but I have no objection.

The Hon. the SPEAKER: It is moved by Hon. Senator Sauvé, seconded by the Hon. Senator Blondin,

> That leave be given for striking out the word "ill" from the fifth line of the motion.

Is it your pleasure, honourable senators, to adopt the motion?

The motion was agreed to.

The Hon. the SPEAKER: The motion now is:

> That an order of the Senate be issued. . . .

Some Hon. SENATORS: Dispense.

The motion, as amended, was agreed to.

WHEAT ACREAGE REDUCTION BILL

THIRD READING

Hon. J. H. KING moved the third reading of Bill 66, an Act to amend the Wheat Acreage Reduction Act, 1942.

The motion was agreed to, and the Bill was read the third time, and passed.

EASTER ADJOURNMENT

Hon. J. H. KING: Honourable senators, I think I should try to clarify as far as possible the time of adjournment to be proposed this week. Yesterday in another place this question was asked of the Prime Minister:

Did I understand the Prime Minister to say that if we did not conclude on Friday evening we would sit on Saturday?

To that the Prime Minister replied:

No; I said if we did not conclude on Friday evening we would continue on into the next week. In making reference to Saturday I was assuming that discussions might be concluded by Friday night; if not in time for assent at night, we might arrange for assent to the Bills on Saturday. But that would have to be by consent of the House, or by a formal resolution. Otherwise we would continue on into Monday, Tuesday, Wednesday or Thursday.

In view of this statement I must ask that we adjourn until to-morrow.

Hon. Mr. BALLANTYNE: Do I understand the honourable leader to say that this House will adjourn to-morrow?

Hon. Mr. KING: I cannot say definitely until to-morrow.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, April 16, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

SPECIAL WAR REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 58, an Act to amend the Special War Revenue Act.

The Bill was read the first time.

Hon. the SPEAKER.

EXCISE BILL

FIRST READING

A message was received from the House of Commons with Bill 59, an Act to amend the Excise Act, 1934.

The Bill was read the first time.

CUSTOMS TARIFF BILL

FIRST READING

A message was received from the House of Commons with Bill 60, an Act to amend the Customs Tariff.

The Bill was read the first time.

BUSINESS OF THE SENATE

DELAY IN SUBMISSION OF MEASURES FROM COMMONS

On the Orders of the Day:

Hon. C. C. BALLANTYNE: Honourable senators, on the Orders of the Day, may I say a few words with reference to the manner in which legislation of the most important character is sent to us in the expectation that we shall rush it through without proper consideration. I have been twelve years in this honourable Chamber, and my grievance is the same against all the different governments that we have had during that time, and also against honourable members in another place. There will be submitted to us shortly, perhaps next week, the most important and by far the largest budget ever placed before the Parliament of Canada. Not only does it provide for four and a half or five billion dollars for war expenditures, but it contains a very long list of heavy taxes. The people, I may say, are not complaining about this, because they are ready to do their full share in the war; but I protest as vehemently as I can against the situation we are in at the moment. This Chamber probably will adjourn to-day until next Monday. It is desired by the Prime Minister, and, I am sure, by all honourable members in another place, that on Thursday of next week Parliament may adjourn for the Easter holidays. What does that mean so far as this Chamber is concerned? It simply means that by Wednesday, or possibly Thursday, the budget, its resolutions and other legislation will be hurriedly delivered to this House and we shall be expected to pass upon those measures in a matter of a few hours. The delay will prevent honourable members of this House from giving to the proposed legislation, as is their right, the consideration which it deserves and which the public expect it to receive.

There seems to exist in this country a wrong impression, namely, that the Senate of Canada has no constitutional jurisdiction over money bills. I am not an authority on that question, but a year or two ago I consulted one of the most brilliant lawyers, who expressed the opinion that under our Constitution the Senate of Canada can refuse a budget, or reduce the amount of it, though it cannot increase the amount.

In this connection I am reminded that I am old enough to remember what happened in the British House of Commons a great many years ago, when Mr. Asquith was Prime Minister of Great Britain. The Chancellor of the Exchequer at that time happened to be the Right Hon. Lloyd George. He introduced into the British Commons what was regarded at that time as a very radical budget. It would not be so considered to-day. On three consecutive occasions that budget was rejected by the House of Lords. The Prime Minister then appealed to the country, and his Government was sustained at the polls. He then went to His Majesty the King and asked that one hundred additional peers be appointed in order that the budget might be put through the House of Lords. An Act was then introduced —I cannot give you the details of it—the substance of which was that when the House of Commons in Great Britain had three times passed a budget or any other bill it was obligatory upon the House of Lords to accept it.

I cite that instance merely to set as clearly as I can before the people of Canada our jurisdiction in this House. We are especially qualified here to give thorough consideration to the budget. I make that statement for this reason. In this Chamber we have many honourable senators who were members of another House for a long term of years, and some who were Ministers of the Crown. Besides, some of these and others of our members have had wide experience as agriculturists, business men and financiers, and we have here a galaxy of legal talent. Where could the budget and other important legislation be better considered than right in this Chamber?

Hon. Mr. HOWARD: Hear, hear.

Hon. Mr. BALLANTYNE: But we cannot properly consider important legislation under circumstances such as I fear will exist next week. I do not believe the budget and the resolutions will reach this Chamber before Wednesday, or possibly Thursday. Then the hurry-up call will go out to us to give these measures first, second and third readings in time for the Royal Assent to be given them not later than Thursday, so that Parliament may adjourn on the eve of Good Friday until after the Easter holidays.

I say that is outrageous treatment to accord to this Chamber, and I believe the time has arrived when it must cease. I have a suggestion to make to my honourable friend (Hon. Mr. King), who is a member of the Government; a suggestion with which I hope he will agree. It is this: that when this Chamber adjourns to-day it stand adjourned until after the Easter holidays, and that when we resume we take ample time—all the necessary time; days or weeks, if necessary—to give proper study to the budget, its resolutions and whatever other measures may come before us then. I have another reason for making this suggestion. Some of our honourable members, who were here for a considerable length of time, have gone away—especially those from the far West and the far East—and they may not be here again next week. So I hope the honourable leader will consult the Prime Minister and that my suggestion for adjournment from to-day until after Easter will be agreed to.

I trust honourable senators will not feel that the sentiments I am voicing are too strong. Really, when one considers the prestige, the dignity and the usefulness of the Senate of Canada, its history, and what it is prepared to do, one can regard it as nothing but an affront to this House if we are asked to meet next week for the purpose of having literally thrown at us at the last moment the budget and other important legislation that I have spoken about, and if we are expected to rush it all through so as not to delay the Easter adjournment.

Hon. J. H. KING: Honourable senators, I may say that I have some sympathy with my honourable friend's remarks. I have been a member of this Chamber for about twelve or thirteen years, and I cannot recall one session in which at some time it did not become necessary for the Government to ask us to assent to legislation on what might be deemed short notice. But the situation, as one finds on giving it the thought it requires, is not as it appears on the surface. Parliament—by which I mean the Senate and the House of Commons of Canada—met on the 28th of January. In accordance with the usual procedure, the Speech from the Throne was delivered and afterwards debated in both Houses. Since then, we in the Senate have dealt expeditiously with the measures that have been brought before us. When legislation is introduced in the House of Commons it becomes public property and we, by reason of our status as members of Parliament, are in a preferred position to know its character and purpose. Usually legislation is initiated in the House of Commons, and whether it consists of Government

or of private measures, we have full opportunity of familiarizing ourselves with the bills and of hearing them debated in the other House, or, if it is not convenient for us to attend, the Commons Hansard is available to us. So it is hardly fair to say that the Senate is not informed with respect to legislation when it reaches us.

On the 2nd of March Mr. Ilsley, the Minister of Finance, brought down his budget for the current fiscal year. Since then the resolutions based on that budget have been fully discussed in the other House, and any senator who so desired has had ample time not only to study those resolutions, but also to go to the various Government departments and secure any information he might need to clarify any doubtful points.

Early this session, in order to avoid just what my honourable friend is now complaining of, I suggested that, as in connection with the war we might expect financial measures which probably it would not be desirable for us to deal with in the same way as with the usual financial measures of peace-time, full opportunity should be given to honourable senators to make a special study of those war measures in anticipation of the formal transmission of the bills to this Chamber. Accordingly on March 3 last I moved:

That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament and by resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the bills based on the said estimates and resolutions reaching the Senate.

We have proceeded along that line and enlarged our Standing Committee on Finance from seventeen to twenty-five members. Yesterday the three measures which have just been given first reading were very carefully considered by the committee at morning and afternoon sittings. Officers of the Department of Finance were in attendance and fully explained the measures and the purpose of the amendments while they were under discussion in the House of Commons. In effect, the Senate is in the position of having had a preview of the legislation which is now before us. I hope that after those bills have been debated and given second reading next Monday, my honourable friend opposite will agree to their reference to the Committee on Finance. The members of that committee, having, as I have already said, carefully studied the bills yesterday, will be in a position to deal with them with full knowledge of their details, and, I hope, to report them to this Chamber next Tuesday.

Now, since our Finance Committee of twenty-five members has had these Bills under careful consideration, I submit it cannot be said that the Senate has not had an opportunity to study them. True, there may not be time for lengthy debate on the merits of the legislation, but we shall have at least the whole of Tuesday afternoon and, if it is desirable, it may be possible to devote Wednesday afternoon to further debate.

I come now to the Income Tax Bill. This probably is of more importance than the other financial bills to which I have referred. It is a lengthy measure and the resolutions on which it will be based are still being debated in the other House. To-day our Finance Committee, taking advantage of its authority, spent a great deal of time with officers of the department in going carefully over these resolutions, and of course those members of the committee who attended are fully conversant with the details of the resolutions. I will venture to say that at no time since I have been a member of this House has any of our committees been so thoroughly informed on a Government measure as are the members of our Finance Committee to-day.

It has been suggested that we should now adjourn until after Easter. I do not think my honourable friend is really serious.

Hon. Mr. BALLANTYNE: I certainly am.

Hon. Mr. KING: I can hardly conceive that he is. These taxation measures, as we all know, were brought into operation at the time the budget was introduced, but still there is this situation existing in the Government departments: the men who are required to administer this Act are applying it without the benefit of the legislation that will eventually guide them. Therefore it is important that these measures be dealt with as expeditiously as possible.

If there had been delay on the part of the Government in introducing the legislation, then there might be ground for complaint; but such has not been the case. The budget was brought down early in the session. The Minister of Finance informed Parliament and the country that he proposed to ask the people of Canada to subscribe to a further war loan of upwards of a billion dollars, and in view of the approach of Easter he thought it important that members should be returning to their constituencies in order to ensure the success of the loan. At that time he suggested that if it were possible for members of the House of Commons to pass the legislation by the 16th of this month that House might then adjourn over Easter; if not, it would continue in session

until the 21st of this month. It was hoped that by starting the Easter adjournment on the 16th members would have almost another week in their constituencies, with a loss of only two and a half days of their parliamentary work.

I do not think I need say any more. I sympathize with what my honourable friend has said, but, as I have already remarked, I think that by reason of the work done by our Finance Committee its members are well informed in regard to these bills. In addition to this there will be full opportunity for debate. It is not the desire of the Government that these bills should be rushed through the Senate. The desire is to have the legislation approved with reasonable dispatch, in order that the business of the country may be carried on to the satisfaction of the people.

Hon. Mr. BALLANTYNE: Maybe honourable senators will be considerate enough to allow me a word or two in reply. With all due deference to the honourable leader opposite, it seems to me he has expounded a strange doctrine. He says, in effect, to honourable members of this Chamber: "If you want to know what is going on in Parliament read the House of Commons Hansard, attend committees So and So and So and So, and then you will have all the information you need." I submit that this is the place in which legislation should be debated. All senators are not on our various committees, and this Senate will serve no very useful purpose if it is to appoint a few committees and have a few senators attend there, so that the honourable leader may say: "You have all the information you want. Let us get on with the legislation."

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the House adjourns to-day it do stand adjourned until Monday evening, April 19, at 8 o'clock.

The motion was agreed to.

The Senate adjourned until Monday, April 19, at 8 p.m.

THE SENATE

Monday, April 19, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADIAN BROADCASTING CORPORATION—SPEAKERS—BOARD OF GOVERNORS

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. Referring to the stated policy of the Canadian Broadcasting Corporation to "replace on the air broadcasts by informed, authoritative and competent speakers as a contribution to the discussion of current affairs and problems,"

(a) Who were such speakers, other than members of Government, during the twelve months next proceeding this date, and what are their places of residence and occupations?

(b) Did any of them discuss any branch or phase of policies and administration of Canada's governmental affairs; and, if so, what speakers, and what branch or phase of policies and administration did each one discuss?

(c) What was each speaker paid for his service?

2. Is it a fact that an appointment to the board of governors was recently made and that the board now consists of eight members? What are the name, residence and occupation of the recent appointee?

3. What is the number of meetings held by the board of governors during the current fiscal year; and on what dates were they held?

4. Is any allowance for travel expense to and at Ottawa paid to governors; and if so, how much did each one receive in the current fiscal year?

Hon. Mr. KING: In reply to the honourable senator's inquiry I would say that to answer the first question would involve an analysis of approximately 10,000 manuscripts of Canadian Broadcasting Corporation talks, and, at the present time, owing to a shortage of man-power and the occupation of the Corporation staff with essential war services, it is impossible to furnish the information required.

The answer to the second question is:

Yes. Two appointments have been made recently and the board now consists of its full membership of nine governors.

Howard B. Chase, Brotherhood of Locomotive Engineers, 1411 Crescent, Montreal.

Mrs. T. W. (Mary) Sutherland, Revelstoke, B.C.

The answer to No. 3 is:

There were six meetings held by the board of governors during the fiscal year 1942-43. The dates are as follows:

April 17-18, 1942.
August 17-18, 1942.
August 28, 1942.
September 28, 1942.
December 7-8, 1942.
February 8-9, 1943.

As to No. 4, the answer is:

Yes; travelling expenses to and from board of governors' meetings are paid to the governors. The following amounts were paid during the fiscal year 1942-43:

Rene Morin	$ 360 27
R. Rowe Holland	2,019 49
Canon W. E. Fuller	1,351 08
J. W. Godfrey	952 04
Dr. James S. Thomson	869 34
Dean Adrien Pouliot	1,382 45

CANADIAN BROADCASTING CORPORATION—ANNOUNCERS

INQUIRY

Hon. Mr. BOURQUE inquired of the Government:

1. How many announcers are there in each province serving under the Canadian Broadcasting Corporation?
2. Under what system are such announcers selected, and by whom?
3. What qualifications as to education, articulation and broadcasting aptitude are required in such announcers?
4. Is there any system of training of such announcers in respect to required qualifications, and what does that training consist of, and who does the training?

Hon. Mr. KING: The answer to the honourable senator's inquiry is as follows:

1. Nova Scotia, 3; New Brunswick, 2; Quebec, 17; Ontario, 18; Saskatchewan, 1; British Columbia, 6.

2. Announcers are selected from applicants and recommended to the General Manager for appointment by the Supervisor of Broadcast Language, in consultation with the Programme Department.

3. Qualifications for announcers are a university degree or its equivalent, or two years' satisfactory experience at a Canadian broadcasting station. Articulation and broadcasting aptitude are determined on the basis of a personal audition.

4. Yes. Training is carried on through practical experience under the Supervisor of Broadcast Language.

PRINCE EDWARD ISLAND FERRY SERVICE

INQUIRY

Hon. Mr. SINCLAIR inquired of the Government:

1. On what date was the building of the Government docks at Borden, P.E.I., and Tormentine, N.B., begun, and when finished? What was the construction cost?
2. On what date was the construction of the car ferry S.S. "Prince Edward Island" started? When was it finished? What was the construction cost?
3. On what date was the construction of the car ferry S.S. "Charlottetown" started? When was it finished? What was the construction cost?
4. On what date was the Borden-Tormentine car ferry service commenced?
5. What is the cost to date of the docks, repairs, dredging and annual overhauling of the ferry boats?

Hon. Mr. KING: I have an answer for the honourable gentleman as follows:

1. Construction of the Borden docks and terminal commenced December, 1913; completed October, 1917. Construction cost, $1,713,682.47. Subsequent expenditure for additions and betterments, $1,126,606.35. Total capital cost to December 31, 1942, $2,840,288.82.

Construction of Tormentine dock and terminal commenced June, 1913; completed December, 1917. Construction cost, $1,094,945.99. Subsequent expenditure for additions and betterments, $1,008,505.86. Total capital cost to December 31, 1942, $2,103,451.85.

2. Construction of S.S. "Prince Edward Island" commenced April, 1913. Vessel completed and accepted in August, 1915. Construction cost, $680,042.32. Subsequent expenditure for additions and betterments, $135,752.90. Total capital cost to December 31, 1942, $815,795.22.

3. Construction of S.S. "Charlottetown" commenced in April, 1930. The vessel was delivered and accepted in July, 1931. Construction cost, $2,177,951.52. Subsequent expenditures for additions and betterments, $11,193.92. Total capital cost at date of sinking, $2,189,145.44.

4. October 15, 1917.

5. Cost of repairing docks and maintenance, dredging years 1933 to 1942, inclusive, $388,737.11. Cost of overhauling ferry vessels, 1933 to 1942, inclusive, $682,377.97. Prior to 1933, maintenance expenditures for the Prince Edward Island car ferry service were not segregated from maintenance expenditures of the Canadian Government Railways.

STUDENTS' AND TEACHERS' RAILWAY FARES FOR EASTER

INQUIRY

Hon. Mr. FOSTER inquired of the Government:

1. If the railways, through the Railway Passengers Association, filed with the Commissioners of Transport a notice of their intention to discontinue the granting of reduced fares for the Easter vacation to students and teachers in attendance at colleges and schools.
2. Has such permission been granted by the Board of Commissioners of Transport?
3. If so, for what reasons?
4. What date did such change become effective?

Hon. Mr. KING: The answer to this inquiry is:

1. No. Notice of intention to refrain from publication of excursion fares is not required by the Railway Act.

2, 3 and 4. Answered by No. 1.

Order in Council P.C. 2557 of March 30, 1943, prohibits the railways from selling or offering to sell (except to members of the armed forces) reduced fares for Dominion or provincial public holidays in the period from April 15, 1943, to August 15, 1943, both dates inclusive. Reduced fares granted by the railroads to students and teachers for annual vacation purposes are not affected.

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 58, an Act to amend the Special War Revenue Act.

He said: Honourable senators, my good friend the honourable gentleman from Rougemont (Hon. Mr. Beauregard) has kindly consented to give an explanation of the amendments to the Special War Revenue Act contained in Bill 58. I would suggest that at the end of the debate following my honourable friend's explanation the Bill be referred to the Standing Committee on Finance.

Hon. ELIE BEAUREGARD: Honourable senators, this Bill 58 is entitled an Act to amend the Special War Revenue Act—a much amended Act, as you may see from the first page. I may say that our Finance Committee had an opportunity to study the Bill, before it was submitted to the committee in the other House. Fortunately for our committee, the Bill was not amended over there; so it stands to-day as it did at the time we had it under consideration. Furthermore, we had the privilege of receiving explanations of the Bill from a few representatives of the Department of National Revenue, and we were given, I should say, all the information asked for.

This Bill, as honourable members will see upon reading it, concerns some 23 sections of the law known as chapter 179 of the Revised Statutes of 1927. Briefly, the amendments are as follows. Sections 1 and 3 contain two important definitions. One of these is the definition of "manufacturer or producer," which includes any department of the Government that is called upon to manufacture or produce. The other important definition is that of "die." It is a well-known device for impressing an excise stamp upon a cheque or other document, but up to now there has been no definition for it.

Sections 5, 6, 19 and 20 have been introduced in the Bill in order to bring the Act into accord with the budget resolutions of March 2, 1943. Sections 7, 12, 13, 14, 15 and 17 repeal various sections of the Act which, because of other amendments, are no longer necessary. And sections 21, 22 and 23 provide exceptions to the Customs Tariff. Outside of these sections that I have referred to, there is not much else in the Bill for study.

I could not describe the Bill better than was done in the other House by the Minister of National Revenue. He said:

> This Bill relates almost entirely to matters contained in the budget resolutions. One or two administrative items have been added for the purpose of clarifying the Special War Revenue Act.

The most important parts are the schedules concerning stamps, cigars, cigarettes, sugar, tires, and so forth.

I should also like to draw the attention of honourable members to section 16, which covers deductions, refunds and drawbacks. Formerly various sections of the Act provided for the refunding of claims for sales tax where overpayments had occurred, but there was no similar provision in the case of overpayments of other taxes. This new section is a consolidation of those sections and applies to all such refunds.

I do not think I need add anything further to the explanatory notes. These, I think, honourable senators will find very helpful in their study of the Bill.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING moved that the Bill be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. BALLANTYNE: I have no objection to the motion, but in view of the fact that the Bill has been so satisfactorily dealt with by the honourable senator who has just taken his seat (Hon. Mr. Beauregard), I should not think any useful purpose would be served by referring it to the Banking and Commerce Committee. However, if it is the wish of the honourable leader opposite, I am quite prepared to agree to the course proposed.

Hon. Mr. KING: The only thing I have in mind is that earlier in the session we authorized our Standing Committee on Finance to deal with financial bills in anticipation of their reaching the Senate. As we have followed that procedure in this instance, I think it would be better to refer the Bill to that committee for consideration and report.

Hon. Mr. BALLANTYNE: There is apparently a misunderstanding as to which committee is to deal with the Bill. I understood the honourable leader to say the Banking and Commerce Committee.

Hon. Mr. KING: No; the Finance Committee. In peace-time we do not worry much about budget resolutions and bills based on them, but, as stated before, we must now deal with war budgets. It will be found that the amendments contained in this Bill have to do largely with measures relating to the war. Therefore I think it better to refer the Bill to the Finance Committee.

The motion, as amended, was agreed to.

EXCISE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 59, an Act to amend the Excise Act, 1934.

He said: Honourable senators, my honourable friend the senator from Wellington (Hon. Mr. Howard) has been good enough to consent to explain this Bill. I move the second reading.

Hon. C. B. HOWARD: Honourable senators, this is an Act to amend the Excise Act of 1934. As was stated a moment ago in relation to the previous measure, this Bill has been before the Finance Committee, where questions have been asked and answered, and the Minister and the proper authorities of the department have given the fullest explanation.

The changes in the Act are most clearly set forth on the right-hand pages of the Bill, opposite the text. The note on section 43 explains most of the changes. The purpose of the Bill is, first, to bring the Act up to date, and, second, to give effect to the changes in the budget, according to the resolutions of March 2, 1943.

The Bill has been referred to the Law Clerk of the Senate, who has examined it, and who gives the following opinion on the matter:

I have examined this Bill thoroughly and found it to be a routine departmental enactment to bring the basic Act up to date.

The net results of the Bill of this session are the deletion of a few words here, the addition of a few words there, the removal of obsolete sections from the basic Act and the addition thereto of two sections to bring it in line with the 1943 budget.

I have checked the references to the basic Act and amending Acts and found them all to be in order.

In a few words, the Bill is a well drawn one which well and clearly effects purely routine amendments. I have, therefore, no amendments to propose to it.

The explanatory notes to the Bill are quite complete and make abundantly clear the purpose of each amendment.

(Signed) J. F. MacNeill,
Law Clerk and Parliamentary Counsel.

The motion was agreed to and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that the Bill be referred to the Committee on Finance.

The motion was agreed to.

CUSTOMS TARIFF BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 60, an Act to amend the Customs Tariff.

He said: Honourable senators, my good friend from Rougemont (Hon. Mr. Beauregard) has consented to give the explanation of this Bill also. I have asked him to do this because I think he is well qualified, and because the phraseology is of a character that sometimes worries me. I have no doubt he will make the Bill clear to you.

Hon. ELIE BEAUREGARD: Honourable senators, there is not much to be said about this Bill, which amends the Customs Tariff. The main feature of the Bill is contained in the schedule annexed, which refers to some six or seven articles and which I shall not read. The second item provides for an increase of $2 per gallon on liquor. This is completely summarized, I think, by what was said in the other House by Mr. Castleden and Mr. Ilsley. Mr. Castleden said:

The question I asked was whether the effects of this section will be merely to increase the duty on the goods mentioned by $2 a gallon.

To which Mr. Ilsley replied:

Yes, that is it.

I do not think there is anything else in the Bill.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that this Bill be referred to the Finance Committee.

Hon. Mr. CALDER: Honourable members, it strikes me that the procedure being followed is, in a sense, quite unnecessary. As I understand it, these bills have all been before the committee, which has approved of them.

Hon. Mr. KING: No. They were not ready for approval. They were only before the committee in anticipation of their coming to this House.

Hon. Mr. CALDER: They have been before the committee.

Hon. Mr. KING: In an informal way.

Hon. Mr. CALDER: In more than an informal way, I think, because the assertion has been made that the committee had the benefit of the presence of officials and others to explain the Bills.

Hon. Mr. KING: Right. That was in pursuance of the resolution the Senate passed the other night, in order that we might have a preview of the legislation.

Hon. Mr. CALDER: May I inquire whether this Bill will come before Committee of the Whole House?

Hon. Mr. KING: Yes, to-morrow.

The motion was agreed to.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: I would move that the Senate do now adjourn.

Hon. Mr. BALLANTYNE: May I ask the leader whether he has any idea when the budget and the resolutions will reach this House? And has he in mind what day this week we shall adjourn, or whether we shall adjourn at all?

Hon. Mr. KING: I think the Minister and the Government are largely in the hands of the House of Commons as yet in regard to budget matters. I was talking to the Minister before dinner, and he hopes the Bill before the Commons will pass to-morrow, or possibly this evening. If it does, we should have it either to-morrow afternoon or to-morrow evening. It is the desire of the Government to secure the Royal Assent to these financial measures on Wednesday afternoon at a quarter to six.

Hon. Mr. BALLANTYNE: That is not allowing very much time.

Hon. Mr. KING: No, but there has been a great deal of time devoted to them in the other House.

Hon. Mr. CALDER: May I inquire what is involved in the term "measures"? What measures will reach us?

Hon. Mr. KING: The important measure that is yet to come to us is the Income Tax Bill, which is still being debated in the House of Commons.

Hon. Mr. CALDER: There are no estimates?

Hon. Mr. KING: No.

Hon. Mr. CALDER: That is what I understood.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Tuesday, April 20, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

SPECIAL WAR REVENUE BILL

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD: Honourable senators, the Standing Committee on Finance, to whom was referred Bill 58, intituled an Act to amend the Special War Revenue Act, have in obedience to the order of reference of April 19, 1943, examined the said Bill and now beg leave to report the same without any amendment.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

EXCISE BILL

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD: Honourable senators, the Standing Committee on Finance, to whom was referred Bill 59, intituled an Act to amend the Excise Act, 1934, having examined the said Bill, now beg leave to report the same without any amendment.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

CUSTOMS TARIFF BILL

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD: Honourable senators, the Standing Committee on Finance, to whom was referred Bill 60, intituled an Act

to amend the Customs Tariff, having examined the said Bill, now beg leave to report the same without any amendment.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

INCOME WAR TAX BILL

SUSPENSION OF RULES

Hon. J. H. KING moved:

That Rules 23, 24 and 63 be suspended in so far as they relate to the Bill intituled: "An Act to amend the Income War Tax Act."

He said: In moving this motion, I think I should inform the Senate as to the possibility of our adjourning to-morrow afternoon. Parliament has been in session for about three months. The bills which are gradually coming to us from the House of Commons relate largely to amendments to various Acts. These amendments are necessary for administrative purposes in order to meet war conditions. It is the hope, in fact the intention, of the Government to ask for Royal Assent to the bills that we may pass this afternoon and to-morrow prior to six o'clock. Naturally, the Government desires to have these measures enacted before Parliament adjourns for the Easter recess, but it is not throwing them at the Senate with the idea of crowding us. I think the bills which the other House passed last night we shall be able to deal with in time for Royal Assent to-morrow. The Income Tax Bill is still under debate in the Commons, but I have reason to believe it will probably pass that House and be available for us to-morrow morning, if we meet—as I think we should—at 11 o'clock. I would suggest that after we have given the Bill second reading we take it up in Committee of the Whole. Fortunately, the resolution pertaining to the Bill has been before the Committee on Finance, and a number of members who attended the meeting of that committee are familiar with the objects of the resolution and of the Bill based on it. If we are in a position shortly after four o'clock to return the Bill to the Commons, with or without amendment, we can probably proceed soon after to the Royal Assent. If that is not possible, and the members of the Senate desire more time, I would suggest that we adjourn during pleasure, that the Royal Assent be given to those Bills which are ready, and that we meet at eight o'clock to-morrow evening and go on with our discussion on the Income Tax measure and carry it over to Thursday. If we are not through by Thursday, I would then propose that we adjourn over Good Friday and meet on Saturday, by which time, I should think, we ought to be able to conclude our consideration of the Bill. I think it should be our effort to clear the slate of these important measures before the Senate adjourns for Easter, so that we may decide definitely at what time we shall return after the recess. If things break as we hope they will, and we receive the Bill to-morrow morning, we should be able to conclude our deliberations on it without undue hurry or rush. That is the position I am taking in regard to the bills.

Last night I gave notice of this motion in order that we might be ready to proceed from one stage to another without delay until we complete our deliberations, and for that reason I would ask to have the motion put.

Hon. C. C. BALLANTYNE: Honourable senators, I am quite pleased to hear the leader say that we are not going to be rushed. I am still of the opinion that we are going to be very much rushed, and that it may be necessary to sit on Saturday. It may also be necessary for some of the important bills, especially the one relating to the extension of the powers of the Department of Munitions and Supply, to stand over until after Easter. As I understand the effect of the suspension of the rules, as moved by the honourable leader, bills can get first, second and third readings without waiting for the usual time to intervene between two stages.

Hon. Mr. KING: With the consent of the Senate.

Hon. Mr. BALLANTYNE: Quite so. The honourable leader can be sure that in performing our full duties in regard to these bills, and in obtaining the information desired by members of this Chamber, we shall do everything we can to expedite matters.

The motion was agreed to.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

FIRST READING

A message was received from the House of Commons with Bill 7, an Act to amend the Department of Munitions and Supply Act.

The Bill was read the first time.

MOTION FOR SECOND READING POSTPONED

The Hon. the SPEAKER: When shall this Bill be read a second time?

Hon. Mr. KING: Now.

Hon. Mr. BALLANTYNE: Honourable senators, I have not the Bill before me.

Hon. Mr. KING: I think it is being passed around at this moment.

Hon. Mr. BALLANTYNE: I would certainly object to second reading before we have had an opportunity to read the Bill. Without having read the Bill, I understand that it contains an amendment—

Hon. Mr. MORAUD: The Bill that has been distributed is the Excess Profits Tax Bill.

Hon. Mr. KING: We shall have to postpone the second reading until the Bill comes to us.

The motion for second reading was postponed.

EXCESS PROFITS TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 69, an Act to amend the Excess Profits Tax Act, 1940.

The Bill was read the first time.

SECOND READING

The Hon. The SPEAKER: When shall this Bill be read the second time?

Hon. Mr. KING: Is my honourable friend opposite (Hon. Mr. Ballantyne) prepared to go on with this Bill now? If so, I will move second reading.

Hon. Mr. BALLANTYNE: While the excess profits taxes are exceedingly heavy, they are necessitated by the great war expenditure; so I do not see that any objection can be made now. But I may express the hope that after the war is over there will be considerable modification in the excess profits taxes, as an incentive to the manufacturers of this country to do two things: to get into their peacetime stride and extend their plants; and to provide a good many jobs for the large number of people who are bound to be looking for work after the war. At the present time, while we are engaged in this terrific struggle, I see no objection to second reading of the Bill.

Hon. Mr. LEGER: I presume that all the provisions in this Bill were elaborated in the budget speech.

Hon. Mr. KING: Somewhat.

Hon. Mr. McRAE: Honourable senators, I should like to ask the honourable leader whether this Bill in any way nullifies the agreements made with certain war industries, under Order in Council, with respect to depletion allowances and exceptional considerations of that kind. I do not presume it does, but I should like to have the point cleared up.

Hon. Mr. KING: I think not.

I have very little to say on this Bill, honourable senators. It is a departmental Bill containing certain amendments, one of which deals with oil and gas royalties and was much discussed in another place. The amendment is intended to bring the relevant section of this Act in line with the corresponding section of the Income Tax Act, I understand.

Then there is a departmental amendment regarding the paying of taxes by instalment. And there is a section covering reference to the Treasury Board. This has to do with cases where there is a dispute and the Treasury Board suspects the taxpayer has not made a proper compilation of his income. The Treasury Board may investigate and make what it considers to be the proper order, which will be subject to appeal to the Exchequer Court. This amendment, which relates to a section in the Income Tax Act, was also much discussed in another place.

I would suggest that, if it is agreeable to the Senate, we pass the motion for second reading and send the Bill to our Finance Committee, which could consider it to-morrow, with the help of departmental officials, and report to us in the afternoon.

Hon. Mr. McRAE: Honourable senators, this question of oil and gas royalties has been much discussed and is one of great importance in respect to the development of our own production in Canada. If departmental officials are to come before us to-morrow they should be in a position to give us information in detail. A great many people in Western Canada are much interested in having some change made in the present situation. I presume this Bill provides for a change; so a full explanation in committee would be very helpful.

Hon. Mr. KING: We shall try to have the officers there to explain this.

Hon. Mr. BALLANTYNE: Honourable senators, if I may be allowed to rise again, I might say that I have read the discussion in another place, and it is of course manifest that Parliament is divesting itself of a great deal of authority, which is being given to the Treasury Board; but at the same time I have considerable sympathy with the Minister of Finance in his attempt to block up the holes, as he puts it. Reviewing the matter in that light, while I certainly should like Parliament to retain all its usual control, and I regret to see any of it taken away or delegated to another body, yet

in the present circumstances, and on account of the reason advanced by the Minister, I do not feel justified in offering any objection.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that this Bill be referred to the Committee on Finance.

The motion was agreed to.

OTTAWA AGREEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 70, an Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators, I do not think this Bill requires any long explanation. It is a hardy annual, which has appeared in its present form since 1925.

Hon. Mr. CALDER: No alterations?

Hon. Mr. KING: No alterations. In 1925 a new contract was made with the City of Ottawa, extending the payment from $75,000 to $100,000, and the term to 1930; and since 1930 the agreement has been renewed annually. This sum of $100,000 that the Government pays the City of Ottawa every year is not in lieu of taxes. If one looks back in the records for the occasion when the Government first recognized some responsibility towards the City, it will be found that in 1898, I think it was, Sir Wilfrid Laurier suggested the setting up of a commission for the beautification of Ottawa, and at that time a grant of some $60,000 was made. It was assumed by the Government that the sprinkling and other care of certain streets would be looked after out of that grant. In 1920 it was agreed that the annual payment should be increased to $75,000, and the Government undertook to pay for certain services rendered by the City—so much for water metered into buildings, for example—but never at any time has there been an agreement to pay anything in lieu of taxes. I make this statement because the question is always brought up when the agreement is before Parliament for renewal. I followed the debate in the House of Commons last night. It was not long, and I gleaned from it that there is an understanding between the City and the Government to have the present contract renewed annually until the end of the war.

Hon. W. RUPERT DAVIES: Honourable senators, I should like to ask the honourable leader of the House a question. I read very carefully in Hansard the discussions that occurred on this Bill in another place last night, and I notice that in addition to the $100,000 which the City of Ottawa receives from the Dominion Government under this agreement, it gets $333,000 annually through the Federal District Commission, which amount is largely spent in the city. That is a total of $433,000 a year. However, we will deal with the $100,000, which is a lot of money. It means that in ten years the City of Ottawa has received $1,000,000 of the taxpayers' money for certain services which were supposed to be supplied to the Government of this country. I notice that a large part of the $100,000 is presumably contributed for fire protection, and I should like to ask whether this House has any information as to how well equipped the city's fire department is to cope with a big fire in one of the Government buildings, say the Parliament buildings.

Hon. Mr. KING: Honourable senators, I do not know that I am able to give an authoritative answer. At one time I did know, for I was Minister of Public Works when the contract was made in 1925. We satisfied ourselves then that the equipment and facilities available in Ottawa were of a character quite suitable to a city of its size.

Hon. Mr. McRAE: Honourable senators, I think it might be well to mention that this grant is a special provision for Ottawa. The Government has property in various other cities, which supply water and fire protection and the usual services, and exempt the buildings from taxation. I am not objecting to the Bill, but, following up the remarks of the honourable senator from Kingston (Hon. Mr. Davies), I merely want to point out that this grant is a special favour to the City of Ottawa, which it should very much appreciate.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

DIVORCE COMMITTEE REPORTS

CONSIDERATION POSTPONED

On the Orders for consideration of the 49th to 65th reports, both inclusive, of the Standing Committee on Divorce:

Hon. Mr. ROBINSON: Honourable senators, as the evidence taken in most of these divorce cases has not yet been received from the printer, I would suggest that all the Orders stand.

The Orders stand.

BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, we could perhaps adjourn now until this evening.

The Hon. the SPEAKER: The motion for the second reading of Bill 7, the Department of Munitions and Supply Bill, was left in abeyance.

Hon. Mr. KING: In deference to the honourable leader opposite (Hon. Mr. Ballantyne), who has said he desires to make a study of this Bill, I would suggest we adjourn now and resume this evening at 8 o'clock, to take up the Bill then. Would that be satisfactory?

Hon. Mr. BALLANTYNE: Quite.

Hon. Mr. KING: In that case I would move that when the House adjourns this afternoon it stand adjourned until 8 o'clock this evening.

Hon. Mr. DONNELLY: Call it six o'clock. It occurs to me that if the honourable leader's motion were carried, our sitting this evening would be the second separate sitting for to-day, and that would be a little hard on honourable members who are absent. I think the proper procedure would be for His Honour to call it six o'clock, and then we should meet at eight as a matter of course.

Hon. Mr. KING: Thank you.

Hon. Mr. CALDER: We could adjourn during pleasure, on the understanding that we meet again at eight o'clock.

Hon. Mr. DONNELLY: Either procedure would do.

Hon. Mr. LEGER: The best procedure, it seems to me, would be to call it six o'clock.

Hon. Mr. CALDER: Yes. Then we should not need a motion to meet at eight.

Hon. Mr. KING: All right.

At six o'clock the Senate took recess.

The Senate resumed at eight o'clock.

GASOLINE RATIONING DISCRIMINATION AS BETWEEN COMMONS AND SENATE

QUESTION OF PRIVILEGE

Hon. A. L. BEAUBIEN: Honourable senators, I rise to a question of privilege. I am informed that members of the Parliament of Canada are not all treated alike in regard to gasoline rationing. My information, which I believe to be authentic, is that members of the House of Commons, in addition to their AA rating, are entitled to a category A coupon book. This gives them sixty units more than members of the Senate. Members of this Chamber, I am confident, are doing just as much as members of the other House in furthering the war effort, and undoubtedly during the Easter recess every senator will be actively engaged in the war loan campaign, doing his best to induce our citizens to buy war bonds. I fail to see any valid reason for this discrimination between members of the two Houses of Parliament.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. A. L. BEAUBIEN: Last year 98 per cent of my automobile travel was for purposes similar to those for which members of the House of Commons use their cars. I hope the honourable leader of the House (Hon. Mr. King) will convey to the powers that be my submission that there should be no discrimination between members of the House of Commons and members of the Senate in regard to gasoline categories.

Hon. Mr. SAUVE: Hear, hear.

Hon. A. L. BEAUBIEN: Surely we are all making our full contribution to the war effort, and the Oil Controller should treat us all alike.

Hon. J. H. KING: Honourable members, I think we appreciate the remarks of the honourable senator from St. Jean Baptiste (Hon. Mr. Beaubien). I myself have little knowledge of the allotment of gasoline to motorists. Having been for many years in no position to own a motor-car, I am not worried about gas rationing categories. But if there is discrimination of the character alleged by the honourable gentleman, I think his point is well taken, and I shall be pleased to bring the matter to the notice of the Minister, so that he in turn may bring it to the attention of the Oil Controller. Probably no persons realize more than members of Parliament how essential it is to conserve every ounce of gasoline, and I am sure that if members of the Senate are put on the same basis as members of the House of Commons they will use their

extra supply of gasoline with the greatest care. In fact, I think we might well assure the Minister and the Controller that, being older, we are likely to be extremely moderate in the use of our cars.

Hon. A. D. McRAE: We get most of our gasoline from the United States, and their restrictions are much more severe than ours. I fear that, if we are to judge from the regulations in force to the south of us, we shall eventually have to get along with a still more limited allowance of gasoline than we are receiving at the present time.

Hon. A. L. BEAUBIEN: Is the honourable gentleman in favour of the discrimination between the two Houses to which I have referred?

Hon. Mr. McRAE: No, I am not in favour of discrimination at all, but I doubt very much whether in the circumstances special consideration should be given to the members of either House. I agree entirely with the honourable leader as to the seriousness of the gasoline shortage.

Hon. C. W. ROBINSON: Honourable senators, I think this may be an appropriate occasion for me to inquire why in the Maritime Provinces, in view of the urgent need of gasoline, restrictions should be imposed upon a small oil company producing gasoline not very far from where I live. This company produces about 100,000 gallons of gasoline a year and was selling it through a couple of its own filling stations, but the Oil Controller, for some unknown reason, said, "We won't allow you to sell your gasoline." Of course, the company had to close down its two stations, and its tanks are now full of gasoline. In short, we are told the country is short of gasoline, and yet the company is not allowed to sell its product. Can any honourable member explain to me the reason for the Oil Controller's action?

Hon. J. P. McINTYRE: My experience is that every motorist gets an AA rating, but if he desires a higher rating he must fill out the appropriate form, and if the Regional Oil Controller is satisfied, the applicant will be granted a higher rating entitling him to a book of extra coupons.

Hon. Mr. KING: In reply to my honourable friend from Moncton (Hon. Mr. Robinson) I may say that, if I remember aright, he had an inquiry on the Order Paper last session relative to the matter he has just mentioned. As I recall, the gasoline the company was producing was not standardized, and this was the basis of the objection on the part of the Oil Controller. But I hesitate to make a definite reply at this time. I should prefer to let the matter stand until after the Easter adjournment.

Hon. Mr. McRAE: The question of the quality of the gasoline should not be a consideration, for, as I understand the honourable senator, the company with an output of 100,000 gallons of gasoline was selling it at its own stations, and surely the purchasers were the best judges as to its quality. In view of the present gasoline shortage, it is difficult for me to conceive how anyone could justify shutting down an industry of that kind on the ground that the gasoline is either too good or too poor in quality. The standard of that gasoline may be too high, but it could be reduced. There is no difficulty in bringing gasoline down; the difficulty is in bringing it up to a certain standard. I wonder what the company did with its gasoline. Either it had to throw the gasoline away or else store it, and in the latter case there is always considerable loss through evaporation.

Hon. Mr. ROBINSON: The company stores the gasoline in its tanks until they are full. Then it has to stop producing.

Hon. Mr. McRAE: It looks to me like a foolish situation.

Hon. A. L. BEAUBIEN: I am afraid my question of privilege has not been fully understood by most honourable members. It has to do solely with the discrimination between members of the Senate and members of the House of Commons in regard to their respective gasoline ration categories.

An Hon. SENATOR: It is understood.

Hon. N. M. PATERSON: Honourable senators, I may say that I made inquiries as to why members of Parliament were allowed 180 gallons of gas a year more than members of the Senate. We are allowed 120 gallons as against their 300 gallons. The answer was: "They have to visit their constituents." I think that if the honourable senator had to visit his constituents as members of Parliament do, he would need that 180 gallons. It has been said that a senator does not need to travel for that purpose. I think, though, to be perfectly fair, the control authorities should either stop members of Parliament from going fishing or allow us all to go fishing.

Some Hon. SENATORS: Oh, oh.

Hon. J. J. DONNELLY: I rise, honourable senators, not to discuss the question of gas rationing, but to call attention to the use by the honourable member who has just sat down (Hon. Mr. Paterson) of the term "members

of Parliament." Members of the Senate are also members of Parliament. It would be well to refer to members of the other branch of Parliament as members of the House of Commons.

Hon. Mr. PATERSON: I stand corrected.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I find that a question of mechanics has interfered with our proceeding with Bill 7 to-night. The Bill has not been distributed. In the circumstances I must ask that we adjourn. In doing so I would move that when the Senate adjourns to-night it stand adjourned until 11 o'clock to-morrow morning.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Wednesday, April 21, 1943.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

GASOLINE CATEGORIES OF MEMBERS OF SENATE AND HOUSE OF COMMONS

INQUIRY

On the notice of inquiry:

By Hon. Mr. Sauvé:

1. On the basic book of the Oil Controller of Canada, are the members of the Senate and the members of the House of Commons classified in the same ruling and the same category?
2. If not, why not?

Hon. Mr. KING: Stands.

Hon. Mr. SAUVE: May I ask the leader of the Government when I am likely to get an answer to my inquiry?

Hon. Mr. KING: The inquiry will go to the Controller's office and I shall urge an early report. I cannot state when it will be ready.

DIVORCE COMMITTEE REPORTS

CONSIDERATION POSTPONED

On the Order:

Consideration of the forty-ninth report of the Standing Committee on Divorce, to whom was referred the petition of Alissamon Wheeler Baker Macoun, together with the evidence taken before the said committee.—Hon. Mr. Robinson.

Hon. Mr. ROBINSON: Stands.

Hon. Mr. KING: That applies to all the divorce reports on the Order Paper?

Hon. Mr. ROBINSON: Yes. In many of the cases the evidence has not yet been printed, and I suppose nothing would be gained by trying to rush through consideration of the reports to-day. I think it would be preferable to allow all the orders from No. 2 to No. 18, inclusive, to stand.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 7, an Act to amend the Department of Munitions and Supply Act.

He said: Honourable senators, this is probably one of the most important bills to be enacted since the war began. The Department of Munitions and Supply Act came into being in 1940 for a limited period, which expires in April of this year. It is necessary that it be re-enacted to make provision for the conditions that exist to-day. The results under this measure have been astounding. An expenditure of some eight hundred million dollars has been made by the Government of Canada in equipping buildings and making arrangements for the manufacture of war materials, and Canada has become one of the world's great nations in the production of implements of war.

The purpose of the Bill introduced to-day is to enable continuance of the operations carried on under the Minister of Munitions and Supply. I am asking Mr. Kennedy, an officer of the department, to come to the floor to check and advise me as I go along.

Hon. Mr. BALLANTYNE: Is it the intention of the leader to move the House into Committee of the Whole?

Hon. Mr. KING: I had not thought of doing that now. I thought that we might go over the sections of the Bill as they occur, that I might give the explanations, and then, if necessary, we could go into committee.

Hon. Mr. BALLANTYNE: Had we not better continue the debate on the second reading before going into the details of the Bill?

Hon. Mr. KING: I am not entering into great detail. I am just going over the Bill from section to section. I do not intend to make a speech on the Bill. My remarks are merely to call attention to the importance of the legislation and the necessity of this Bill in order that the activities carried on under the original measure may continue.

Subsection 2 of section 1 deals with officers of the department. They are appointed with the approval of the Governor in Council as prescribed by an Order in Council passed on April 19, 1940.

Subsection 3 deals with salaries.

Hon. Mr. MORAUD: The appointments do not fall under the Civil Service Commission?

Hon. Mr. KING: I understand that under the War Measures Act these officers are appointed through the Civil Service Commission.

Hon. Mr. ROBINSON: Subsection 3 deals with salaries?

Hon. Mr. KING: Yes.

Hon. Mr. McRAE: Honourable senators, I take it that this Bill will be referred to a committee. It seems to me a bit unusual to deal with it as we are doing now, and I do not think it quite right. Besides, it seems unnecessary, for these explanations will be made either in Committee of the Whole or in the special committee to which the Bill may be referred.

Hon. Mr. KING: I am quite satisfied to have them made there. In fact, I should much prefer to let it go to committee.

Hon. Mr. BALLANTYNE: If honourable senators will allow me, I would say that the way the proceedings are going is a bit irregular. The Bill is being dealt with as if His Honour the Speaker had left the Chair and we were in Committee of the Whole. I would respectfully suggest to the honourable leader that he now make any remarks he desires to make. I shall follow him. Afterwards he could move the House into Committee of the Whole, and we could then take up the Bill section by section. It certainly is contrary to our rules to proceed the way we have been going, as though we were in Committee of the Whole, while His Honour is in the Chair and the Mace is on the Table.

Hon. Mr. KING: It is not at all irregular.

Hon. Mr. ROBINSON: Honourable senators, is this on the motion for second reading?

Hon. Mr. BALLANTYNE: Yes.

Hon. Mr. ROBINSON: Is it not usual to have an explanation of the Bill on second reading?

Hon. Mr. BALLANTYNE: Yes. The honourable leader explains the Bill, and then I have a right to reply. After that it is in order to move the House into Committee of the Whole and invite officials from the department to be where they are at the moment. Then we can take up the Bill section by section. On the motion for second reading it is entirely irregular and wrong not to allow me to make some remarks and criticize the Bill before we go into Committee of the Whole.

Hon. Mr. ROBINSON: Nobody can stop you.

Hon. Mr. KING: There is no intention of interfering with my honourable friend at all. The practice I am following is, I think, the usual one. From time to time, though probably not often, departmental officers have sat on the floor of the House during the debate on second reading. That is done in the Commons from day to day.

I do not wish to labour this matter at all. There are a few sections that I intend to discuss; and I think my honourable friend will be interested in one of them, which I shall come to in a moment or so. After I have finished I shall expect my honourable friend to reply. I am desirous that we proceed to-day as expeditiously as possible, and it is not my desire to lumber up the proceedings in any way.

Hon. Mr. BALLANTYNE: I am sorry. May I say to my honourable friend that in my opinion it is the duty of the leader of the House, on the motion for second reading, to explain the principle of the Bill. He can take as long as he likes in doing that, but I do object to our getting into details of the Bill before the principle has been debated.

The Hon. the SPEAKER: Of course, it is a rule of this House, as well as of the Commons, that on the motion for second reading of a public bill the Minister in charge of the bill explains in a general way its principle and general characteristics, and in making his explanation he should not be interrupted. Other honourable senators also have the right to speak generally on the principle and general features of the bill.

Hon. Mr. BALLANTYNE: Hear, hear.

The Hon. the SPEAKER: When the motion for second reading is adopted, the bill is referred to Committee of the Whole or to a standing committee, where it can be taken up clause by clause.

Hon. Mr. KING: That is quite right. I understand. We will continue that way.

The Bill deals first with the appointment of officers, and the payment of salaries. There are sections dealing with ministerial powers, and persons authorized to sign requisitions.

Then it is provided that the authority of the Governor in Council is required for certain contracts.

By section 6 power is given to the Minister in regard to storage of munitions or other articles that his department is dealing with, and penalties are provided against persons who refuse to provide storage. There are also provisions for an appeal from the order of the Minister, and for hearing of the appeal, and so on.

Section 9 embodies an amendment which in the Act will be section 17. This is the section in which my honourable friend is interested. In the original Act provision was made for its termination in April of this year. There is no provision of that kind in the present Bill. My honourable friend has spoken to me personally on this point and urged that a date of expiry should be set.

I have consulted the Minister in this regard. He advises me that it would at present be impossible to fix any date when the work of the department should cease, and I think anyone on reflection will appreciate the Minister's difficulty in fixing a date in 1945, 1946, 1947, 1948, 1949 or 1950. A good deal of property is involved. The department will be functioning at least during the war period. After the war the salvage and disposal of the department's properties to the best advantage will take a considerable period to work out. Then there are certain functions which it might be considered proper for the Government to retain after the war is over, such as control of arsenals and the manufacture of munitions. Whether these would remain entirely under Government operation is not yet known. The Minister feels that nothing would be gained by the provision that the Act should terminate in April, 1946. If by that time the war is over, the Parliament of Canada can pass legislation repealing the Act and setting up whatever authority may be required to carry on the work of the department. I am speaking on this question in advance of my honourable friend, because he has intimated to me that he is most desirous of having a date fixed for the expiry of the Act.

I think the Bill should go to the Committee on Finance, to be thoroughly considered section by section. I move that the Bill be now read a second time.

Hon. C. C. BALLANTYNE: Honourable senators, I know that every honourable member of this House is seized of the fact that this is the most important legislation that has ever come before Parliament. By this measure Parliament is relinquishing virtually all its rights and privileges to the Minister and the department. I do not object to that being done during the war, because it is necessary. I do feel, however, that there ought to be a date fixed for terminating the legislation. In 1945 the life of this Government and of the House of Commons expires. We cannot foretell what Government may be in office then, and therefore I shudder to think of the consequences of conferring such tremendous powers as those granted by this measure, with no provision for their termination. I do not agree with the reasons which my honourable friend has advanced, and which have been furnished him by the Minister, to show why a date could not be fixed for the expiration of this measure.

I intend later on to move in amendment that the powers to be granted by this Bill shall cease in April, 1945. If at that time the war is still going on, the Government can proceed under the War Measures Act. There is no need of rushing the Bill through at this sitting of the House, for an Order in Council has been passed under the War Measures Act extending the authority and power of the Minister to carry on until the end of this Parliament. The Minister would be well advised to allow this tremendously important Bill to stand over. It is too important to be rushed through just before the Easter recess. The honourable leader has stated that he intends to move that the Bill be referred to the Finance Committee. With all due respect to that committee, I should much prefer that it be dealt with by the Committee on Banking and Commerce. After the Easter recess most of the senators not now in their seats will have returned. All the skill and ability of the legal gentlemen who are members of this House will be needed when we examine the Bill section by section. I do not say that under the Bill in its present form irregularities will arise, but they might. In any event it is the duty of honourable senators to have so important a Bill considered clause by clause in the Banking and Commerce Committee before it is examined by Committee of the Whole. Again I urge the Minister to have the Bill referred to the Banking and Commerce Committee, to be taken up after the Easter recess.

The honourable leader has pointed out that the Minister of the department and persons associated with him have under their control expenditures amounting to the vast sum of $800,000,000. Under this Bill as now drafted Parliament will get only such information relative to those expenditures as the Minister may be disposed to give. As I said a moment ago, all the powers of Parliament are contained in the Bill. These powers are of course necessary for the department during war-time, but

they will not be necessary under post-war conditions. With grave apprehension I view what may happen to the industrial life of this country after the war ceases, if a Government comes into power that does not see fit to repeal this legislation. Therefore I believe that in all fairness to the Minister and to those associated with him it is absolutely necessary that a date be fixed for the termination of the Act.

The Department of Munitions and Supply has done a very good job and should be given full credit; but too little credit has been given to the industrialists of Canada. It is truly remarkable how our captains of industry have turned their factories from peacetime to wartime production—the manufacture of guns, tanks, and other war equipment that had never before been produced in this country. They deserve the fullest credit not only from the Government and Parliament, but also from the people of Canada.

Another tribute I wish to pay to those engaged in our manufacturing industries is that they have not sought to make any profit beyond the meagre profit they are making under their war contracts. From time to time we hear those who are ill-informed criticizing the "huge" profits that Canadian industrialists are making, and they are sometimes referred to as "profiteers." This attitude is altogether unfair. The so-called profiteers have made a very fine record for both the quality and quantity of their war production, and I am confident they will strive to improve even on that fine record.

In moving my amendment I trust that honourable senators on the other side of the House will appreciate that I am not doing so with any ulterior political motive. Certainly I have none. I have in my mind not only the industrial and commercial security of this country after the war, but its security as a whole. In these troublesome and difficult times people's minds do not work with the same degree of sanity as under normal conditions, and, as I said a moment ago, we do not know what Government and party will control this country after 1945. Therefore I hope that this amendment will carry. It does not interfere with the Minister or his department until April, 1945. Then, if we are still not at peace, all the Government need do will be to have Parliament renew these powers.

There is another thing that I am afraid of, and the Minister has given a slight indication that it may happen. I am absolutely against the Government engaging in private enterprise. I think we ought as soon as possible to re-establish the freedom of private enterprise. It is better for this country that it should be restored. I am absolutely opposed to the Government entering industrial life. Let them perform the duties they are called upon to fulfil as a Government or in Parliament, but leave private enterprise and capital alone to function for the benefit of Canada, as has been done during the past fifty years or more. So far as I am concerned, I do not want any vestige of this department to remain after the war. I know that after the war a reasonable time will be required for settling claims and dealing with the salvage of these large industries; but this settlement is not going to take so long as my honourable friend has stated. I think it could probably be done within a year, and then the Department of Munitions and Supply should disappear entirely.

I therefore move the following amendment:

9. (1) Section seventeen of the said Act, as enacted by section ten of chapter thirty-one of the statutes of 1940, is repealed and the following substituted therefor:—

17. Subject to the following provisions of this section the foregoing provisions of this Act shall continue in force for a period of five years beginning with the ninth day of April, 1940, and shall then expire.

The Hon. the SPEAKER: Honourable senators, under rule 64 it is usual to debate the principle of a bill on second reading. I understand that there is not a specific rule of the Senate, as there is of the Commons, that has the effect of prohibiting the amendment of a bill on second reading; unless it be, perhaps, that a proper interpretation of rule 64 would have that effect. Rule 64 says:

The principle of a bill is usually debated at its second reading.

I should think it has been the practice of the Senate not to present amendments on second reading, but rather to offer them in committee. As I am unable to find any specific rule on this point, however, it is a question of expediency for the Senate itself whether it would be good practice to permit the presentation of amendments on second reading or would be preferable to withhold them for the committee stage.

Hon. Mr. BALLANTYNE: Your Honour, I am quite prepared to bow to your decision. I presume the leader will move this House into Committee of the Whole almost immediately, and I shall then move the amendment.

The Hon. the SPEAKER: As I pointed out, I am not making a ruling. I am simply suggesting to honourable senators that the procedure I have outlined would be more orderly and probably more satisfactory.

Hon. Mr. LEGER: Honourable senators, may I call attention to rule 65, which, although it deals with the reconsideration of clauses, would imply that a senator may at any time move almost anything. The rule says:

A senator may, at any time before a bill is passed, move for the reconsideration of any clause thereof, already passed.

This would indicate that even after a bill is given third reading, a motion can be made in relation to it. As I read the rule, a senator may move at any time, at any stage of a bill, any amendment he chooses; and I take it that that is why there is no restricting clause specifying at what time an amendment should be moved.

Hon. Mr. BALLANTYNE: If His Honour the Speaker will allow me: he no doubt has noticed, as I did when I first came into this honourable Chamber, that the rules of the Senate are entirely different from those of the other House. In moving my amendment I think I am within the somewhat lax rules—if I may so describe them—that at different times have prevailed in this House. However, I do not want to create a precedent, and if it suits Your Honour and other honourable members better that I move in Committee of the Whole, that is quite satisfactory to me.

Hon. Mr. KING: The honourable gentleman has indicated that it would be satisfactory to him to move his amendment in committee. Such, I believe, has been the usual practice in this Chamber. In view of his suggestion that he will postpone his motion, I would now propose that we continue the discussion on the Bill.

These war measures have all been going to the Committee on Finance. It is well organized, there is very good legal talent on it, and its members are here to-day. It is a large committee and can very well go over this Bill, which requires careful consideration. Therefore it is my intention to move that the Bill be referred to that committee.

As soon as the discussion here is concluded, we should, I think, adjourn during pleasure. Then, if it is convenient, the committee could meet at two or two-thirty, give the Bill careful consideration — which should not take more than an hour or so — and report it to the House. We can then go into Committee of the Whole on the Bill, and my honourable friend can move his amendment if he so desires.

Hon. Mr. BALLANTYNE: The honourable the leader has made no response to my urgent request that this House do not proceed with this Bill, and that it stand over until after the recess.

Hon. Mr. KING: I am speaking only on the point of order.

Hon. Mr. BALLANTYNE: There is no urgency for the passing of this Bill. It will do as well after the recess.

With regard to the committees, may I point out that the Standing Committee on Banking and Commerce, which is very much larger than the Finance Committee, always deals with matters of this kind. While I am not criticizing the Finance Committee or its able chairman, I do think it would be a mistake to refer this Bill to that committee. I would urge my honourable friend to have it referred to the Committee on Banking and Commerce, if he will not agree to a postponement.

Hon. Mr. KING: After Parliament has been in session for three months, it would be, in my opinion, a lamentable thing that the Senate, knowing the character of this Bill and the difficulty the Minister had in getting it before the House of Commons, should adjourn for a period of two or three weeks without reaching a decision on its merits or demerits. I think it should be assented to this afternoon, along with the other measures that are ready. It would be bad for the country to learn that this Bill, which is so important and has such an effect on the production of munitions and war supplies, had been delayed for any length of time. If its principle is right, and if the legislation is doing the work intended—and I think we all agree that it is—in my opinion we should see to it that the Bill is ready for Royal Assent to-day.

Hon. Mr. BALLANTYNE: As Your Honour will note, what is going on now is entirely different from what would occur in the other House. The Leader of the Opposition there would be allowed to speak only once on the motion for second reading. Here we have not followed that rule, but have carried on the debate on the motion for second reading as though we were in Committee of the Whole. Therefore I have no apology to offer for rising so often.

I cannot follow the honourable leader's logic. We are not delaying the Minister of Munitions and Supply or his department.

Hon. Mr. KING: The Bill should pass.

Hon. Mr. BALLANTYNE: There is no particular reason why this Bill should pass to-day or to-morrow.

Hon. Mr. KING: I think there is very great reason.

Hon. Mr. BALLANTYNE: No reason in the world. The Minister and the department have until the end of this session all

the power that the Bill can give. What reason is there why the measure should be rushed through now? I am serious about this. The Bill is a tremendously important one. Parliament is asked to abandon virtually all its authority and rights to the Minister and the department, yet in face of that the honourable leader says it is urgent that the Bill be rushed through now. I strenuously object to that. I say the honourable leader would be wrong to insist on this Bill being passed immediately. To hold it here for further consideration would certainly not delay the Minister or the department; for, as I said a moment ago, they have full authority to carry on until the end of the session.

On this side of the House we have a number of good legal men, and I do not suppose they are members of the Finance Committee. That is another reason why I urge that the Bill be delayed: I want it to go before the Banking and Commerce Committee. Honourable members of this House who are lawyers will take one day, or probably two days, to go through this extremely serious piece of legislation. My honourable friend is treating the Senate and Parliament lightly when he says: "This is a Government Bill; it must go through now; we want to have Royal Assent to-day." There is no reason in the world why the Bill should be adopted to-day, or be assented to to-day. We have our rights here, and if I had a majority behind me I certainly would not allow the Bill to pass this afternoon.

Hon. A. D. McRAE: Honourable senators, in the remarks I am going to make I think I should pay a compliment, a high compliment, to the Minister of Munitions and Supply. What has been accomplished in his department is something every Canadian can well feel proud of. That has resulted from three things: first, the Minister's ability as an organizer; second, the very wonderful way in which the industries of the country have adjusted themselves to war production; and, third, but by no means last, the adaptability of Canadian labour, and the results which Canadian labour has greatly helped to bring about. What has been done is amazing. I am not one of those who quibble about mistakes here and there down the line. They always occur in big business, and this is the largest business Canada has ever attempted. We have to take the situation by and large, and I repeat that we can well be proud of the results that have been accomplished.

Having said that, I trust honourable senators will feel that I am approaching this Bill in an unbiased way. I might, if I am permitted to digress for a moment, refer to the production under our Department of Munitions and Supply. Our situation is similar to that in the United States: both countries have produced more war materials than are needed or can be used at the moment. To realize the truth of this, one has only to look at the munitions and other equipment stored on railway sidings in this country and in the country to the south. There are two reasons why so much material is being held in this way. One reason, I presume, is lack of shipping; another is that much of this material will undoubtedly not be needed until we start a second front. It is probably not practical to keep on producing similar material to an unlimited extent, because within a short time improvements may be developed that will make new types of equipment necessary.

It is evident that if we are going to reduce munitions production—and that appears to be in the offing—there will be a great displacement of men; and these men, as I gather from the Press here and across the line, will be absorbed in other industries. I think it might be well if a frank statement were made as to that in both countries. I recently read in the American papers that as many as 550,000 men now engaged in production of munitions and armaments will be let out of that employment in the next sixty days. So far as is possible, these men will doubtless be put to work on the building of ships and airplanes, the two most urgent requirements.

The third most urgent requirement is agricultural production. As to this, I have no definite information, but I am sure the Government will be faced with a very hard task in taking men out of munitions plants and putting them back on the farms. Yet, unless we relieve the farm labour situation, our agricultural production, which is one of our war efforts, will be disappointing.

I now come to the Bill that is before us. I must say I was appalled when the honourable leader of the House (Hon. Mr. King) intimated to us what we were expected to do in the next twenty-four hours. It is not humanly possible for us to do that and properly discharge our duties as members of this House. Personally, as a protest against the rushing through of measures here, without due consideration, I prefer to vote against every bill with regard to which I have not had an opportunity to do more than scan its sections. I have the greatest respect for the abilities of the members of this honourable House, and I think it would be to the advantage of the Government and of the nation—I know it would be—if honourable members had adequate time to consider im-

portant bills such as this. In many cases there would be no need for our making the slightest changes in the bills, but we want time to go over them all, to make sure they contain no inconsistencies, that they are in keeping with other legislation on the Statute Book. In short, we want an opportunity for generally improving legislation, as we have been doing in this House for the last twelve years, to my knowledge.

We are asked to pass on a lot of legislation. We are not rubber stamps for the other House. We are here as mature, thoughtful and, I hope, intelligent individuals, charged, under our oath of office, to discharge properly our duties as senators of Canada. And I submit to every honourable senator that the programme we are asked to approve in the next twenty-four hours does not give an opportunity for the exercise of our best judgment.

The Senate is the safeguard of legislation in this country. This honourable House performs a valuable service in the interests of the people; it has proven that over the years. Are we to forgo even the semblance of reason by rushing through much legislation in the next twenty-four hours? If it were absolutely essential that the legislation should be rushed through, all well and good; we should meet the emergency. But the Bill before us can be dealt with after Easter just as well as now; it is a measure that will not be necessary for some months to come. Why there should be a desire to clear the decks before Easter, I do not know. All I am pleading for is an opportunity to go into these important matters intelligently, to use our grey matter, our common sense, and to discharge the obligations which we have pledged ourselves to assume.

Other important legislation is to come before us to-day. The same remarks apply to that. Honourable senators, do not let us be ridiculous in the eyes of the country. Do not let it be said that we were a rubber stamp for the other House. Let us be fair to ourselves, and we shall be fair to the nation.

Hon. Mr. BALLANTYNE: Honourable senators, I want to have an expression of opinion by this House, through a division or vote. I therefore move, in amendment, that this Bill be not now read a second time, but that the second reading be postponed until after the Easter recess.

Hon. Mr. KING: Honourable senators, I wish to speak briefly to that amendment. I do not know just what my honourable friend has in mind this morning. We are dealing with matters of great importance. This is one of the most important pieces of legislation that have come before us, and to say it is not urgent is contrary to the fact. The Bill contains provisions that the Minister finds he urgently needs now. I am not going to take the position that this Bill must have Royal Assent to-day, but I do know the desire of the Government in regard to this and other legislation that will be before us to-day.

So far as the Senate is concerned, we have been coming and going; we have not been overworked. As I said yesterday, if we cannot get finality on these measures to-day, we shall have assent at a quarter to six to-night to the Bills that are already passed, and we shall adjourn then and carry on to-morrow. We can also carry on on Saturday, and I think the Government has a right to ask honourable members to remain in their places and dispose of this legislation that is before us. To say it is not important and that it can wait till after Easter is not a fair statement, because it concerns matters that are of importance, not only to the Government, but to the whole nation. If it is not agreeable to the Senate to pass this measure to-day, I am satisfied to let it stand over until to-morrow, when we can take it up again.

If my honourable friend (Hon. Mr. Ballantyne) is serious in moving his motion, we shall have to vote, I suppose; but I think it would be better not to put that motion. I have no desire, and I know the Government has no desire, to crowd legislation. Indeed, we have already shown a disposition against crowding, in the fact that we are not asking for assent to-day to some bills that are very important and would ordinarily have been rushed through this House. We are willing to wait. But we do think that certain bills now before us should be enacted before the Easter recess. Even if we did not get Royal Assent to the income tax legislation, the mere fact that we had passed the Bill would give assurance not only to the Government, but also to those administering the Act, that the legislation is in its final form. But I think that for appearance sake alone we should proceed to pass this Bill. It is for the Senate to decide whether we shall continue to deal with the measure this afternoon. If we are not prepared to do so now, we should continue in session until this and the other bills are properly dealt with, take what time it may.

Hon. Mr. BALLANTYNE: My motion is before the House.

Hon. Mr. KING: I have spoken to the motion. I have intervened only once or twice in the debate.

Hon. A. L. BEAUBIEN: Honourable senators, throughout the session the official Opposition in the other House has complained that the Government has ignored Parliament

by resorting to Orders in Council. The only reason why the Minister of Munitions and Supply asked for the Order in Council which has been mentioned was the impossibility of getting this amending Bill passed before the date of expiry of the original Act. So, if consideration of this Bill is to be deferred until after the Easter recess, the delay will have the effect of continuing the Order in Council in force, and to that extent taking away from the authority of Parliament. This Bill does not differ very greatly from the Act of 1940, and if my honourable friend on the opposite side wants to limit its duration to 1945 he can easily move the desired amendment in Committee of the Whole. It seems to me the real bone of contention is that the powers conferred by this measure can be exercised after the war is over. That might be a reasonable objection, but in any event it can be raised when the Bill is in committee.

Hon. C. W. ROBINSON: Honourable members, there has been a great deal of talk about holidays. After listening to the discussion I feel that we have work to do in these days when we are passing through one of the greatest crises in the history of the world. Why should we even mention holidays? Why not go on with our work, sit on holidays, even on Sundays if necessary, to do our duty?

Hon. Mr. BALLANTYNE: Because so many members are absent.

Hon. Mr. ROBINSON: It is their duty to be present. Why do we want to talk about holidays in these times?

Some Hon. SENATORS: Question!

Hon. W. R. DAVIES: Honourable senators, as a comparatively new member I find myself in a rather difficult position. I have a good deal of sympathy with the views expressed by the honourable leader opposite (Hon. Mr. Ballantyne) with regard to section 17. As a business man, it does seem to me that duration of the powers should not be limitless, but I do not altogether agree with the amendment moved by the honourable leader opposite, which would extend their operation for five years.

Hon. Mr. DONNELLY: No; two years.

Hon. Mr. DAVIES: I wonder why these powers could not be extended from year to year. I quite agree with the honourable leader opposite that it might be very dangerous to grant such powers as would enable any Government two or three years hence—and we do not know what Government will be in power then—to carry on business in competition with private industry. I am in agreement, too, with the honourable senator from Vancouver (Hon. Mr. McRae) that this assembly should not be regarded as a rubber stamp, but should give careful consideration to every bill received from the Commons. So far as I am concerned, I should like to see this Bill fully explained, either before a special committee or in Committee of the Whole. I do not quite understand the latest amendment of the honourable leader opposite, but I think I should have to vote with him on his previous amendment.

Some Hon. SENATORS: Question!

The Hon. the SPEAKER: Honourable senators, it has been moved by Hon. Senator King, seconded by Hon. Senator Foster, that Bill No. 7, intituled an Act to amend the Department of Munitions and Supply Act, be now read a second time. It has been moved by Hon. Senator Ballantyne, seconded by Hon. Senator McRae, in amendment thereto, that this Bill be not now read a second time, but that the second reading be postponed until after the Easter recess. The question is on the amendment to postpone the second reading.

Hon. Mr. MORAUD: But what about the other amendment?

The Hon. the SPEAKER: I take it for granted that the honourable mover allowed it to stand.

Hon. Mr. BALLANTYNE: Yes.

Pardon me, Your Honour. May I suggest that the strangers who are with us be asked to retire when the vote is to be taken?

The amendment of Hon. Mr. Ballantyne was negatived on the following division:

CONTENTS

Honourable Senators

Ballantyne	McRae
Calder	Michener
Chapais (Sir Thomas)	Moraud
Donnelly	Paquet
Fallis	Sauvé
Marcotte	Tanner
McDonald (Shediac)	White—14.

NON-CONTENTS

Honourable Senators

Beaubien (St. Jean Baptiste)	Hayden
Beauregard	Hugessen
Blais	Hushion
Davies	King
Du Tremblay	Marshall
Fafard	McIntyre
Foster	Paterson
Gouin	Robinson
Harmer	Stevenson
	Wilson—19.

Hon. Mr. LEGER: I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted for the amendment.

The Hon. the SPEAKER: The question, honourable senators, is now on the main motion.

Hon. Mr. DONNELLY: Before the motion is put, may I make a suggestion to the leader of the Government? He has expressed a desire to expedite the business of the session by sending the Bill to a committee. In this case I think it is merely a matter of form to send the Bill to the Finance Committee, and I would suggest that it be referred to the Committee of the Whole. The officers of the department are here.

Hon. Mr. KING: That sounds well, but it hardly fits into the picture. Departmental officers on the floor of the House cannot discuss the Bill and cannot be questioned as they can be in a committee outside of this Chamber. I think better results will be obtained in the committee room. All honourable members are entitled to be present, and can speak, although only members of the committee can vote. I am satisfied that the most satisfactory way to proceed would be to send the Bill to one of the committees of the House. The reason I suggest the Finance Committee is, as I have said before, that certain other bills have gone to that committee. Its members are just as well qualified as the members of the Standing Committee on Banking and Commerce. As a matter of fact, I have been looking up the names of the members of the committees and I find that many of those who are on the Finance Committee are also members of the Committee on Banking and Commerce. I should prefer that we follow the procedure of the last two or three days and send this Bill to the Finance Committee, where it can be thoroughly discussed with the officials of the department, or even with the Minister or his deputy. When the Bill is returned to the House, my honourable friend can move his amendment in Committee of the Whole, if he still wishes to do so.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: I would move that the Bill be sent to the Committee on Finance.

Hon. Mr. CALDER: Honourable senators, I have no objection to this Bill going to the Committee on Finance. On the other hand, the suggestion has been made by the honourable member to my right (Hon. Mr. Donnelly) that it be submitted to Committee of the Whole House. I rise merely to ask what the rule is. I inquired the other day whether one of these bills—I do not remember which—would be submitted to Committee of the Whole, and I was assured that it would be. While I cannot speak with exactness, in the case of a bill of this kind I should think that under our rule there must be unanimous consent for not submitting it to Committee of the Whole.

Hon. Mr. KING It is my intention to submit it after it is returned from the Committee on Finance.

Hon. Mr. CALDER: Has this Bill already been before the Committee on Finance?

Hon. Mr. KING: No.

Hon. Mr. CALDER: After it is through the other committee it will be submitted to Committee of the Whole?

Hon. Mr. KING: Yes.

The motion was agreed to.

EXCESS PROFITS TAX BILL

REPORT OF COMMITTEE

Hon. Mr. BEAUREGARD presented the report of the Standing Committee on Finance on Bill 69, an Act to amend the Excess Profits Tax Act, 1940, with certain amendments, and moved concurrence therein.

Hon. Mr. BALLANTYNE: I suppose the leader has had from the Law Clerk the same memorandum that I have received, to the effect that this Bill should not be passed.

Hon. Mr. KING: Yes. We will not pass it now. It will stand. We will adopt the report. This is a companion Bill to the Income Tax Bill.

The motion was agreed to.

BUSINESS OF THE SENATE

Hon. Mr. BALLANTYNE: When will the Finance Committee meet?

Hon. Mr. KING: I would suggest that we adjourn during pleasure and that the Committee on Finance take under consideration Bill 7, an Act to amend the Department of Munitions and Supply Act, at two-thirty this afternoon.

Hon. Mr. BALLANTYNE: Could the honourable leader give us any indication of what progress is being made in another place?

Hon. Mr. KING: The other House will meet at two o'clock this afternoon.

The Senate adjourned during pleasure.

At 3.40 p.m. the sitting was resumed.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD presented, and moved concurrence in, the report of the Standing Committee on Finance, to whom was referred Bill 7, an Act to amend the Department of Munitions and Supply Act.

He said: Honourable senators, the Committee on Finance beg to report this Bill with one amendment, namely, that the word "eight" be substituted for the word "seven" on page 7, line 40.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: When shall this Bill be read the third time?

Hon. Mr. KING: There was a promise that we would go into Committee of the Whole if my honourable friend (Hon. Mr. Ballantyne) desired. If not, I would move the third reading now.

Hon. C. C. BALLANTYNE: Honourable senators, I move that the Bill be amended as follows:

Page 8, lines 11 to 34, both inclusive, and page 9, lines 1 to 9, both inclusive.

For clause nine substitute the following:

9. (1) Section seventeen of the said Act, as enacted by section ten of chapter thirty-one of the statutes of 1940, is repealed and the following substituted therefor:

17. The foregoing provisions of this Act shall continue in force for a period of five years beginning with the ninth day of April, 1940, and shall then expire.

(2) The said Act is further amended by adding thereto the following as section seventeen A:

17A. No person shall be entitled to damages, compensation or any other allowance for loss of profit, direct or indirect, arising out of the rescission or termination of—

(a) any contract entered into on or after April ninth, nineteenth hundred and forty, by such person with the Minister for or on behalf of His Majesty the King in right of Canada, His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland, any other of His Majesty's Governments, or the Government of any allied or associated power, or

(b) any contract entered into on or after April ninth, nineteen hundred and forty, by such person with any company all the issued share capital of which (except directors' qualifying shares) is held by the Minister in trust for His Majesty the King in right of Canada or for any of the Governments referred to in paragraph (a) of this section, or

(c) any contract entered into on or after April ninth, nineteen hundred and forty, by such person with any other person for purposes directly related to or connected with carrying out any contract described by paragraphs (a) or (b) of this section,

if such contract is so rescinded or terminated, at any time before it is fully performed, pursuant to a power contained in such contract or vested under the laws of Canada in the Governor in Council or the Minister.

Hon. J. J. DONNELLY: Honourable members, the amendment proposed by the honourable leader on this side (Hon. Mr. Ballantyne) is, I think, one which should meet with the approval of the Senate. If we pass the Bill with this amendment, the Minister and his department will have for the next two years all the power that they would have if the Bill passed in its present form. At the end of that time, if Parliament wishes to extend the Bill, it may do so. But if the Senate permits the Bill to pass without a time limit, it abandons all control over this measure until such time as some Government introduces or some House of Commons passes a measure to repeal this statute. As was pointed out in committee by the honourable leader on this side (Hon. Mr. Ballantyne), we do not know what Government may come into power. There are surprises in election results sometimes. We might have a Government which would be desirous of regimenting us all, and, unless the amendment were inserted in the Bill, such a Government could continue the legislation as long as it liked. In those circumstances the Senate could have no say in the matter until the Government introduced a repealing Bill. So I think that if we are to exercise such control as the Senate ought to exercise over legislation of this kind, we should insert a time limit in the Bill.

There is another reason why we should give some consideration to this. The public of this country are very much afraid that the controls which are being exercised now may extend on into peace-time. It is inherent in human nature to get a certain amount of gratification out of the exercise of power. The controllers and others who are exercising power at the present time will no doubt be able to convince themselves and those under them that it is in the best interests of all concerned to have their controls continued. On the other hand, the people of the country, while quite satisfied to abide by all the restrictions and controls that they think will help the war effort, are most anxious that such restrictions and controls should cease at the end of the war. If we as a Senate set a time limit to this Bill, we shall show the public, at any rate, that we are desirous of preventing war measures from being extended into peace-time.

Hon. IVA CAMPBELL FALLIS: Honourable senators, I am not a lawyer, I have not a

legal mind, and I am not approaching this subject from a legal angle, but I think I can approach it from the viewpoint of the layman or the average man or woman in the street. I quite heartily agree with what the honourable senator who preceded me has just said. I have heard it said many times, as I am sure most honourable members have during this session, that the Senate was not doing very much; but the people who said that to me were in favour of the Senate continuing, because they felt it was a body that would always provide a check upon ill-advised or hasty legislation. I have had many people say to me, "We are spending a lot of money on you, and perhaps you are not earning it, but the day may come when there will be a radical Government in control in this country and the people of Canada will have cause to be thankful for the Senate." Well, if we to-day pass this legislation with no time limit, we shall not be acting in our capacity as a check on any radical Government that may come into power in this country.

The argument was advanced in committee that if there were a time limit on this legislation, and such a group as we have spoken of should come into control, all they would have to do would be to enact this Bill in its original form. It is true that they could pass it through the Commons, but they could not have it enacted into legislation if the Senate did not approve. If we to-day give blanket approval to this measure, it will be in operation indefinitely and we shall have given up all power of the Senate ever to check it, no matter what happens; and we shall be saying to the people of this country, "We have been unfaithful to the trust you have placed in us."

Hon. J. H. KING: Honourable senators, I have only a word or two to say in closing the debate, if other honourable members are finished. I should like to advise those who were not present at this afternoon's meeting of the Finance Committee, to which this Bill was referred, that Mr. Howe, the Minister, appeared before the committee, and this question was put to him very frankly. He indicated to us, with equal frankness, that as Minister he felt it would be very difficult and very unwise to place in the Bill a time of expiry. No one can say when the war will close. He did not accept my honourable friend's fears, nor do I accept them, in regard to some Government that may be in power after the present Government goes out of office. I think we shall have to trust the people of Canada to select the kind of Government that they want to succeed the present or any other Administration. There is no use in trying to put up the kind of bogey that has been discussed to-day. That does not convince at all. I am hopeful that the members who had the opportunity of hearing the Minister on this section will not accept the amendment of my honourable friend.

The amendment of Hon. Mr. Ballantyne was negatived on the following division:

CONTENTS

Honourable Senators

Ballantyne	McDonald (Shediac)
Calder	McRae
Chapais (Sir Thomas)	Michener
Donnelly	Moraud
Fallis	Sauvé
Marcotte	Tanner—12.

NON-CONTENTS

Honourable Senators

Beaubien (St. Jean Baptiste)	King
Beauregard	Marshall
Blais	McIntyre
Davies	Molloy
Du Tremblay	Murdock
Fafard	Paterson
Foster	Robinson
Gouin	St. Père
Hugessen	Stevenson
Hushion	Wilson—20.

Hon. Mr. LEGER: Honourable senators, I am paired with the honourable member from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted for the amendment.

Hon. Mr. WHITE: I am paired with the honourable senator from London (Hon. Mr. Little). Had I voted, I should have voted for the amendment.

I regret very much that I overlooked the fact of being paired when a vote was taken this morning.

The Hon. the SPEAKER: When shall the said Bill be read a third time?

Hon. Mr. KING: Now.

Hon. Mr. BALLANTYNE: On division.

The motion was agreed to, on division, and the Bill as amended was read the third time, and passed.

APPROPRIATION BILL No. 3

FIRST READING

A message was received from the House of Commons with Bill 73, an Act for granting to His Majesty a certain sum of money for the public service of the financial year ending the 31st March, 1944.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: With the consent of the Senate, now.

Hon. Mr. CALDER: May I ask what is the purpose of the Bill?

Hon. Mr. KING: I should like to make an explanation of the Bill.

Hon. Mr. MURDOCK: May we see the Bill?

Hon. Mr. KING: The Bill is being distributed.

This is a very short Bill. Honourable members will find in the main estimates that the sum of $40,000 is provided for the payment of parliamentary assistants to the Ministers. It is desirable that the men whom the Government has in mind should be named and provision made for their payment. One-sixth of the main estimates has already been voted. So honourable members will find that in this Bill the amount is put at $33,333.33, that being the balance of five-sixths of the item.

The matter of assistants to the Ministers is not new. During the last war Sir Robert Borden found it necessary to appoint three parliamentary secretaries, Mr. McCurdy, Mr. Hugh Clark and Mr. Keefer. It is not an unknown practice in Great Britain to have what are called under-secretaries. In Canada we have not used "secretary" except in the titles Secretary of State and Secretary of State for External Affairs. The ten men to be appointed will bear the title of parliamentary assistants to the Ministers. They will assist various Ministers, more particularly those Ministers who to-day are carrying excessive war burdens. No one will discount the fact that our war Ministers are overworked and could be relieved by capable members of the House of Commons undertaking certain duties. I think the proposal is a move in the right direction.

Hon. Mr. DONNELLY: Will the duties of the under-secretaries continue after Parliament adjourns during the summer?

Hon. Mr. KING: I think so.

Hon. Mr. CALDER: I understand there is provision in this Bill that when their duties do not continue they are not to be paid.

Hon. Mr. KING: That is right.

Hon. Mr. CALDER: I understand that certain of them will not be employed during the entire session.

With regard to the Bill itself, since the beginning of the war I have always taken the stand that some Ministers of the Crown are excessively busy and that the most important thing they could do would be to surround themselves with the necessary staff and make use of their abilities. I still hold that view. I say "some Ministers" because there are others whose work has not been affected by the war to anything like the same extent. But take the Minister of Finance, for instance. If any man ever had a job in life, the present Minister of Finance has. The same is true of the Minister of Munitions and Supply, and it is also true of the Prime Minister. It was true to a very large extent of the Minister of Defence for Air; however, his work has been done, and done so well, and is now so organized that his position must be very different from what it was a year or two ago. The work of the Minister of National Defence, Colonel Ralston, also has been exceedingly onerous. I have all along taken the position, as I say, that in a situation such as this the Ministers should have the necessary help. Without it they simply cannot function as they should; and, if necessary in order to provide that help, expenditures in other directions might very well be curtailed. Personally I am much pleased with the provision that is made.

There is only one other thing I should like to say while I am on my feet. It is my view that in the selection of the help, geographical or provincial boundaries should not be taken into consideration. Men should be selected for their ability, and for no other reason. There are many able men in the House of Commons, and so far as possible the men appointed to these important positions should be men who are quite capable of giving to the Ministers the assistance which they need. I am sure the great majority, if not all honourable members, will approve the present proposal.

Hon. A. J. LEGER: Honourable senators, may I direct the attention of the Senate to a matter which appears in the schedule of the Bill? It may or may not be of much importance. Under our law a member of the Senate may fill any position in the Government, and in the past we have had at least one Prime Minister who occupied a seat in this Chamber. In the schedule of the Bill I see that members of the House of Commons may be appointed parliamentary assistants, and they are protected in regard to their emolument. That would not be so as regards members of the Senate, who seem to be studiously excluded by the Bill. It might or might not be practicable to have senators as parliamentary assistants. However, as these assistants are

appointed by the Government, it seems to me that no distinction should be made, and that the legislation should be in such form that the Government could choose its parliamentary assistants from either House.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read a third time?

Hon. Mr. KING: Now.

Hon. Mr. LEGER: Honourable senators, I should like to have an answer from the leader of the Government as to whether it is the intention of the Government studiously to exclude members of the Senate from appointment as parliamentary assistants. It seems to me to be discrimination.

Hon. J. H. KING: I am very sorry. I did not know my honourable friend expected a reply. I thought he was expressing an opinion.

I can readily understand, and I think my honourable friend would be one of the first to agree, that the work which falls upon Ministers as a result of present-day war conditions falls upon them largely in the House of Commons, and that, if they are to have assistants, those assistants should be members of the House of Commons.

Hon. Mr. LEGER: Granted.

Hon. Mr. KING: I do not think there is any desire to exclude senators, but I hardly think they would be of much use to Ministers in the House of Commons.

I regret that I did not understand my honourable friend was asking a question.

Hon. Mr. LEGER: Would it be possible to amend the wording so that the exclusion would not be so apparent? I concede what is said by the leader of the Government; I have the same conception myself; but what I principally object to is the apparent exclusion in the schedule.

Hon. Mr. KING: I think I would leave it as it is.

Hon. C. C. BALLANTYNE: Honourable senators, I quite agree with the views expressed by the honourable senator from L'Acadie (Hon. Mr. Léger). We have as good talents and abilities in this branch of Parliament as are to be found in another place, and I think senators ought to be included. Out of the ten assistants we surely ought to have three. I fully concur in what the honourable senator has said, and should like to see a change made, if the leader would agree.

Hon. A. D. McRAE: Honourable senators, I quite appreciate what my colleagues have said in this respect, but I can understand what the duties of these parliamentary secretaries must be. They must answer questions in the House of Commons, and in order to do so must have a seat there, which would be quite impracticable in the case of any honourable member of the Senate. I do not see how a senator could fill the position. On the other hand, I think that as a matter of courtesy arrangements could have been made as suggested by the honourable gentleman. However, it seems pretty late now.

Hon. Mr. BALLANTYNE: I do not want to disagree with the honourable senator from Vancouver (Hon. Mr. McRae), but I would point out that if we did have senators as parliamentary assistants, they could bring to this House information which would be of great value.

Hon. Mr. KING: We are trying to find members who will be of value to the Ministers.

The motion was agreed to, and the Bill was read the third time, and passed.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.45 p.m. for the purpose of giving the Royal Assent to certain bills.

BUSINESS OF THE SENATE

Hon. Mr. KING: I would move that the Senate adjourn during pleasure, to reassemble just prior to the Royal Assent.

Hon. Mr. BALLANTYNE: May I be allowed to ask the leader of the Government when we may expect the Income Tax Bill, and whether he thinks we are going to adjourn to-day or to-morrow?

Hon. Mr. KING: I hope that when we meet after this recess I shall be able to give a definite answer to my honourable friend.

The motion was agreed to.

The Senate adjourned during pleasure.

At 5.40 p.m. the sitting was resumed.

DEPARTMENT OF MUNITIONS AND SUPPLY BILL

COMMONS AGREEMENT WITH SENATE AMENDMENT

The Hon. the SPEAKER: I have the honour to inform the Senate that a message has been received from the House of Commons returning Bill 70, entitled an Act to amend the Department of Munitions and Supply Act, and to acquaint the Senate that they have agreed to the amendment made by the Senate to the said Bill. without any amendment.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Wednesday, May 5, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Honourable Sir Lyman Poore Duff, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned and being come with their Speaker, the Right Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bills:

An Act to amend the Wheat Acreage Reduction Act, 1942.

An Act to amend the Special War Revenue Act.

An Act to amend the Excise Act, 1934.

An Act to amend the Customs Tariff.

An Act to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

An Act to amend the Department of Munitions and Supply Act.

An Act for granting to His Majesty a certain sum of money for the public service of the financial year ending the 31st March, 1944.

The House of Commons withdrew.

The Right Honourable the Deputy of the Governor General was pleased to retire.

The sitting was resumed.

Hon. Mr. MURDOCK: I move that the Senate do now adjourn.

The motion was agreed to, and the Senate adjourned until Wednesday, May 5, at 8 p.m.

THE SENATE

Wednesday, May 5, 1943.

The Senate met at 8 p.m., the Acting Speaker (Hon. C. W. Robinson) in the Chair.

Prayers and routine proceedings.

INCOME WAR TAX BILL

FIRST READING

A message was received from the House of Commons with Bill 72, an Act to amend the Income War Tax Act.

The Bill was read the first time.

SHANAHAN AND OTHER DIVORCE PETITIONS

REPORTS OF COMMITTEE

On the Orders for consideration of the forty-ninth to sixty-fifth reports of the Standing Committee on Divorce:

Hon. Mr. COPP: Honourable senators, on behalf of the honourable Chairman of the Committee on Divorce, I move adoption of the committee's forty-ninth to sixty-fifth reports, both inclusive.

Hon. Mr. MURDOCK: Honourable senators, may I call attention to the fact that the record in connection with one of these reports is evidently not before us; at least, I have not received it. That is in the Shanahan case, Order No. 13.

Hon. Mr. COPP: I understand that report recommended that a divorce be not granted.

The motion was agreed to.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. COPP, on behalf of the honourable Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill C3, an Act for the relief of Helen Alissamon Wheeler Baker Macoun.

Bill D3, an Act for the relief of Adèle Le Roy Fuller Hardy.

Bill E3, an Act for the relief of Constance Maxine Keating Noseworthy.

Bill F3, an Act for the relief of Alvina Antoinette Bouchard Winterson.

Bill G3, an Act for the relief of Bernice Evelyn Berman Sholomenko.

Bill H3, an Act for the relief of Marjorie Florence Gray Lever.

Bill I3, an Act for the relief of Robert Gordon Shaw.

Bill J3, an Act for the relief of William Taffert.

Bill K3, an Act for the relief of Uuno Ojalammi.

Bill L3, an Act for the relief of Leo Guay.

Bill M3, an Act for the relief of Marie Béatrice Arsenault Thériault.

Bill N3, an Act for the relief of Margaret Varga Csabi.

Bill O3, an Act for the relief of Frances Helen Shand Howell.

Bill P3, an Act for the relief of Charles Cardin.

Bill Q3, an Act for the relief of Gladys Irene Harrison Mathers.

Bill R3, an Act for the relief of Eileen Grace Shearer Taylor.

The Hon. the ACTING SPEAKER: When shall these bills be read the second time?

Hon. Mr. COPP: Next sitting of the House.

Hon. Mr. MURDOCK: Friday, according to the rules, please.

Hon. Mr. COPP: Friday.

Hon. Mr. MURDOCK: Order No. 13 is for consideration of the fifty-ninth report of the Divorce Committee on the petition of Patrick John Shanahan. Do we get any information about this?

Hon. Mr. COPP: In a case where a divorce is not recommended the record is not printed.

Hon. Mr. MURDOCK: Then, why this language? Consideration of what report?

Hon. Mr. COPP: The report that the committee does not recommend the relief asked for.

The Hon. the ACTING SPEAKER: The report is on file.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, May 6, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

WAR RISK INSURANCE

INQUIRY

Hon. Mr. DUFF inquired of the Government:

1. What is the total war risk insurance in effect since Bill No. 56 was passed by the Parliament of Canada, and up to February 28, 1943?

2. What is the total insurance effected in each of the different provinces to February 28, 1943?

3. What is the total of gross premiums collected from the said insurers under said Act in each of the different provinces of Canada up to February 28, 1943?

4. What commissions, etc., were paid to insurance companies or agents for effecting said insurance in each of the provinces of Canada; and what amounts were paid to special representatives in the said provinces?

5. What is the total cost of overhead office expenses at Ottawa, including salaries and every item of expense?

Hon. Mr. KING: The answer to the honourable senator's inquiry is as follows:

1. $1,851,143,703.

2 and 3. As at February 28, 1943:

Provinces	Total Sum Insured	Total Premiums
Alberta	$ 49,909,924	$ 116,921
British Columbia	547,473,393	1,259,866
Manitoba	24,059,360	60,432
New Brunswick	65,945,801	149,337
Nova Scotia	168,500,190	386,426
Ontario	460,623,957	1,116,827
Prince Edward Island	7,341,680	15,638
Quebec	512,554,097	1,213,226
Saskatchewan	13,657,909	34,572
Others	1,077,392	2,687
	$1,851,143,703	$4,355,932

4. Commission fees paid to insurance agents, $149,176.29. It is not possible to break this figure down by provinces, as these records have not been maintained on a provincial basis. No payments have been made to date of remuneration to insurance companies for actual expenses incurred.

5. The office of the War Damage Insurance is located in Montreal. Total expenses incurred from December, 1941, to February 28, 1943, including expenses incurred in connection with the drafting of the legislation, are as follows:

Commission fees to insurance agents	$149,176 29
Salaries	1,199 56
Advertising	31,695 47
Printing and stationery	9,263 22
Express and freight	430 32
Postage	177 09
Travelling expenses	3,610 82
Expenses, Regional Advisory Committee	1,018 79
Expenses, Central Advisory Committee	1,096 75
Miscellaneous	10.813 01
Total	$208,481 32

Note: The answers to questions 1, 2 and 3 do not include insurance on grain or Dominion Government property.

GASOLINE CATEGORIES OF MEMBERS OF SENATE AND HOUSE OF COMMONS

INQUIRY

Hon. Mr. SAUVE inquired of the Government:

1. On the basic book of the Oil Controller of Canada, are the members of the Senate and the members of the House of Commons classified in the same ruling and the same category?

2. If not, why not?

Hon. Mr. KING: The answer to the honourable gentleman's inquiry is as follows:

1. No. Members of the House of Commons are granted a category "A"; members of the Senate, category "AA".

2. After careful inquiry and consideration it was determined that the positions of the members of the two Houses were somewhat different and that members of the House of Commons were called upon to do more essential driving in connection with their duties as members of Parliament than were the members of the Senate. A senator is eligible to make application for additional gasoline to be used in any essential driving connected with his civil employment.

INCOME WAR TAX BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 72, an Act to amend the Income War Tax Act.

He said: Honourable members, I wish for a moment or two to speak on a matter of procedure. Honourable senators will find on referring to page 72 of Senate Hansard of March 3 that I then moved a resolution to authorize our Standing Committee on Finance to examine, in advance of their reaching this Chamber, war and other financial appropriations proposed by estimates and resolutions, and the bills based on them. We all know from experience that often bills have reached us from the House of Commons at or near a time of adjournment or prorogation, with the result that we have not had sufficient opportunity to familiarize ourselves with the details of those measures before giving them our approval. It occurred to me early in the present session that, in order to overcome this difficulty, we might proceed as a group of bankers or business men would do in dealing with their affairs. When the Minister of Finance has brought down his budget it is usually followed by resolutions indicating that certain bills will be based on those resolutions. I thought that we might proceed to overcome the difficulty I have mentioned by examining the resolutions tabled in the House of Commons, and that, once the bills based thereon had been introduced in the Commons, there could be no reason why we should not have one of our committees informally consider those resolutions and bills. This was the purpose I had in mind at the time I moved that resolution last March.

Now it has been intimated to me that in authorizing the Committee on Finance to deal with such matters we have overlooked the Banking and Commerce Committee, a very excellent committee of this House. There was no intention on my part to side-track it. It has a large membership and will continue to receive for consideration the class of measure that has usually been referred to it. But we had also a Committee on Finance, with a membership of fifteen; and in agreement with my honourable friends opposite we decided to increase its membership to twenty-five. Bills like the one before us are technical, and in reading amendments to such legislation as the Income War Tax Act it is very difficult for a layman to make good sense of them. To do so, I think, one requires to be a man with legal training or a business man accustomed to dealing with matters of taxation. It has occurred to me, therefore, that questions arising out of the budget this year, more particularly those relating to war finance, might well be referred to the Finance Committee. That is what has been done with the Excise Bill and the Excess Profits Tax Bill; and the resolutions upon which the present measure is founded have also received very careful consideration by the Standing Committee on Finance, which has spent some hours on the work and had before it officials of the department, who fully explained the various clauses in the resolutions. It is my purpose to-day, after the second reading, to move that this Bill, which has not yet been formally before the Committee on Finance, be referred to that committee, the members of which, from the knowledge they have already acquired in considering the resolutions, will be in a very good position to deal expeditiously with the Bill. I hope I have made myself clear. The idea is a good one, I think, and has been profitable to those members of the committee who saw fit to attend. I was rather disappointed that we had not a larger attendance, but there was a quorum, and the work was carefully and thoroughly done.

After the Bill is considered carefully by the committee it can be reported to the Senate to-morrow afternoon, at which time, I hope, we shall succeed in giving it third reading, so that this Bill and the Excess Profits Tax Bill, which is on the Order Paper—and which is

more or less a companion bill to this one—may receive the Royal Assent at a quarter to six.

I think that is all I care to say at the present time.

My good friend the honourable senator from Inkerman (Hon. Mr. Hugessen) was a member of the committee who examined the resolutions. He has since given considerable thought and study to the Bill, and has been kind enough to undertake to explain this very important and complicated measure to honourable members this afternoon.

Hon. Mr. MURDOCK: I wonder whether the honourable leader could give us some information about the subject-matter which the Committee on Finance was originally instituted to deal with. On the 3rd of March last one honourable member said he had been here for seventeen years and that during this time the committee had never met. I notice that the Committee on Finance is the seventeenth committee to be appointed by this House, and my understanding has always been—and I should like to be corrected if I am wrong—that it was to deal only with such questions as affected the finances of the Senate.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. MURDOCK: If that is not correct, would somebody please put me right? We ought to have laid down before us what this committee was originally instituted to deal with. As I said a moment ago, I have always understood that it was only to deal with financial questions that concerned the Senate, and the Senate alone. Therefore, I for one could not understand why we were taking a supernumerary committee, which had not functioned for seventeen years, and utilizing it by having it do work that the Banking and Commerce Committee had always done. I should like to be put right.

Hon. Mr. KING: I think my honourable friend realizes that the Internal Economy Committee, of which he is a member, deals with matters of finance as affecting this body. The Finance Committee, it is true, had not been called upon to do much, but it seemed to me that here was an opportunity where it might do some very useful work. I am not sure, but it is probable that our rules would govern, and His Honour the Speaker might advise us on that.

On the 3rd of March I moved a motion, which was carried and is in effect to-day. That motion reads:

That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament and by resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the bills based on the said estimates and resolutions reaching the Senate.

So there is no question in regard to authority to refer these matters to the Finance Committee. We have that authority from the Senate.

Hon. Mr. MURDOCK: Could we get the language that was used when the Finance Committee was originally instituted? I of course was not here then.

Hon. Mr. KING: I was not here, either.

Hon. Mr. MURDOCK: One senator said he had been here for seventeen years and the committee had never functioned, never done anything, because there was nothing for it to do.

Hon. Mr. KING: It is functioning now.

Hon. Mr. COPP: There was no war on at that time.

The Hon. the SPEAKER: Honourable senators, rule 77 provides that at the commencement of each session a Committee of Selection shall nominate the senators to serve on the several standing committees, and rule 78 names the various standing committees and their quorums; but our rules contain nothing defining the jurisdiction or the purpose of any of these committees. Of course, the name of a committee indicates reasonably well what its purpose is. For instance, the committees on Standing Orders, on Banking and Commerce, and on Railways, Telegraphs and Harbours, have in their names sufficient definitions of the purposes for which they are formed. As there is nothing on this point in our rules, a committee's jurisdiction is determined by the order of reference from the Senate, just as the jurisdiction of any committee of the Commons is determined by the order of reference from that House. The Senate, acting as a Senate, can refer any matter to any committee, and the jurisdiction of the committee is to be derived from the order of reference; because nowhere else—not in the British North America Act, or the rules of the Senate, or the constitution of the Senate, or the Senate and House of Commons Act—can you find anything to determine the jurisdiction of any particular standing or special committee. Therefore, at least until the rules are changed, it is in order for the Senate to refer any matter in its discretion to any committee.

Hon. Mr. MURDOCK: May I be pardoned for a moment, Your Honour? The Tourist Traffic Committee was instituted here a few

years ago, and, upon motion of the honourable member from Vancouver (Hon. Mr. McRae), the External Relations Committee was instituted, and in each case it was laid down what the committee was for. My understanding has been that every committee organized here had, in days gone by, a background of that kind—a detailed intimation of what the committee was appointed for and what it was supposed to do. Now, I may be entirely wrong, but I think we ought to develop this and see what it was laid down originally that this Committee on Finance would deal with.

Hon. Mr. BALLANTYNE: Honourable senators, I thank His Honour for the explanation he has just made, and I thoroughly agree with it. Assignments given to old committees like those on Railways, Telegraphs and Harbours and on Banking and Commerce have been given according to usage. For I cannot say how long, but for probably the last forty or fifty years, not only bills pertaining to finance, or money bills, but also many other bills have been referred as a matter of practice to the Committee on Banking and Commerce. It is customary for the two leaders of the Senate to meet at the beginning of a session and decide whom to nominate for what have always been considered the two most important committees of the Senate—the one on Banking and Commerce and the other on Railways, Telegraphs and Harbours—and the leaders always saw to it that the most experienced senators were placed on these committees.

The honourable leader of the Government (Hon. Mr. King) has stated frankly that some time ago, at a sitting in March, he moved a resolution that made a drastic change, taking from the Banking and Commerce Committee bills of the kind I have mentioned, which have been so efficiently dealt with by that committee for nigh half a century. The explanation that he has now given of why he wanted to make this change does not convince me at all. He has stated that the Finance Committee had a preview of the resolutions and bills. True, but could that preview not have been as efficiently had by the Banking and Commerce Committee? It would have been not only as efficient, but, I say, more efficient, for many members of that committee have been on it for a number of years, and others were chosen because in the opinion of the two leaders they would add to the committee's prestige and ability.

My honourable friend says that, as these matters have been studied by the Committee on Finance, he intends to refer not only the Income War Tax Bill but all money bills to this committee, which, as was truly stated by the honourable senator from Parkdale (Hon. Mr. Murdock), has slumbered for the past sixteen or seventeen years. Since I have been in this House the Finance Committee, I say with all due respect to it, was not considered of the same importance at all as the Banking and Commerce Committee. I did not see before, and I do not see now, any good purpose that has been served by enlarging this committee, and certainly it is apparent to every honourable senator in the House that the Banking and Commerce Committee has been given the go-by.

Hon. Mr. KING: Oh, no, no.

Hon. Mr. BALLANTYNE: Well, as far as money bills are concerned.

Hon. Mr. KING: No, not as far as money bills are concerned. The resolution sets out very clearly the type of bill to be referred to the Finance Committee.

Hon. Mr. BALLANTYNE: But my honourable friend has just stated that the Income War Tax Bill is to be referred to the Finance Committee.

Hon. Mr. KING: It has been already.

Hon. Mr. BALLANTYNE: That is a bill above all others that should have gone to the Banking and Commerce Committee.

Hon. Mr. KING: Not necessarily at all.

Hon. Mr. HARDY: Will the honourable leader opposite (Hon. Mr. Ballantyne) say that the income tax has anything to do with banking and commerce? I take it that the Banking and Commerce Committee is to deal with banking and commerce, and not with general finance.

Hon. Mr. COPP: The incorporation and financing of companies.

Hon. Mr. BALLANTYNE: I disagree with the honourable senator from Leeds (Hon. Mr. Hardy), and I agree entirely with what His Honour the Speaker stated. What I said a moment ago I reiterate now, that for nigh half a century it has been the usage and custom of this House to refer these bills to the Banking and Commerce Committee. There was no reason that I know of why that practice should not have been continued; no reason that I know of why the experts should not have been called before the Banking and Commerce Committee to give, as the honourable leader says, a preview. But he reconstituted the Finance Committee and threw aside—not altogether, but to a very large extent—the experi-

ence of members of the Banking and Commerce Committee, which has been presided over in a most impartial manner, I am sure everybody will say, by my good friend from Westmorland (Hon. Mr. Black).

My honourable friend the leader (Hon. Mr. King) can put through in this House any resolutions he likes, similar to the one to which he has just referred. All I can do now is to lodge my protest and say that to me this is a most extraordinary departure. There was no necessity whatever for it, and I am sorry that the Banking and Commerce Committee is not to deal with these bills.

Hon. Mr. CALDER: Honourable members, I wish to add just a word to what has been said on this point. I feel that I am to a certain extent responsible for what has occurred.

Hon. Mr. KING: The honourable gentleman gave it his blessing.

Hon. Mr. CALDER: At one stage of our proceedings on a bill—I have forgotten now what bill it was—the honourable senator from Prince (Hon. Mr. MacArthur), if I mistake not, brought up the point that the bill might be referred to the Finance Committee, and I agreed. I even went so far as to suggest that the committee might be somewhat enlarged. But I must say that I never for one moment thought, when I made that suggestion, that the committee, with its slight enlargement, would undertake the review of what is probably the most important legislation to come before us this session.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. CALDER: I can say only this, as regards the Banking and Commerce Committee. Every member of this House, particularly if he has been here about five, ten, fifteen or twenty years, knows that the Senate has one committee that deals with all really important legislation, whether it refers to banking and commerce or not. His Honour the Speaker is perfectly right in saying that the Senate has full authority to refer a bill to any committee it chooses. Make no mistake about that. Under our rules the Senate has full control over the matter, and since I have been in the House all sorts of bills have repeatedly been referred to the Banking and Commerce Committee. There is another aspect of the situation. I have been a member of this Chamber for twenty odd years, and during that period the leaders on both sides have always endeavoured to keep that committee the strongest we have.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. CALDER: Why? Simply because all important legislation to be reviewed must be dealt with very largely by men who are recognized as the most capable members of this House. I am sure all will agree with me that the legislation we have been dealing with is exceedingly important, and that in the last analysis the judgment of this House must very largely depend upon the judgment and work of the committee which deals with these bills.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. CALDER: All the members of this House do not attend regularly the meetings of committees. They have no voting power on a committee unless they are members of it.

Hon. Mr. COPP: I do not wish to interrupt my honourable friend, but I submit, honourable senators, that the discussion is entirely out of order. The honourable leader on this side said that when the time came he would move to refer the Bill to the Finance Committee. When he has made that motion will be the time for this discussion. It is not now.

Hon. Mr. CALDER: I quite agree, and if I wish I can proceed at that time. But according to the practice of this House I can see no reason why I should not proceed now.

Hon. Mr. COPP: I do not want to be technical; I just wish to get the matter straight.

Hon. Mr. CALDER: There are many things in this House that are not quite straight, as the honourable gentleman knows.

Hon. Mr. COPP: My honourable friend is making it crooked now.

Hon. Mr. CALDER: Perhaps not half as crooked as some people not very far distant.

An Hon. SENATOR: Quite right too.

Hon. Mr. CALDER: I have said virtually all I wish to say. If it is the wish of members on the other side that what is about to take place should take place—

Hon. Mr. KING: It has taken place.

Hon. Mr. CALDER: —well, the Senate must be resigned to that position.

Hon. Mr. MARCOTTE: I do not know if I am in order—

Hon. Mr. KING: Will the honourable gentleman defer his remarks for the time being?

Hon. Mr. MARCOTTE: So many explanations have been given so far—

Hon. Mr. KING: My good friend from Inkerman (Hon. Mr. Hugessen) has been kind enough to agree to my suggestion that he explain the Bill.

The Hon. the SPEAKER: Honourable senators, the question is on the second reading of this Bill.

Hon. Mr. KING: My honourable friend is taking the burden off my shoulders. I think it would be preferable for him to proceed with his explanation of the Bill.

Hon. Mr. BALLANTYNE: I am quite agreeable.

Hon. A. K. HUGESSEN: Honourable members, I have been charged with the duty of giving an explanation of this Bill. It is a Bill to amend the Income War Tax Act in accordance with the Ways and Means resolutions introduced in the other House on the 2nd of March last, and it includes also such changes in and additions to those resolutions as have from time to time been made during their consideration in that House. It is a very long and complicated Bill, and I must ask the indulgence of honourable senators while I attempt to explain its general purport.

I do not intend to go through the Bill section by section. I thought that perhaps for the information of the Senate the clearest picture of the purpose of the measure would be given by dividing consideration of it into two parts: one, the changes it effects in the taxation on individuals; and, two, in the taxation on corporations.

To deal first with the taxation on individuals, this measure brings into full force the principle of pay-as-you-earn. Honourable members will recall that in the Income War Tax Bill of last session a partial step was taken in the direction of levying income tax upon personal incomes in the year in which they were earned. In other words, under the Act of 1942 taxpayers had to pay towards the end of 1942 a part of their income tax for that year. With respect to persons other than wage-earners, honourable senators will remember that these have already paid about one-half of their 1942 tax—one-quarter by an instalment on the 15th of last October, and the second quarter by an instalment on the 15th of January. With respect to wage-earners, the same position applies, because wage-earners also have already paid about one-half of their 1942 income tax by the deduction for the first seven months of 1942 of the 7 per cent National Defence tax and during the last five months of 1942 by the deduction made by employers from their employees' salaries on the basis of the table of deductions issued by the Department of National Revenue.

I have the information from the Commissioner of Income Tax that, generally speaking, approximately 48 per cent of the personal income tax for 1942 has already been paid by virtually every individual, and the method by which it is proposed to bring the pay-as-you-earn principle into complete operation is to forgive the remaining half of the 1942 income tax. This provision will be found in section 13 of the Bill. The only exception to that forgiveness is in respect of investment income in excess of $3,000.

Hon. Mr. HARDY: A pretty big exception.

Hon. Mr. HUGESSEN: It is a fairly liberal allowance. Perhaps I misapprehend what my honourable friend means. Half the tax on investment income in excess of $3,000 is not forgiven, but the time for payment is extended.

Hon. Mr. EULER: Until when?

Hon. Mr. HUGESSEN: Until the death of the taxpayer.

Hon. Mr. HARDY: Hear, hear.

Hon. Mr. HUGESSEN: As an alternative, as honourable senators will find on referring to section 13 of the Bill, the executors can pay the tax on the taxpayer's death; or the taxpayer himself may, if he so wishes, pay it before the 30th of April, 1944, at a discount of 2 per cent per annum in respect of each year which he might be expected to live after that time.

Dealing still with the 1942 income tax, I may say that returns have to be filed by the 30th of June next, accompanied by payment of one-third of any balance that may be owing. The remaining two-thirds of the balance will be payable on the 31st of next December.

With respect to personal income tax for 1943 and succeeding years, we now travel into the area of complete pay-as-you-earn. For 1943 and succeeding years individuals must file their returns on the 30th of the following April. Their tax is payable as follows: If three-quarters or more of the total income is derived from salary or wages, 95 per cent of the tax is paid by monthly deductions made by employers from salary or wages on the basis of a table circulated by the Department of National Revenue, and any balance is payable by the taxpayer himself on or before the 30th of the following April. Persons who derive less than 75 per cent of their income from salaries or wages have to pay income tax by quarterly instalments in the year in which the income is earned: 20 per cent by the 31st of March, 25 per cent by the 30th of June, 25 per cent by the 30th of September, and the remaning 30 per cent by the 31st of December.

The only exception is in the case of persons engaged in farming. Farmers have to pay two-thirds of their estimated income tax by the 31st of December of the year in which the income was earned, and the remaining one-third on the following 30th of April.

A provision for the benefit of farmers will be found in section 6 of the Bill. It permits them for the purposes of their tax to deduct losses sustained in the process of earning income during the two preceding years. In other words, a farmer, if he has lost money during the two preceding years and made a profit in the third year, can deduct his losses from his profit and pay tax on any net balance of income he may have.

Still with reference to taxation of individuals, there is another quite important provision which affects, I suppose, the vast majority of income taxpayers in this country. It will be found in section 13 of the Bill. This provides for a simplified form of tax return for persons with incomes not in excess of $3,000, of which not more than $1,500 is investment income. In substance, taxpayers in this class need not make a return of their exact income down to the last cent or dollar. They are permitted to pay their tax on the basis of a table which steps up the income by $10 stages. The income tax payable in each $10 bracket is set out in this table which I hold in my hand, known as "T.1-Special 1942." For instance, if a man's income is between $1,510 and $1,520 in a year, all he has to do is to look up this table for the amount of tax payable. This provision, of course, makes for a certain degree of unfairness. A man whose income was $1,510 pays a little more, and a man whose income was $1,520 pays a little less, than if they were taxed on their exact incomes; but I am instructed that the difference is never greater than $1.70.

On the basis of this table I find, for instance, that a single man without dependents who earns between $1,880 and $1,890 a year pays income tax of $274. The table starts with an income of $660 and goes up by $10 steps to the maximum of $3,000. It is felt that this will be of great assistance to a very large number of income taxpayers who might otherwise have a great deal of difficulty in estimating the exact tax they would have to pay.

Still dealing with personal income tax, there are certain provisions which might be described as tightening-up provisions or new impositions. By section 2 of the Bill allowances are made subject to income tax; that is, living allowances such as are paid to the so-called dollar-a-year men are taxable, and allowances paid to dependents of members of the armed forces are made subject to income tax as part of the income of members of the armed forces.

Under section 12 there is a provision which makes liable to income tax the employees of Canadian companies who are temporarily sent out of Canada to perform services on behalf of their employers.

Still dealing with personal income tax, the next branch which I think honourable members ought to know about is the relief given to certain classes of taxpayers. The principal item deals with the active service forces of the country. There has been a complete change in the method of computation as regards members of the active service forces. Under the old Act, section 4(t), every member of the active service forces outside of Canada was exempt from the payment of income tax. Non-commissioned officers and men inside Canada were also exempt from income tax, although officers in Canada were subject to tax. That sometimes resulted in a rather strange condition of affairs, whereby the net income of a first-class warrant officer would be larger than that of a lieutenant, since he paid no tax on his income, whereas the lieutenant was subject to tax. The distinction between officers and non-commissioned officers has been abolished, with the result that in certain instances sergeants-major in Canada, members of the active forces, who are now not subject to tax, will become liable to tax in the future. Those of us who served in the ranks of the army in the last war will, I am sure, greet with pleasure any imposition of taxation on sergeants-major.

The new system of taxation upon the active service forces is as follows. If they are serving in Canada there is no tax on income up to $1,600, and there is a diminished scale of taxation on income up to $3,200. If the income is in excess of that amount the tax is just the same as that of a civilian. There is, however, this exemption: if in the normal course of employment a soldier or sailor is afloat or in aircraft, even while in Canada, he is entirely exempt.

Then there is a new class brought in. Members of the active service forces who are stationed outside of Canada in the western hemisphere, not including Iceland, of which I shall speak later, pay half the tax which they would pay if stationed in Canada. The members of the forces who are on active service fronts in Europe or elsewhere (including Iceland) will continue to be entirely exempt from the payment of income tax. There is a still further provision for the benefit of men who have been overseas, but who have returned to Canada. By section 4 of the Bill such men on their return from overseas are exempt from income tax on their pay and allowances for the first six months after their return.

There are also some other provisions for the benefit of men engaged, substantially, in active service. Under section 4(w) of the Bill, mem-

bers of the merchant marine will not be required to pay income tax on the war risk bonuses they earn; and there is a further provision for exemption from income tax of one-third of the remuneration of civilian flyers engaged in the R.A.F. ferry command.

That deals roughly with the taxation on the forces.

There are certain other provisions dealing with the compulsory savings feature that was brought into the Act last year. Honourable members will recall that a certain portion of the tax they now pay is refundable after the conclusion of the war, and that they are allowed to treat as part of the tax they would otherwise pay certain savings they make, such as insurance premiums, and so forth. One of these items is the payments which a man may be making on the purchase of a house for himself and his family: this Bill contains an additional provision that he may benefit even if he is purchasing the house in the name of his wife, and vice versa. Further, a man may deduct from the refundable portion of his tax payments on Dominion Government annuities taken out before June 23, 1942.

That, very roughly, deals with the part of the measure that relates to personal income tax.

I wish to turn now for a few minutes to the other branch of the subject, the changes in the tax on corporations. Hereafter corporations will be required to file their returns six months after the close of their fiscal period. Up to the present the time for filing has been four months after the close of the fiscal year. This additional allowance of time is given on the ground that it is very difficult at present to obtain sufficient trained auditors and accountants to permit companies to complete their financial statements within four months of the end of the fiscal year. Hereafter corporations will have to pay their tax in twelve monthly instalments, and in this connection I refer honourable members to section 23 of the Bill. The twelve monthly instalments begin six months after the commencement of the fiscal year. In other words, if the fiscal year corresponds with the calendar year, the corporation will have to pay the first monthly instalment at the end of June. Eleven instalments have each to be calculated as one-twelfth of either the estimated total tax for the current year or the actual tax paid for the preceding year; and the twelfth and last payment, which will be made six months after the close of the fiscal year, will take up any slack or difference and will complete the payments for that year.

With respect to corporations also there are what I might call tightening-up provisions.

One of these, which relates to depreciation, will be found in section 7 of the Bill. There are two provisions relating to depreciation. The first, in substance, provides that the owner of a corporation may not take depreciation twice on the same property merely by the process of going through some sort of reorganization whereby a new corporation becomes the owner of the property without there being in effect any real change of ownership. There was a case in British Columbia, what is known as the Pioneer Laundry case, which illustrates that point. That was the case of a company which had depreciated its assets by annual instalments to the full one hundred per cent allowed by the income tax authorities, and in order to get the benefit of a new lot of depreciation the old company was reorganized and its assets sold to a new company without there being any real change of ownership. That was really a method by which a company was getting depreciation twice on the same assets. This provision is designed to deal with and prevent that kind of thing.

Hon. Mr. LEGER: Who is to determine whether it is a new company or not?

Hon. Mr. HUGESSEN: The decision is based on what is the controlling interest in the company, and whether it is the same as before. My honourable friend will see that those are the governing words in clause 7. If the controlling interest is the same, the depreciation will not be allowed a second time. If my honourable friend is interested in that point, I may say that the reason why the words "controlling interest" were inserted in the Bill was that those words have been judicially determined by the House of Lords in the recent case of British American Tobacco Company, Limited, v. Inland Revenue Commissioners, which is very similar to the one I mentioned a few minutes ago. Perhaps I may read just the short heading.

Hon. Mr. LEGER: Where is it reported?

Hon. Mr. HUGESSEN: It is given in full in the House of Commons Hansard for the 20th of April, page 2419 and following.

The appellant company held shares in 11 companies operating outside the United Kingdom, which were not, therefore, liable to be assessed to national defence contribution. In the case of 4 of these companies, the appellant company itself controlled more than 50 per cent of the votes. In the case of the remaining 7 companies, more than 50 per cent of the votes were controlled by the appellant company in conjunction with a company or companies in which the appellant company controlled more than 50 per cent of the votes.

There was a pyramiding of control of subsidiary and subordinate companies, and the

House of Lords held that the appellant company had a controlling interest in all the companies within the section. That is the test. If the controlling interest remains the same, you cannot take depreciation twice on the same assets.

There is a second clause which deals with special war depreciation. It provides, where a corporation has obtained special war depreciation on a plant built for war purposes, that if in future years the company should sell the property for more than the depreciated value, it must pay income tax on the excess. Perhaps I can explain that more clearly by illustration. Let us suppose a company builds a munitions plant for $1,000,000, and gets it depreciated to the extent of say $800,000 in two years under the special provisions for wartime depreciation. At the end of two years that plant stands in its books at $200,000. Then let us say that four or five years hence the corporation is fortunate enough to sell the same property for $700,000. Well, what that really means is that the corporation will have got the $500,000 twice: first by the accelerated depreciation, and secondly by the difference between the depreciated value and the value at which the property was sold.

Hon. Mr. LEGER: Of course, the honourable gentleman is assuming there that the same law would still be in operation.

Hon. Mr. HUGESSEN: Yes. This provision is designed to levy a tax where a property that has been subject to special wartime depreciation has been sold by a corporation at a price higher than the depreciated price. Of course the corporation is always allowed to take into account as a credit the ordinary normal depreciation which would have been allowed in peace-time.

The second tightening-up provision is one which gave rise to a good deal of discussion in another place. It is designed for the prevention of tax-dodging schemes, and it is to be found in section 17 of the Bill. I am not sure why there was so much discussion of this in another place, because this is no new principle that is being brought in. Originally this principle was incorporated in the Income War Tax Act in 1938, and in substance what it did was to say that where there was a transaction which in the opinion of the Treasury Board artificially reduced the amount of taxation to which a corporation would otherwise be liable, the Treasury Board had the right to look into the matter and to levy a tax as if that transaction had not taken place, the Board's decision being subject to appeal to the Exchequer Court. That was amended in 1940 and made a little clearer and a little stricter. The purpose of the amendment now before us, section 17, is not to alter in any way the principle that has been in the statutes for five years, but merely to make a little clearer just what sort of tax avoidance is envisaged and intended to be caught.

Similar clauses have been in the British Income Tax Act and Excess Profits Tax Act for a number of years, certainly since 1935. It happens that I have before me a copy of the British statutes for 1941, and I see that section 35 of the Finance Act of that year corresponds very closely in its wording to the first paragraph of the new section now before us. Perhaps honourable members will allow me to read the first subsection of that section 35:

> Where the Commissioners are of opinion that the main purpose for which any transaction or transactions was or were effected (whether before or after the passing of this Act) was the avoidance or reduction of liability to excess profits tax, they may, if they think fit, direct that such adjustments shall be made as respects liability to excess profits tax as they consider appropriate so as to counteract the avoidance or reduction of liability to excess profits tax which would otherwise be effected by the transaction or transactions.

That is in substance what is contained in the present amendment, and what has been in British legislation since 1935, and in our legislation since 1938.

Hon. Mr. LEGER: May I ask the honourable gentleman a question? Did I understand him to say there was an appeal from the Treasury Board in that respect?

Hon. Mr. HUGESSEN: In Great Britain or here?

Hon. Mr. LEGER: Here.

Hon. Mr. HUGESSEN: Yes. My honourable friend will see that is provided for by subsection 4 of section 17.

Hon. Mr. LEGER: Oh, yes, that is right.

Hon. Mr. HUGESSEN: Then in sections 10 and 11 there are certain provisions for the relief of companies searching for base metals or strategic minerals, and companies exploring for oil or natural gas. These provisions are somewhat complicated, and I do not need to go into details. Honourable senators will appreciate the motive for granting relief from taxation to companies whose operations might conceivably be of great importance in connection with our war effort.

That concludes the summary of the main features of the Bill now before us. Before sitting down I should like, with permission of

the House, to place on Hansard a statement that has been furnished to me by the Commissioner of Income Tax, giving in tabular and brief form the changes which the amendments are designed to effect in the time of filing income tax and excess profits tax returns.

The statement puts in compendious and easily assimilable form the alterations made by the present measure in dates for filing returns by corporations, by individuals, and by farmers.

The statement is as follows:

INSTALMENT DATES

Corporations

	Income Tax	Excess Profits Tax
At present—	(a) Monthly instalments; (b) payment in respect of any taxation year commences in the seventh month of the company's fiscal period and continues through to the sixth month after the close of the company's fiscal period.	One-third of the tax payable on or before the close of the fourth month after the close of the company's fiscal period and the balance within four months thereafter (i.e., 8 months after the close of the company's fiscal period).
Proposed—	No change in dates.	Put on monthly instalment basis the same as for Income Tax.

Sole Proprietors, Business Men, Etc.

At present—	Quarterly instalments in respect of current taxation period, instalments commencing on October 15 in taxation period and continuing after the taxation period on the 15th days of January, April and July.	One-third of the tax is payable on the 30th April in the year following the taxation year, and the balance of the E.P. Tax is payable on or before 31st August in the year following the taxation period.
Proposed—	Four quarterly instalments payable in the currency of the taxation period on the 31st March, 30th June, 30th September and 31st December. Together with payments in 1943 of the balance of the 1942 income tax liability by instalments payable on 15th January, 1943, and one-third of any remaining unpaid liability on or before 30th June, 1943, and the balance on or before 31st December, 1943 (after giving effect to the fifty per cent forgiveness).	Pay on a quarterly instalment basis by quarterly instalments during a twelve-month period ending six months after the close of each calendar year as follows: On the last days of September and December in the taxation year and on the last days of March and June in the calendar year following the taxation year.

Farmers

At present—	Pay in respect of the taxation period their total tax liability by quarterly instalments commencing 15th October in the taxation year, and as to the last three instalments, on the 15th January, April and July in the year following the taxation year.	One-third of their liability in respect of any taxation period is due on 30th April in the year following the taxation period, and the balance is payable on or before 31st August in the year following the taxation period.
Proposed—	Pay two-thirds of their liability for the current year on or before 31st December in the current year and the remaining one-third on the following 30th April. In respect of 1942 liability they continue to be liable for the quarterly instalment due 15th January, 1943, and must pay any unpaid liability thereafter as to one-third on 30th June, 1943, and the balance on or before 31st December, 1943 (after giving effect to the fifty per cent forgiveness).	Pay on a quarterly instalment basis commencing during the taxation year by payments on the last days of September and December in the taxation year, and on the last days of March and June in the year following the taxation year.

I can only say, honourable senators, that my very short study of this Bill has not been by any manner of means as comprehensive as I should have liked it to be. In the discussion I shall endeavour to answer any questions that honourable members might like to put, but I cannot guarantee that the answers will be either sensible or accurate.

Hon. Mr. LEGER: The honourable gentleman said that provision was made for relief in connection with certain obligations assumed by the taxpayer, through a mortgage on his home, for instance. What about other obligations incurred for legitimate purposes? Is any provision made in respect of them?

Hon. Mr. HUGESSEN: Section 7A of the Act as amended last year sets out the classes of savings that an individual is allowed to deduct from the refundable portion of his tax. They are stated to be voluntary savings, and they comprise superannuation, retirement or pension plan payments, certain life insurance premiums, and payments on home mortgages. As I explained, the relief with respect to home mortgage payments has been extended by this Bill to cover cases where a man is making payments on a mortgage against a house that is in his wife's name.

Hon. Mr. LEGER: If a man borrowed money to purchase a house and gave a promissory note instead of a mortgage, he would not get relief?

Hon. Mr. HUGESSEN: That is right. It has to be a mortgage or an agreement for sale.

Hon. Mr. DAVIES: Honourable senators, may I ask a question of the honourable gentleman who has explained this Bill (Hon. Mr. Hugessen), or of the honourable leader of the House (Hon. Mr. King), regarding section 12? It is not quite clear to me. It makes Canadians who are sent out of the country for a certain length of time, in the employ of Canadian companies, liable for taxation in Canada. There are at the present time, I should say, twelve, possibly fifteen, Canadian newspaper correspondents in Great Britain. These men have to pay income tax over there. Under this amendment are they also liable for income tax in Canada?

Hon. Mr. HUGESSEN: It would depend upon how temporary their employment in Great Britain was. I should say that if they were there more or less permanently, on a year-by-year basis, they would not pay the tax here. I understand this provision is designed principally to cover the cases of quite a large number of persons who are employed by Canadian corporations and are at present in Newfoundland, where there is, I believe, no income tax.

Hon. Mr. MacARTHUR: Honourable senators, regardless of all the legal phraseology, the gist of this whole thing is that it provides for excess profit taxes. The honourable senator from Inkerman (Hon. Mr. Hugessen) referred to subsidiary companies and depreciation. Well, depreciation is certainly analogous to losses. Large companies have six, eight or ten subsidiaries, let us say. Who determines the depreciation? The honourable gentleman has not gone into that feature of the case. The depreciation affects the losses, and is an offset against the tax. But who appraises the depreciation?

Hon. Mr. HUGESSEN: I did not deal with the general question of depreciation, because I was trying to cover only the two matters in which depreciation is altered by this amending Bill. Of course, there are two kinds of depreciation: the normal depreciation and—

Hon. Mr. MacARTHUR: Who determines that?

Hon. Mr. HUGESSEN: That has been determined for years past by the income tax authorities, on the basis of so much for certain classes of assets, depending upon whether they are wasting or not. It may be five per cent for certain buildings and twenty per cent for machinery, and so on. Every asset that a company has is susceptible of depreciation at a certain rate, which is fixed by the income tax authorities on the basis of its wearability and durability.

The second class of depreciation is the special wartime depreciation, which has been brought in so as to enable companies to recover the cost of buildings erected for war purposes, which buildings they would not normally have required and which will be useless after the war is over.

Hon. Mr. MacARTHUR: That is all right in a general way, but suppose the president and the secretary of a big company and its subsidiaries say: "We are not satisfied with your rate of depreciation. We want a higher rate." What do you do then?

Hon. Mr. HUGESSEN: Any company which is dissatisfied with any assessment made upon it by the income tax authorities has the right to appeal to the Exchequer Court.

Hon. W. A. GRIESBACH: I do not know whether I followed the honourable gentleman clearly, but I did not care to interrupt him in

the middle of his explanation. Am I to understand that an officer returning to Canada from a theatre of war is allowed six months' exemption from taxation, and that he pays no taxation at all while abroad?

Hon. Mr. HUGESSEN: Perhaps I might answer my honourable friend's first question by saying that there is one slight modification. If an officer has been abroad for only three months, he is allowed tax exemption on the three months; but if he has been abroad for six months or more he gets six months' exemption on his return.

Hon. Mr. GRIESBACH: That is all right, but it does not tie into the facts. An officer may be returned from a theatre of war to engage in instructional duties in Canada, and the period that the Department of National Defence allots for this purpose is eight months. Why could not the Government consent now to make the period of tax exemption the same as the period of attachment?

Hon. Mr. HUGESSEN: I think my honourable friend will see the answer in section 29 of the Bill, which allows the Minister to make special regulations in cases where the right of taxpayers to deductions or exemptions has varied during any taxation year. This would deal precisely with the sort of cases my honourable friend has in mind.

Hon. Mr. GRIESBACH: What Minister is the honourable gentleman referring to?

Hon. Mr. HUGESSEN: The Minister of National Revenue.

Hon. Mr. GRIESBACH: But why not put into the Bill that the period of exemption from taxation shall be eight months? Then you have it synchronizing with the period of attachment.

Hon. Mr. HUGESSEN: I am afraid that is a matter of Government policy which I have no authority to deal with.

Hon. Mr. GRIESBACH: Apparently the Government's right hand does not know what its left hand is doing. Probably the Department of National Revenue never heard that the standard period is eight months when a man is sent back here for instructional duties. Why not make it clear that while he is over here he will not have to pay income tax?

An Hon. SENATOR: Why not make it apply to the other services as well?

Hon. Mr. GRIESBACH: Take the case of a man who went over with the First Division. He has had three years over there free of income tax. Then you induce or order him to return to Canada for instructional duties, and that period has been fixed at eight months. The amount of extra tax is so small that you might as well make the two periods tie in. The man so ordered back to Canada is a hard man to get and to keep. We should not hold income tax over him, for he has troubles enough without that additional worry. The six months' exemption is some gesture of encouragement. I doubt whether the Department of National Revenue is aware that the period of attachment is eight months. If the discrepancy were drawn to the attention of the Government it might consent to make the period of exemption agree with the period of attachment. Then everybody would be reasonably happy.

Hon. Mr. HUGESSEN: Perhaps the answer to my honourable friend would lie in his remark that the difference between the amounts of income tax for the six-month and eight-month periods would be small. I think the Commissioner of Income Tax would, as he is empowered to do, make a ruling under section 29 to relieve cases of the kind my honourable friend has mentioned.

Hon. Mr. GRIESBACH: I do not think we can safely rely on what the income tax man may figure on. Apparently the Department of National Defence has not entered the picture at all. If that department had jurisdiction in the matter it would be another story. I doubt very much that the Income Tax Division would give up a single dollar. It is reputed to be willing to take the gold out of a taxpayer's teeth. I should like to see the Bill amended on the lines I have suggested.

Hon. Mr. HUGESSEN: The appropriate time to move such an amendment would be in committee, not at this stage.

Hon. Mr. GRIESBACH: All right. I did not know the Bill was going to committee.

Hon. C. C. BALLANTYNE: Honourable senators, I crave your indulgence for a few moments while I direct attention once again to the constitutional authority of the Senate of Canada to deal with money bills. In 1918 the Senate appointed a special committee to determine the rights of the Senate in matters of financial legislation. This committee, of which the late Hon. W. B. Ross was chairman, invited the late Eugene Lafleur, the late John S. Ewart and Mr. Aimé Geoffrion—who, I am happy to say, is as active as ever—to give their views on the question. This is the summing-up of the conclusions of the committee:

1. That the Senate of Canada has and always had since it was created, the power to amend bills originating in the Commons appropriating

any part of the revenue or imposing a tax by reducing the amounts therein, but has not the right to increase the same without the consent of the Crown.

2. That this power was given as an essential part of the Confederation contract.

3. That the practice of the Imperial Houses of Parliament in respect of money bills is no part of the Constitution of the Dominion of Canada.

4. That the Senate in the past has repeatedly amended so-called money bills, in some cases without protest from the Commons, while in other cases the bills were allowed to pass, the Commons protesting or claiming that the Senate could not amend a money bill.

5. That rule 78 of the House of Commons of Canada, claiming for that body powers and privileges in connection with money bills identical with those of the Imperial House of Commons, is unwarranted under the provisions of the British North America Act, 1867.

6. That the Senate, as shown by the British North America Act as well as by the discussion in the Canadian Legislature on the Quebec Resolutions, in addition to its general powers and duties is specially empowered to safeguard the rights of the provincial organizations.

7. That besides general legislation there are questions such as provincial subsidies, public lands in the Western Provinces and the rights of the provinces in connection with pending railway legislation and the adjustment of the rights of the provinces thereunder, likely to arise at any time, and it is important that the powers of the Senate relating thereto be thoroughly understood.

I come now, honourable members, to a consideration of this Bill. When the Minister of Finance brought down his budget and quite properly stated that there would be no increase in income tax rates, many people thought that the cancellation of the tax on the remaining six months of 1942 would apply to the income of all taxpayers. Later it came as a shock to those who depend on income from investment to find that they have now to pay the highest income tax of all time. In other words, they have to make five payments for the fiscal year 1942-43. On January 15 they made their last quarterly payment on their 1941-42 income. Then shortly after, at the end of March, they had to make their first payment on their 1942-43 income. Therefore, when they pay the balance for this year, they will have made five payments.

I am sure the Minister must be gratified that our taxpayers are not complaining. They are quite willing to assume and carry their full share of the tax burden. But we must recognize that they have to make a great struggle to do so. Even the supposed rich are finding considerable difficulty in meeting their taxation. Their incomes, sufficient for them to live upon some years ago, have now been greatly reduced by the levying of higher rates of income tax, and many of them have to do one of two things: either borrow money from the bank or sell their securities. This they are prepared to do, but they insist that Ministers of Finance when imposing additional taxation must see to it that it is levied equally and fairly upon all taxpayers. Later on I shall mention a discrimination in this Bill which has created a good deal of consternation and evoked criticism, especially on the part of those who derive their income from investments.

The Minister of Finance when bringing down his budget had this to say, first of all, about the taxpayer who derives his income from salary:

To put tax payments on a full pay-as-we-earn basis and avoid unreasonable overlapping of two years' taxes, the Government has decided to propose that only one-half the full tax liability in respect of 1942 income shall now be payable. The tax liability will be reduced by one-half in the case of earned incomes. For investment incomes half the 1942 liability will be deferred until the death of the taxpayer. Investment income of not more than $3,000 will be treated in the same way as earned income.

There is good reason to distinguish between earned income and investment income in making this adjustment to the pay-as-we-earn plan. The reasons for making the change arise almost entirely from the size of earned income. We wish to overcome the tax difficulties of those whose earnings cease or are reduced because they retire or die, or because they enter the armed forces or lose their jobs. In these circumstances there are much lower earnings or no earnings out of which to pay the tax due on past earnings.

I agree with everything the Minister states there about these salaried men, but I cannot understand why the Minister was not willing to have inserted in this Bill a provision that on salaries of $10,000 and under, the balance of the 1942 taxes would be cancelled, and that salaries in the higher brackets would be treated in the same manner as revenue derived from investment. For a salaried man, no matter how low or how high his salary may be, the last six months of 1942 taxes are completely cancelled. There is a provision, however, that if he has investments as well as his salary, the revenue derived from the investments will, on his death, make his heirs liable to pay the balance of the 1942 tax.

Now I turn to what the Minister has to say about those who are living on revenue from investments. He says:

In the case of investment income there is always capital out of which such remaining taxes can be paid following the death of the taxpayer—or in other circumstances. Moreover, most investment incomes are not so likely to decline rapidly or to cease as are earned incomes. There is not such great need, therefore, to tax investment income on a current basis. Indeed, the question of a change would never

have arisen, I feel sure, if only investment income were concerned. It is not practical, however, to put one type of income on a current basis and not the other. Therefore we must make the shift in the collection of tax on investment income even though it is not required on its own merits. In doing so, however, we do not need to relieve the taxpayer, or his estate, of a tax which he or the estate is quite able to meet out of capital if not out of income. The course of action proposed is well in accord with the principle of taxing on the basis of ability to pay.

I do not know that I need read any further.

Hon. Mr. HUGESSEN: Would my honourable friend be kind enough to give me the date of the quotation?

Hon. Mr. BALLANTYNE: It is at pages 880 and 881.

Hon. Mr. HUGESSEN: Thank you.

Hon. Mr. BALLANTYNE: I never could understand, and do not now, why the Government persist in calling revenue from investment "unearned." The word is a misnomer and should never have appeared in any of our budgets, and I express the hope that we may not see it in budgets that are to come. Think of the strong men who are no longer with us, and of those who remain, whose hair is turning grey and who are not as active as they used to be—men who have toiled and laboured for twenty-five, thirty, forty, possibly fifty years, giving of their brain, their courage and their capital to develop the mines, the forests, the lands, the railways and the great industries and mercantile establishments of this country. Why, after all these long years, should it not be said that capital has played a large part in the development of Canada and that we hope it may long continue to do so? Why should we not pay tribute to the men who have done so much, instead of casting reflections on them and on what they have done? They are told: "We know that you, and probably your father before you and your grandfather before him, laboured hard and long, yet not only do we consider you have not earned a dollar, but we say officially to-day that all your money is unearned." The only tiny excuse the Minister of Finance or any of his experts can offer is that some people have inherited wealth. In the eyes of some that is a very great sin, but you could count on the fingers of your hand the number of men in the city of Montreal—no, throughout Canada—who are living on income derived from inherited money. I am personally acquainted with all the presidents of banks, railways and large industrial institutions in Montreal, and I know of only one of them who ever inherited a dollar. All the others started from the bottom rung of the ladder and climbed up. Only this week the general manager of one of the banks told me that to start he got $75 a year, and he said, "Our president got $100 a year." I cite that merely to show the struggle these men have made, these so-called capitalists, during the years that have passed. Why should they not now leave a fair competence for their families to live upon? To my mind it is quite out of place for this Bill to say that all they have striven for and saved is "unearned" and subject to a four per cent surtax; that there will be no exemption for the rest of 1942, and the heirs will have to pay. I maintain that there is discrimination between those who are living on income from investments and those who are drawing salaries.

Another serious aspect of the case is this. This budget says to the young men of to-day, the men of forty who are running our banks and great industries: "You had better remain on salary. You see how favourably salaried men have been treated. We have cancelled the balance of their 1942 tax, and they do not have to pay the surtax of four per cent." I should have preferred to see it otherwise, with the "unearned" eliminated, and the 1942 tax cancelled for all, including the widows and children who live on income from investments. Just the other day, as honourable senators may have noticed, our neighbours across the border completely cancelled the 1942 tax. How are we going to encourage saving? How are we going to encourage the young men I have mentioned to invest, not only in the concerns they may happen to manage, but also in many other industries, and thereby help to expand and develop this country?

I do not know that I have much more to say about this, except that the trust companies, which have to look after estates, are very greatly concerned and worried about the widows and orphans who receive a small income from investments. They are in a very bad way because, as I stated in the beginning of my remarks, they have to pay five times this year instead of four times. I had a firm of auditors figure for me how much a widow with two dependents would have to pay if she had an income of $5,000 a year. The figures are as follows:

Gross 1943 tax	$1,910 00	
Quarterly payment in respect of 1942 tax paid on the 15th January, 1943	477 50	
		$2,387 50
Gross income		5,000 00
Net income		$2,612 50

And this widow has two dependents to look after.

I suppose it is too late now for me to urge the Minister to say to his colleague the Minister of Finance that relief should be given to the thousands of people who are living on revenue from investments, and that they should be treated as fairly as those who are living on a salary. I cannot see the fairness of the present plan. I cannot see why there should be any line of demarcation. I am not criticizing the remuneration that any of these outstanding executives receive, because I know very well they are worth it. Any man in business knows that when you are looking for an executive to run a large business the greatest difficulty you have is to find the man, and that the salary is only a secondary consideration. These salaried executives are told that six months of their 1942 tax is cancelled; but for people living on revenue from investments the answer is, "No."

I may be told by my honourable friend from Inkerman (Hon. Mr. Hugessen) that it was the Bennett Administration that brought down this tax on "unearned" income. I frankly admit that. We were in power at the time. My good friend the Right Honourable Arthur Meighen was leading the Senate then, and I shared the same desk with him. Honourable senators who were here at that time will remember that the leader endorsed the "unearned," and that the "assistant leader" opposed it. I opposed it on the floor of the House, and I went before the Committee on Banking and Commerce and opposed it there. I said at that time it was wrong in principle—and it was; and it has been wrong ever since, and is wrong now. Let us earnestly hope, as I do, that my honourable friend who leads the Government in this House will impress upon the Minister the undesirability of such a thing, and will urge that we should never see it in a budget again.

Some Hon. SENATORS: Hear, hear.

Hon. ARTHUR SAUVE: Honourable senators, I cannot approve without reserve this budget loaded with billions of dollars. The province of Quebec, like the rest of the country, does not want anything to hamper a legitimate war effort, our Victory Loan, or a greater production; but these objectives must be attained within the limits of possible and reasonable sacrifice and of justice for all. There is no question here of participation or non-participation in a supreme war effort, any more than there is of fanatical animosity against the Government. But I cannot entirely approve the new mode of taxation.

At this moment I do not intend to criticize an illogical and extravagant opponent, but I wish to disclose the complaints I have heard, and know to be well founded. It is fair to admit that the members of the Government, even if they are jointly responsible, are not all equally guilty of all the blame justly laid upon the Administration. It is equally fair and honest to take into consideration the unavoidable errors that occur in upheavals caused or rendered necessary by a war administration improvised, unprepared and organized in opposition to the education which the Government had preached in the past.

Budget debates provide an opportunity for an expression of serious grievances of the people. This is the primordial reason for Parliament, and it is the duty of its two deliberative Chambers to scrutinize every action of the Government and to use with discretion their right of control. This line of conduct is all the more justifiable when, concerning these matters, correspondence between a taxpayer or a member of either Chamber and the Government does not bring about any noticeable change or satisfactory improvement.

Last week I read a large part of the Senate Debates of 1914 to 1918, the period of the first great war, and was again confirmed in my old opinion that no one at that time was inclined to make the Senate a House of the dead or a "yes men" Chamber.

A fair sense of economy is recommended to all, but chiefly to those who find commendable the eagerness of all provinces and of all classes of the Canadian people to subscribe to the Victory Loan of their own free will and from a sense of duty or of legitimate interest. In so doing the people act with great confidence, if not in the whole administration of the present Government, at least in the solvency of the country. The fine response to the Victory Loan has a two-fold result: it provides for our war effort, and it places the people's money in security for after-war necessities. It is a commendable economy. The waste among some people is still very deplorable, and is one of the main reasons why the Government itself should practise economy. But the people are placing in bonds not only their present surplus, but especially their accumulated savings.

The main complaint is concerned with the unwarranted and burdensome expenditures that arouse public opinion. A former Minister of broad experience, Mr. Cardin, and Liberal and Independent members of Parliament, and newspapers, have pointed to intolerable waste. Many war workers also have denounced this scandalous extravagance. Government inspectors in factories, when they are not altogether incompetent, are not vested with the necessary authority and power to put an end to the misuse and squandering of time and materials

I know that written representations have been made to the Government concerning this matter.

Contracts on the cost-plus basis were severely condemned by a United States Government board after an investigation had revealed theft amounting to millions of dollars. These are a plague to Canada also, and we had a sample of them in Montreal. Because this prodigality is known of, denounced and severely criticized throughout the country, the people are ill-disposed towards the Government's restrictions on liquor, food, clothing and recreation, which restrictions have the good object of imposing a strict economy and stimulating valuable and desirable production. No thorough and efficient investigation of this matter has been made or even yet ordered.

It is only fair that there should be a rationing system based on conditions of place, health, labour and cultural obligations; but all too often ordinances are applied contrary to carefulness, possibility and common sense. For instance, the Government sets a ceiling price on fuel-wood before the lumbermen have a chance of going to the bush, before anybody knows about climatic conditions and wood dealers' terms. Consequently, this ordinance is generally met with the following answer from the wood dealer: "Since the Government sets maximum prices before ascertaining what the wood will cost us, we will not cut any." Another instance: the Government set a ceiling price on maple syrup and maple sugar before knowing whether the crop would be abundant or deficient, and without taking into consideration the very special handicap caused by the accumulation of snow and ice. As a result many farmers tapped only part of their sugar bush, and as the weather was unfavourable there was no maple syrup on the market.

It is to be feared that restrictive measures applying to farm products cause a lessening of production. Let us talk of the rationing of butter. This product is not adequately rationed, that is, according to the conditions of classes and creeds. Some religions compel their followers to undergo many days of abstinence from butter, and people of other religions are on certain days unable to eat meat, but the rationing takes no account of these facts.

Neither do the rations make any exceptions for the workers who take their meals at factories. Everywhere you can hear the same complaint: the health of these factory workers is usually affected or threatened.

Representations made to federal authorities with a view to the solving of difficulties encountered in transporting workers under winter conditions were not seriously considered. The authorities refused to grant a transport service properly adapted to the needs of various factories and in conformity with sanitary conditions required by the people. There has also been refusal to consider claims set up by workers. This causes uneasiness and threats of strikes. Once more I say that the Department of Labour should not wait until a strike is declared before considering the demands of workers. When that is done, it is a case of justice coming too late. This retarding of justice has been the cause of many strikes and heavy losses to the country.

The income tax paid by the working class is not properly balanced. A single person whose salary is increased from $30 to $40 receives, after all compulsory deductions, $4.75 more than before. A married man with three children receives $6.78 more. I will dwell upon this matter later. If we induce single persons to invest their money in Government bonds as their salary and a sound sense of thrift permit, their own future will be all the better assured. But I wish to speak on behalf of the married man, who has a family, and who must pay rent or instalments on his house, besides municipal, provincial and federal taxes. The Income Tax Branch should reconsider his case, and should not be too deeply influenced by the annoying bureaucracy which sets up taxes and orders.

Public opinion cannot understand why we are still erecting large war factories or making extensions to those already in existence, at a cost of millions of dollars and with the wastage of much building material, which to-day is so scarce that the construction of private buildings is seriously hampered.

If the Government saw to it that a stricter economy was practised in its own departments and boards, the saving would be sufficient to render unnecessary the over-taxing of private citizens and soldiers. On stationery alone the Government could save a very considerable sum. The offices of each additional commission become new sources of misuse and waste. If the Government wishes the people to practise strict economy, it must first of all prove that it practises what it preaches. The more we want to contribute to the war effort the more we should endeavour to stop wasting the finances and the assets of our country—our man-power and money. The Government is in duty bound to prove its competence by putting a stop to the extravagance of administration for which it is primarily responsible. Those of us who are not against an adequate participation in the war must be the first to

insist with courage and firmness that the Government practise strict economy in its various departments, an economy equal to that which is demanded from every class of our people, and which is rendered absolutely necessary by the astronomical increase of our national debt, as well as by our other formidable obligations.

The Government is not only loading its war budget with billions; it is also in effect loading post-war budgets. It is again promising what it promised during and since the last war, but has not yet fulfilled. It proposes easy and agreeable ways of living from birth to burial. This teaching is totally contrary to a return to normal life as set forth by Christianity. Instead of helping democracies to revert to Christian faith and practice, the pedagogues authorized by the Government to give instruction to legislators in committee and to the people listening over the radio are bent on stuffing our brains with impracticable theories. These can only produce dreams and illusions, which, in turn, must lead to disillusion, crisis and revolution. Post-war comfort is envisaged that would entail billions of expenditure by this god-state. In trying to kill a capitalistic trust these pedagogues are working to make another trust; yes, another trust against trust; and so this latter and younger trust would very quickly involve us in greater disaster than the other.

The abuses of capitalism must be corrected, but not by killing private capital, which is the only basis of individual initiative. The social ladder built by the Creator is still intact, and those who wish to climb without using it will break their necks and tumble into the abyss. The power of capitalism must be controlled by Government application of laws now in force, especially those passed as a result of the Stevens inquiry, or by the enactment of new laws to meet present conditions.

Hon. F. B. BLACK: Honourable members, I should like to ask a question of the honourable senator from Inkerman (Hon. Mr. Hugessen), who gave an explanation of this Bill. Personally I am not satisfied with the Minister's explanation of the discrimination between the income tax paid on salary and the tax levied on revenue from investments. Nor am I satisfied with the reasons he gave for tax exemption. May I put my question in the form of a statement? One man, we will say, receives an income of $20,000, made up of $10,000 from investments and $10,000 from salary. That is not an unusual condition in this country, but of course the division is purely arbitrary. On the $10,000 salary he received in 1942 he has paid half the income tax, and is exempt for all time as to the balance. On the $10,000 return on his accumulated savings he has paid half the income tax for 1942, but now or later he has to pay the balance, or it will be a liability of his estate after his death. There, to my mind, is a discrimination which cannot be justified.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. BLACK: There are many people in this country who, as explained by the leader on this side, while they were in receipt of a small salary laid aside year by year small savings, with the result that they have built up a fund that they supposed would take care of themselves and their families in their old age. I contend it is an injustice on that class of frugal people to exempt half the income tax of a man with a salary of $20,000 while exacting the last cent of income tax on a part of the other man's income derived from interest on investments. As I have said, I am not satisfied with the explanation given by the Minister, and I should be glad to hear the honourable senator from Inkerman explain the reason for the discrimination. I might amplify my statement. If a man is in receipt of a salary of $40,000, as a good many men in Canada are, why should he pay only half the income tax on that $40,000 and have the balance cancelled for all time, while the man who has saved sufficient money to bring him a return of $10,000 a year, and has that income alone to live on, is penalized to the extent of having to pay full income tax? If the honourable senator (Hon. Mr. Hugessen) or the Minister can explain that apparent injustice, I shall be well pleased.

Hon. Mr. BALLANTYNE: And also the 4 per cent surtax.

Hon. Mr. BLACK: Of course, the 4 per cent surtax is just an additional burden. I leave that out. The man with a salary of $50,000 pays only half his income tax for 1942, but the man with $10,000 income on investments pays the whole tax for that year. I think other members besides myself would like to have this discrimination explained.

While I am on my feet, I wish to endorse what was said by the honourable gentleman who sits to my right (Hon. Mr. Griesbach). I know many cases of young men in the armed forces who have been sent home for training. Last year I had applications from such men to get some adjustments in their income tax. I took the cases up with the department, and while I got very courteous replies from Mr. Elliott, he stated that though it was an apparent injustice, the law unfortunately precluded him from giving any relief. I have

three of those young men very clearly in mind. They came back from England for training purposes and were here just long enough to come under the 1942 Income Tax Act. They had to pay full income tax, although they had been a year and a half in Great Britain. I have two close relatives who are now in Canada for training purposes. They did not want to come back. They were doing a good job over there, I am sure, and no doubt they are also doing a good job here. But they were told: "You men are useful for training purposes. We want you to go back to help train our forces in Canada, and you will be sent over for an eight-month period." I am glad the six months' relief has been granted, but it is not adequate. I agree with my honourable friend to my right that if the matter were brought to the attention of the Minister of National Defence it would be adjusted. I do not think the Bill can be amended at this stage. I suggest that the leader of the House take the matter up with the Minister of National Defence. If the exemption period were extended to eight months it would be a welcome relief to men who are sent back here for instructional purposes. While there is a provision in the Bill that a person may make application for relief, it is difficult for these young officers to do so. In the first place, they are busy, and they do not know how to make the necessary application; in the second place, they should not be required to make it; in the third place, they have no assurance whatever that the application would be granted.

Now, I have asked what is perhaps an involved question. The first part is: Why is the man with a large salary exempted when the man with small income is taxed? The other part is about this eight-month period as against the six-month period.

As Chairman of the Standing Committee on Banking and Commerce I have no complaint whatever to make. I am delighted to be relieved of work. We are not looking for work. I have no objection whatever to the work being taken away from the Committee on Banking and Commerce and put into the hands of any other committee. Nobody has ever heard any complaint from me on that score at all.

I can substantiate what has been said about the Committee on Banking and Commerce. Since I came into this House, twenty-two years ago, it has been the committee to which all legislation similar to these bills, and general commercial and financial bills, have been referred. The reason for that has been explained. The committee is a large one, and when the leaders meet from year to year they place on it those who they think are capable of acting on it and will attend its meetings. I do not see any necessity for taking these bills away from the Committee on Banking and Commerce, though I make no objection to it. As chairman of the committee I offer no apology for the committee, because, as I say, it has worked sedulously and carefully and has given close attention to all matters placed in its hands. Although there may have been strong criticism of that committee, I have never heard it. If there are any objections to the chairman of the committee, I can assure you that he would be delighted to resign. The position is an arduous one. I never sought it. I was placed there and have given the best service I could, and I want it plainly understood that the fact that such bills as were formerly referred to the Committee on Banking and Commerce are not now referred to it does not affect me at all. I am quite willing that they should be referred to other committees, and I shall be much pleased to attend the meetings of those committees and get whatever information I can.

Hon. Mr. HUGESSEN: Honourable senators, I will do my best to answer the question my honourable friend has put; but technically I have exhausted my right to speak, and can only go on with the unanimous consent of the House.

Some Hon. SENATORS: Go on.

Hon. Mr. BLACK: This is a friendly discussion.

Hon. Mr. HUGESSEN: May I deal first with the second question, about the young officers who came back from overseas for eight months' training in Canada. Under the present income tax measure the moment those young officers returned to Canada they became liable for the payment of income tax on their total income, just as if they were civilians. This amending Bill does two things; it relieves their position in two ways. First of all, it says that on return from overseas they shall be exempt from the payment of income tax on pay and allowances for six months. The second thing it does is to bring them within the class of people who are on active service in Canada and who pay no income tax whatever on the first $1,600 of their income, if they are single. If they are married and have dependents that amount is increased up to a maximum of, I think, something like $2,800. So from that point of view, I do not think the question amounts to very much. If they were single men and their income from pay and allowances was in excess of $1,600, any tax

they would pay for the difference in time between the six months' exemption period and the eight months they were in this country would be practically negligible.

Hon. Mr. BLACK: It might be $1 or $20, but why discriminate? These men did not apply to come home; they came home because they were ordered to do so, and they are on duty here just as much as if they were in England. In some cases they are doing a better war job here than they were doing there. Two of the men I refer to have served their eight-month term here and have gone back; the other person I have immediately in mind probably has his sailing orders now.

Men are coming over here continually, and only men who are competent to train are sent. They are men who have special knowledge in the branch in which they are to instruct, and I cannot see why there is any discrimination between the time when the soldier is serving in the armed forces in England and the time when he is with the active army in Canada. These men have not left England of their own accord, and they are going back; and when our army invades Europe they will doubtless be part of the force. Why in the world should they not be placed on exactly the same basis as the men who have been in England for three years and have not come home? There is a discrimination there that the armed forces do not like.

Hon. Mr. HUGESSEN: Speaking personally, I should be disposed to agree with my honourable friend. I think the only thing one can say is that ever since the war began it has been the consensus of opinion throughout the country that the man who is overseas on an active front should receive better treatment with respect to his liability for income tax than the man who is in Canada. It is merely in pursuance of that principle that there would be any possibility of the particular cases which my honourable friend has mentioned sustaining any such liability. In view of what I said a few minutes ago, I think we are arguing over trifles. The liability, if there were any, would be so small that I think the Income Tax Commissioner would neglect it, as he is entitled to do under section 29 of the Bill, which is designed to permit the Minister to—

—make any regulations deemed necessary for carrying this Act into effect, including regulations designed to facilitate the assessment of tax in cases where the right of taxpayers to deductions or exemptions has varied during any taxation year.

That would be precisely the sort of case to which my honourable friend refers, where a man came here from England for a few months and then went back again. I think from a practical point of view there is nothing in it.

Now, the first question which my honourable friend asked, and which was also mentioned by the leader on the other side, is a good deal more difficult for me to tackle, because it relates to a matter of Government policy. What these honourable gentlemen say is that there is discrimination between the man who earns his income and is forgiven half his 1942 tax and the man who derives the whole or a substantial part of his income from invested capital and who is not forgiven half his 1942 tax. I think the distinction can be justified if you look at it in this way. There was a great demand for putting our income tax on a pay-as-you-go basis. Once you put the income tax on that basis you have to do it for all incomes irrespective of whether they are earned or whether they come from investment. To put your income tax on a pay-as-you-go basis necessarily involves forgiving part of the tax of one year. With respect to earned incomes it was essential to forgive a part of the tax, because you could not expect a man with an earned income to pay two taxes in one year. My honourable friend opposite (Hon. Mr. Ballantyne) talks about the leader of industry who has an earned income of $50,000 or $60,000 a year. That is a very exceptional case; he is a very rare bird. The ordinary man is the man with a salary of $4,000, $5,000 or $6,000 a year, and it is obvious that he cannot be expected to pay two taxes in one year.

Hon. Mr. BALLANTYNE: The "rare birds" you refer to are far more numerous than you think. You can count them by the hundreds. I did not stipulate any salary; it was my honourable friend here who referred to the amount. But the honourable gentleman opposite knows as well as I do that there are hundreds upon hundreds of men drawing salaries who can afford to pay their 1942 taxes much better than many who are living on revenue from investments.

Hon. Mr. HUGESSEN: I have not the figures before me, but, if I remember, there are fewer than two thousand persons in this country with incomes of $50,000 or more, and there are many hundreds of thousands with smaller incomes.

What I was saying is this: you have to forgive the man who derives his revenue from salary, but there is no necessity to forgive the man who derives his revenue from investments, from which you can collect the tax.

Hon. Mr. BALLANTYNE: Co-operative Commonwealth Federation doctrine.

Hon. Mr. HUGESSEN: It is Co-operative Commonwealth Federation doctrine, and it is the doctrine adopted by any Minister who tries to get a tax where the money is.

Hon. Mr. BLACK: According to that, the capitalist who pays an income tax on $10,000 or $20,000 of investments has to dispose of his investments to pay his income tax—

Hon. Mr. HUGESSEN: Not at all.

Hon. Mr. BLACK: —and then there is nothing for him to leave to his family. So, if he is wise, and can sell, he had better pay the tax before he dies, because he will be money in pocket.

Hon. Mr. HUGESSEN: I wonder whether we are dealing with a great number of people. I think the number is very small. Those with investment income up to $3,000 are forgiven half the tax, just like the fellow with earned income.

Hon. Mr. ROBINSON: Is $3,000 the maximum investment?

Hon. Mr. HUGESSEN: It is income over $3,000 which pays this tax. Now, at four per cent, an income of $3,000 a year represents a capital of $75,000, and that is a fairly substantial sum. It means that the man having $75,000 of invested capital or less is free, and this tax applies only to the very few hundred people who have an invested capital of more than $75,000. We are dealing with not more than a very few hundred people, and frankly I think that in a time of war, such as this, the Minister of Finance has to get money where he can find it.

Hon. Mr. BALLANTYNE: I cannot follow my honourable friend when he says this affects only a few hundred people. Surely he knows that investments of more than $75,000 would run into the thousands.

Hon. Mr. HUGESSEN: Even so, they do not compare with the many hundreds of thousands of small taxpayers.

Hon. Mr. BALLANTYNE: Will my honourable friend give us a good argument for calling income from investments unearned?

Hon. Mr. HUGESSEN: I am afraid that is beyond my capacity. If the Right Honourable Arthur Meighen was unable to convince the honourable gentleman when sitting next to him, I have no hope of doing so.

Hon. Mr. BLACK: May I ask a question, with the consent of the House? I still fail to comprehend why a man with $40,000 salary in 1942 has his income for half the year exempted, whereas a man who in 1942 had an investment income of $10,000 has to pay on the whole thing. I think there is a very apparent injustice in that. If the Bill provided exemption from tax for six months of 1942 on salaries of $10,000 or under, or $12,000 or under, or $15,000 or under, whichever figure might be fixed, that would be reasonable, but I cannot understand why a man with a large salary of $40,000 or $50,000 is exempted from taxation for half of 1942.

Hon. Mr. KING: I think my honourable friend would understand it better if he realized that many thousands of new taxpayers have been brought in. Men earning over $700 a year are now taxable, and it is that group which is really in the Minister's mind, not the comparative few with a salary of $40,000. There are a great many taxpayers with small incomes who never paid taxes before, and they will receive relief that is not afforded to persons with a large income from investments.

Hon. Mr. BLACK: I must confess, honourable senators, that I still cannot understand why a $50,000 salary is exempt from taxation for half of 1942, whereas a $10,000 income from investments is taxed for the whole year.

Hon. Mr. CALDER: Honourable senators, I have listened during the last hour or so to the discussion that has taken place. To me it is the very best evidence that the provisions of this Bill require careful consideration, and I trust they will get it. I am not going to discuss the details of the Bill: I have just a word or so to say as regards the main principle. The Bill has but one object, the getting of money. Getting money for what purpose? To fight, and to fight just as hard as we can, in order that this war may be ended in the shortest possible time.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CALDER: Nobody likes taxation. We all should like to escape every kind of taxes. There are thousands of people who look upon taxes as unjust, unreasonable. Then again we have complaints that money raised by taxation is not always well spent; that a good deal of it is wasted. We had an echo of that kind of complaint this afternoon, and I dare say there was a great deal of foundation for it. But in this situation we cannot allow those things to stand in the way. The Government needs money, must have it, and in this Bill it has devised means of getting it. I have not the slightest doubt at all that the Government and some of its chief officials have examined the statutes and proposals of all the United Nations, who are in the same position as we are, facing the same problems, all desirous of bringing this war to a conclusion

at the earliest possible date, which can be done only by building as strong a fighting machine as can be built. That takes money, piles of money, millions of money. I doubt very much the wisdom of hackling over what in this situation may be regarded as little things.

Hon. Mr. BALLANTYNE: What we were suggesting was more revenue for the Government, not less.

Hon. Mr. CALDER: That is all I have to say with regard to the main principle of the Bill; but I trust that when the Bill gets before whatever committee it may be referred to, it will be the subject of a full inquiry, and that if any amendments are necessary or helpful they will be attended to.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: Honourable senators, I move that this Bill be referred to the Standing Committee on Finance. I may say that I have looked up the origin of this committee, and to me it is rather interesting to find that it was originally appointed in 1919 in order to deal with special matters, special expenditures arising out of the last war. It was at first a very small committee, and later it was enlarged.

Hon. Mr. MARCOTTE: Honourable senators, before the motion is adopted I should like to make a few remarks on the working of this committee. I agree with His Honour the Speaker that the jurisdiction of our committees is entirely in the hands of the Senate. The practice has been that before any measure is referred to a committee, the Senate at least has taken cognizance of it. That is, a bill is read the first and second times, and referred by the Senate to a committee. But the Senate has never had any notice when measures such as this have been referred to the Committee on Finance. The motion passed on March 3 reads as follows:

That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament and by resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the bills based on the said estimates and resolutions reaching the Senate.

According to that motion this committee can deal with matters before they reach the Senate, and the Senate may not know anything about them. It is immaterial to me whether this Bill is referred to the Banking and Commerce Committee or the Finance Committee or any other committee, but the Senate as a whole should at least be given notice of when and by what committee it is being studied. The honourable leader (Hon. Mr. King) said that the Finance Committee had already studied the present Bill, and experts had appeared before the committee; and presumably questions were put to them and answered. But how does this help honourable members who are not on that committee? As we know, every senator has the right to be present at any committee meeting.

Hon. Mr. KING: They were all invited to be present.

Hon. Mr. MARCOTTE: Every senator has the right to know what is going to be taken up by a committee such as this. It seems to me that a notice should be sent to every one of us whenever the Finance Committee is to sit, in order that we may have a chance to attend and ask questions about whatever bill is being studied.

Hon. Mr. KING: I am giving notice now.

Hon. Mr. MARCOTTE: But the honourable gentleman said that the committee had already held sittings to consider this Bill. The point I am raising has to do with a formality. It seems to me that it is not fair to honourable members who are not on a committee of this kind, if a meeting of the committee is held without notice being given to us all.

Hon. Mr. KING: The Finance Committee will meet at 10.30 to-morrow morning.

The Hon. the SPEAKER: The motion to which the honourable senator from Ponteix (Hon. Mr. Marcotte) has referred was passed on the 3rd of March. Our minutes, at page 47, state:

On motion of the Honourable Senator King, it was—

Ordered, That the Standing Committee on Finance be authorized to examine expenditures proposed by the estimates laid before Parliament, and by Resolutions relating to war and other proposed financial measures of which notice has been given to Parliament, in advance of the Bills based on the said estimates and Resolutions reaching the Senate.

By that resolution the Senate in its discretion granted the Standing Committee on Finance special power to examine financial measures as soon as they have been laid before Parliament, prior to their introduction into the Senate and without any reference to the committee. Therefore, as soon as the financial measures in connection with the budget

resolutions were tabled in another place, Parliament had official notice that the committee could examine into them.

But we are now dealing with a motion for a special order of reference. A Bill was introduced into the House of Commons, passed there, then sent over to this House, where it has been read the second time, and we have now before us a motion to refer the Bill to the Standing Committee on Finance. So there is no connection between the motion of March 3, referred to by the honourable gentleman, and the motion now before the Senate for reference of this Bill to the committee.

Hon. Mr. MARCOTTE: If I am in order, honourable senators, I should like to reply to His Honour the Speaker. I am not making any complaints about the present Bill, or discussing the powers of the committee. What I am saying is that when a committee is sitting to consider any measure that has not yet come before us, we should at least be given notice of the committee's sitting, so that we may have a chance of attending.

Hon. Mr. KING: I think notice was given.

Hon. Mr. MARCOTTE: I never got any notice.

Hon. Mr. KING: I moved a resolution that the committee meet. I think that you will find that in Hansard.

The Hon. the SPEAKER: If I mistake not, there is a standing order to the effect that notice must be posted at certain places in the Senate stating when and where committees are sitting. The honourable leader has said that the Finance Committee is to meet to-morrow morning at 10.30.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, May 7, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

INCOME WAR TAX BILL

REPORT OF COMMITTEE

Hon. S. A. HAYDEN presented the report of the Standing Committee on Finance on Bill 72, an Act to amend the Income War Tax Act.

He said: The committee beg leave to report the Bill with some amendments. The amendments are formal and do not in any way materially affect the substance of the Bill. They were concurred in by the Law Clerk of the Senate and by the officials of the department concerned.

The Clerk Assistant proceeded to read the report.

Some Hon. SENATORS: Dispense.

Hon. Mr. MURDOCK: Are we not entitled to hear the report?

Hon. Mr. BALLANTYNE: It is very long.

Hon. Mr. KING: Do you wish to have the report read?

Hon. Mr. MURDOCK: No, if this is the way of dealing with it.

UNITED STATES JURISDICTION IN CANADA

NOTICE OF INQUIRY

Hon. Mr. GRIESBACH: Honourable senators, I am giving notice of inquiry for Monday, May 10, 1943, that I shall draw the attention of the Senate to a newspaper article appearing in the Edmonton Journal on April 22, 1943, reading:

"U.S. Claims Right To Try Own Troops
By Charles Bishop.

Ottawa.—Has the United States exclusive jurisdiction to try members of U.S. forces in Canada?

That question will be argued here at the end of May before the Supreme Court on a reference by the Government.

The U.S. army authorities now have a concurrent jurisdiction with the Canadian civil courts. They claim that under international law their jurisdiction is exclusive in trying their own men. This is not conceded, so the courts will decide the question after argument."

and I shall inquire of the Government as follows:

1. Has the United States exclusive jurisdiction within Canada to try and punish members of the armed forces of the United States within Canada?

2. Has this right been conceded by the Government of Canada without qualifications or exceptions?

3. In such cases has Canada reserved any rights?

4. Is it a fact that United States authorities, with respect to their military courts, have been given concurrent jurisdiction with Canadian civil courts?

I am following here the language of the newspaper report. It is not quite as I would have worded it myself.

5. Has the contention of the United States for exclusive jurisdiction or concurrent jurisdiction for their military courts in the matter

of civil offences committed by United States military personnel been conceded by the Government of Canada?

6. Upon what principle in international law is the claim of the United States based?

7. Is the claim of the United States for such jurisdiction based upon any agreement heretofore entered into between the United States and Canada?

8. Will the Government keep this House informed as to the progress of this discussion?

9. Will the Government introduce legislation to implement any conclusions arrived at, or does the Government consider that it is empowered by existing legislation to limit, qualify or diminish the sovereignty of Canada by Order in Council?

INCOME WAR TAX BILL

REPORT OF COMMITTEE CONCURRED IN

Hon. Mr. KING: Before the Orders of the Day are proceeded with, may I point out that we have had presented the report of the Finance Committee on Bill 72, an Act to amend the Income War Tax Act, but I do not think the report has been adopted. I should like to move that it be adopted now.

The Hon. the SPEAKER: It is moved by Hon. Mr. King, seconded by Hon. Mr. Copp, that the report of the Committee on Finance on Bill 72, an Act to amend the Income War Tax Act, be now received, considered and concurred in. Is it your pleasure to adopt the motion?

Hon. Mr. CALDER: May I ask what the purport of the amendments is?

Hon. Mr. HAYDEN: The amendments are simply to make the Bill in its formal parts conform with the facts. For instance, earlier legislation is described as having been enacted in the "1940 second session," instead of "1940-41." In other words, there were errors of misdescription in references to earlier Income War Tax enactments. There is a whole series of errors, possibly thirty-five, of that kind.

Hon. Mr. CALDER: All verbal?

Hon. Mr. HAYDEN: Yes.

Hon. Mr. MURDOCK: Will you please explain amendment No. 12? It says:

Page 7, line 38. For "nine" substitute "twelve."

Hon. Mr. HAYDEN: That is to correct an error in the reference to a section of the Income War Tax Act. The intention was to refer to section 12.

Hon. Mr. MURDOCK: It is not twelve months substituted for nine months?

Hon. Mr. HAYDEN: No. It is a reference to a section.

The motion was agreed to.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

EXCESS PROFITS TAX BILL

THIRD READING

Hon. Mr. KING moved the third reading of Bill 69, an Act to amend the Excess Profits Tax Act, 1940.

The motion was agreed to, and the Bill was read the third time, and passed.

DIVORCE BILLS

SECOND READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill C3, an Act for the relief of Alissamon Wheeler Baker Macoun.

Bill D3, an Act for the relief of Adèle Le Roy Fuller Hardy.

Bill E3, an Act for the relief of Constance Maxine Keating Noseworthy.

Bill F3, an Act for the relief of Alvina Antoinette Bouchard Winterson.

Bill G3, an Act for the relief of Bernice Evelyn Berman Sholomenko.

Bill H3, an Act for the relief of Marjorie Florence Gray Lever.

Bill I3, an Act for the relief of Robert Gordon Shaw.

Bill J3, an Act for the relief of William Taffert.

Bill K3, an Act for the relief of Uuno Ojalammi.

Bill L3, an Act for the relief of Leo Guay.

Bill M3, an Act for the relief of Marie Béatrice Arsenault Thériault.

Bill N3, an Act for the relief of Margaret Varga Csabi.

Bill O3, an Act for the relief of Frances Helen Shand Howell.

Bill P3, an Act for the relief of Charles Cardin.

Bill Q3, an Act for the relief of Gladys Irene Harrison Mathers.

Bill R3, an Act for the relief of Eileen Grace Shearer Taylor.

ADJOURNMENT

Hon. J. H. KING: Honourable senators, it is somewhat of a puzzle to arrange our comings and goings, but, having consulted with my honourable friend the leader opposite (Hon. Mr. Ballantyne), I now move that when the House adjourns to-day it stand adjourned until 8 o'clock Wednesday evening, May 12.

The motion was agreed to.

The Senate adjourned until Wednesday, May 12, at 8 p.m.

THE SENATE

Wednesday, May 12, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

UNITED STATES JURISDICTION IN CANADA

NOTICE OF INQUIRY

On the notice:

By Hon. Mr. Griesbach:

That he will draw the attention of the Senate to a newspaper article appearing in the Edmonton Journal on April 22, 1943:

"U.S. Claims Right To Try Own Troops

By Charles Bishop

Ottawa.—Has the United States exclusive jurisdiction to try members of U.S. forces in Canada?

That question will be argued here at the end of May before the Supreme Court on a reference by the Government.

The U.S. army authorities now have a concurrent jurisdiction with the Canadian civil courts. They claim that under international law their jurisdiction is exclusive in trying their own men. This is not conceded, so the courts will decide the question after argument."

And will inquire of the Government as follows:

1. Has the United States exclusive jurisdiction within Canada to try and punish members of the armed forces of the United States within Canada?

2. Has this right been conceded by the Government of Canada without qualifications or exceptions?

3. In such cases has Canada reserved any rights?

4. Is it a fact that United States authorities, with respect to their military courts, have been given concurrent jurisdiction with Canadian civil courts?

5. Has the contention of the United States for exclusive jurisdiction or concurrent jurisdiction for their military courts in the matter of civil offences committed by United States military personnel been conceded by the Government of Canada?

6. Upon what principle in international law is the claim of the United States based?

7. Is the claim of the United States for such jurisdiction based upon any agreement heretofore entered into between the United States and Canada?

8. Will the Government keep this House informed as to the progress of this discussion?

9. Will the Government introduce legislation to implement any conclusions arrived at, or does the Government consider that it is empowered by existing legislation to limit, qualify or diminish the sovereignty of Canada by Order in Council?

Hon. J. H. KING: Honourable senators, I find in regard to the inquiry of my honourable friend from Edmonton that questions one to nine, inclusive, all relate to matters which have been referred to the Supreme Court of Canada for judicial determination, and it would not be possible to make any statement on such matters until after the judgment of the court has been delivered.

DISCUSSION POSTPONED

On the Orders of the Day:

Hon. W. A. GRIESBACH: Honourable senators, I should like, with consent of the House, to refer back to Inquiries, as I have received from the honourable leader of the House (Hon. Mr. King) a reply upon which I wish to offer a few observations now, if I may.

The Hon. the SPEAKER: I assume that the honourable gentleman has unanimous consent to comment on the answer to his inquiry; otherwise he cannot proceed.

An Hon. SENATOR: Consent.

Hon. Mr. MURDOCK: Could not the honourable senator defer his remarks until the rest of us have had an opportunity to read the answer?

Hon. Mr. GRIESBACH: I have just received the answer, and if I do not speak now I shall never have another opportunity to say anything about it at all unless I introduce it in a roundabout way. I should like to finish this part of the discussion now. I shall take only a few minutes.

Hon. Mr. COPP: I do not think my honourable friend would be in order to discuss the matter now. He gave notice of inquiry. His inquiry has been answered.

Hon. Mr. GRIESBACH: My point is that obviously my inquiry has not been answered at all.

Hon. Mr. KING: I take exception to my honourable friend's statement. The Government has answered the inquiry by saying that the matter is at present before the Supreme Court of Canada and therefore cannot be the subject of comment. That being so, I do not think my honourable friend can discuss the answer.

Hon. Mr. GRIESBACH: If my honourable friend will read the answer he has given me he will find my inquiry is not dealt with. This last question, for instance, is not before the court.

Hon. Mr. KING: That is my information, and it comes from the Department of External Affairs.

Hon. Mr. GRIESBACH: The answer is that all the nine questions relate to matters which have been referred to the Supreme Court of Canada for judicial determination. My eighth question is:

Will the Government keep this House informed as to the progress of this discussion?

I submit that that question is not covered by the answer which my honourable friend has given.

Hon. Mr. KING: The Government has replied to the question that there can be no information until the matter is disposed of.

Hon. Mr. GRIESBACH: My point is that on the face of it what my honourable friend has handed me is not a reply.

Hon. Mr. KING: I say it is a reply.

Hon. Mr. GRIESBACH: My eighth question, "Will the Government keep this House informed as to the progress of this discussion?" does not deal with anything that has been referred to the Supreme Court.

Hon. Mr. KING: The Government has said it cannot reply to the inquiry because the subject-matter is now before the Supreme Court of Canada. Surely that is an answer.

Hon. Mr. GRIESBACH: Question No. 8 is not before the Supreme Court. Neither is the next question:

Will the Government introduce legislation to implement any conclusions arrived at, or does the Government consider that it is empowered by existing legislation to limit, qualify or diminish the sovereignty of Canada by Order in Council?

Hon. Mr. KING: I submit the honourable gentleman is out of order.

The Hon. the SPEAKER: The point of order has been raised that, the honourable leader of the House (Hon. Mr. King) having given the Government's reply to the inquiry, the honourable senator from Edmonton (Hon. Mr. Griesbach) is precluded from discussing the answer. The answering of inquiries that may be placed on the Order Paper is a matter entirely at the discretion of the Government. It would not be in order to debate the answer given by the Minister. Therefore it would not be proper for the honourable gentleman to discuss on the Orders of the Day the adequacy or inadequacy of this answer, unless unanimous consent were given; and I have to inform him that there does not appear to be unanimous consent. But it is open to the honourable senator to place on the Order Paper notice that he will discuss the answer to his inquiry, and then, in due course, he may make such comment as he desires.

DIVORCE BILLS

THIRD READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, moved the third reading of the following bills:

Bill C3, an Act for the relief of Alissamon Wheeler Baker Macoun.

Bill D3, an Act for the relief of Adèle Le Roy Fuller Hardy.

Bill E3, an Act for the relief of Constance Maxine Keating Noseworthy.

Bill F3, an Act for the relief of Alvina Antoinette Bouchard Winterson.

Bill G3, an Act for the relief of Bernice Evelyn Berman Sholomenko.

Bill H3, an Act for the relief of Marjorie Florence Gray Lever.

Bill I3, an Act for the relief of Robert Gordon Shaw.

Bill J3, an Act for the relief of William Taffert.

Bill K3, an Act for the relief of Uuno Ojalammi.

Bill L3, an Act for the relief of Leo Guay.

Bill M3, an Act for the relief of Marie Béatrice Arsenault Thériault.

Bill N3, an Act for the relief of Margaret Varga Csabi.

Bill O3, an Act for the relief of Frances Helen Shand Howell.

Bill P3, an Act for the relief of Charles Cardin.

Bill Q3, an Act for the relief of Gladys Irene Harrison Mathers.

Bill R3, an Act for the relief of Eileen Grace Shearer Taylor.

The motion was agreed to, on division, and the bills were severally read the third time, and passed.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I move that the Senate do now adjourn.

Hon. Mr. BALLANTYNE: May I inquire from the leader whether he can give us any information as to what business is likely to come before the House to-morrow, having particular regard to the billion-dollar Lease-Lend Bill? If that Bill is not likely to reach us, I should like to know what other business there is.

Hon. Mr. KING: It had been hoped and expected that Bill No. 76, the United Nations Mutual Aid Bill, would be here to-night for first reading. The debate on it, however, is still continuing in the House of Commons, and whether we shall get the Bill to-morrow afternoon or not I do not know. Apart from that, we have the adjourned debate on the resolution moved by the honourable senator from Inkerman (Hon. Mr. Hugessen). If, when that is concluded, the Bill should fail to come to us, I think we shall probably adjourn until next week. I hope to be able to advise the House definitely to-morrow.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, May 13, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ALLIED VICTORY IN NORTH AFRICA

RESOLUTION

Hon. J. H. KING: Honourable senators, before we proceed with the business of the day, I think it fitting that we should take cognizance of yesterday's great event: the German General, Von Arnim, chief of the Axis forces in North Africa, threw in his hand to the Allied commanders. That phrase "threw in his hand" is a gambler's term, and I use it because Germany and Italy took a gambler's chance when they tried over a period of years to interrupt and sever the relationship that Great Britain has enjoyed with countries of the East. The surrender meant the taking by our side of 150,000 fighting men, great quantities of guns, and war material of all kinds, and signified the end of the German and Italian armies in Africa. From reports in the morning Press, one would judge that the supplies taken from the German and Italian command yesterday were almost enough to equip the French Army that has been recently engaged in Africa.

The North African campaign has extended over a period of three years. It is estimated that in that time the Axis forces have lost some 600,000 soldiers, either as casualties or as prisoners of war.

One can well understand the seriousness of this defeat to the Axis powers by considering the high value that Germany and Italy placed on the success of their African campaign. For years preceding the war they had sent their political agents throughout India, Iran, Iraq and Egypt, hoping to undermine British influence in those countries. In this they had some success, as I shall show a little later.

Italy left the League of Nations in order that she might be free to establish herself in Ethiopia. The British Government was fully conscious of the great danger confronting the situation in North Africa, and knew that if it was unable to protect this area the whole situation in the East would collapse and the sea lanes would be closed to Allied shipping.

We can now more fully appreciate the determination shown by the British Government when, even after the fall of France and the evacuation of the British troops from Dunkirk, the threatened invasion of England and the entry of Italy into the war as an ally of Germany, Prime Minister Churchill declared that he would destroy and tear to tatters Mussolini's African empire. He took immediate steps to put his threat into execution by ordering the invasion of Ethiopia and Italian Somaliland. In that campaign the British forces were associated with troops from the Eastern dominions, that is, from South Africa, Australia, New Zealand, and India. In order to counteract German influence in Iran and Iraq, the British and Russian forces moved into those countries and brought about the expulsion of German agents and their pro-Nazi sympathizers. In company with the Free French troops, our army invaded Syria and placed the government of that country under the control of General de Gaulle.

We all know the story of the Libyan campaign against the Italians and their defeat by General Wavell, who was only thwarted of complete victory by the necessity of detaching from his army a large force to join our troops on the Grecian front, where, unfortunately, we suffered a serious reverse.

After their successes in the Balkans and in Russia, in 1941, the Germans moved some of their best divisions into the Libyan area and placed the command of their own and the Italian forces under one of the most distinguished German officers, General Rommel. As is well known, he succeeded in driving the British forces out of Libya and well back into Egypt; in fact, almost to the doors of the great naval port of Alexandria.

But to-day we know that by careful planning and collaboration on the part of the two great leaders of the English-speaking world, the Prime Minister of Great Britain, Mr. Churchill, and the President of the United States, Mr. Roosevelt, large numbers of troops and great quantities of war supplies were transported around the Cape of Good Hope to Egypt. This enabled Montgomery to defeat Rommel's forces at El Alamein and to keep them on the run until they were in the trap that had been prepared for them in Tunisia—a trap that closed yesterday.

I think it is most gratifying to the people of the British Commonwealth of Nations that we threw in our lot with Great Britain, not late, but early in August and September, 1939. To-day we have the satisfaction of knowing that, to this time at least, we have backed the winning horse. The defeat of the German and Italian forces and the destruction of their well-planned campaign in Africa should help us to realize the feelings of the people living in the countries of Europe which have been overrun by the Axis powers. One can imagine

the elation of the French, the Dutch, and the Belgian soldiers, who since 1940 have been unable to do anything, on finding themselves once again allied with their old friends of 1914-1918, and on seeing the possibility of the defeat of their enemies within a reasonable time.

During the past three years it has not been the lot of the Canadian soldier—and in this I feel for him—to have a part in the long and arduous African campaign. We know, however, that Canada has contributed materially to that campaign. We know that our industries have produced great numbers of the vehicles used in transporting not only General Wavell and his forces into the Libyan desert, but also General Montgomery and his men in the North African campaign. We know too that our naval forces have taken part in this enterprise, and that some of our airmen, under Air Commodore Collishaw, Canadian veteran of the last war, were with the British forces during the earlier stages of the campaign. The financial policy of Canada in providing Great Britain with two billion dollars—$1,000,000,000 as a gift and $1,000,000,000 as a loan—must to-day bring satisfaction to the hearts of the Canadian people, because it has enabled Britain to secure many of the sinews of war, which were shipped from Canada to various war fronts.

As was aptly said in one of the newspapers only yesterday, I think, "This is only the end of the beginning." The destruction of the Axis forces in Africa is the end of the campaign in that area, but the beginning of the task of invading Europe to free the people of the conquered countries of that continent and commence the invasion of Germany. The French General who was in charge of one section of the line must have found it very gratifying when a German officer came to him and asked for a truce. The French General said, "No." He spoke in the terms laid down by the Prime Minister of Great Britain and the President of the United States at Casablanca: "No truce. Unconditional surrender." I believe that within a reasonable time that same message will be handed to Hitler and Mussolini; that they will be given no alternative to an unconditional surrender.

During the last two weeks or so the people of Canada have been asked by the Finance Minister of this country, in the words of the slogan adopted by the Victory Loan Committee, to back the attack. I am satisfied that to-day in the hearts of Canadians there will be a desire and urge to increase their contributions to the Fourth Victory Loan, in order that Canada may do her full share in providing the implements of war, which include not only guns, tanks, and airplanes, but also food, minerals, and all the other commodities that are necessary for a complete war campaign.

As I came into the Senate to-day I was thinking of what must be the feelings of those two great statesmen who are conferring again, in Washington, Prime Minister Churchill and President Roosevelt. It was they who so carefully planned, with great foresight and vision, the landing of American and British troops on the north and west coasts of Africa, and laid the trap which closed only yesterday. They must have in their hearts to-day a deep feeling of elation and thankfulness.

Within the last few weeks something has happened that did not seem possible some months ago. In the last war France was one of our military allies, as were also Italy and Japan, and, of course, the United States. But in this war Italy is an Axis partner, our enemy, as is Japan. And three years ago this month France failed while fighting Germany. Yet it is gratifying to us and to all the peoples of the Allied world to find that there is in North Africa a French force that will fight for freedom and will become a factor in the invasion of Europe and the release of their homeland. This brings great satisfaction to us all, for it is further evidence of unity among the peoples who love freedom. And in unity there is strength.

I wish now to move a resolution, which my honourable friend the leader opposite (Hon. Mr. Ballantyne) has been kind enough to say that he would second. I move:

That we, the members of the Senate of Canada, in Parliament assembled, desire to express our great satisfaction at the decisive victory which has attended the arms of the United Nations, and has resulted in the destruction of the Axis power on the continent of Africa.

We desire also to record our admiration of the courage and skill of the sea, land and air forces of the United Nations so admirably combined into a single fighting unit.

We wish also to convey to the Prime Minister of Great Britain, to the President of the United States, to General Eisenhower, the Commander-in-Chief, and to the other Allied commanders, and to all ranks serving under them, our congratulations on the telling results achieved by the careful planning and effective co-ordination of Allied efforts in Africa.

Hon. C. C. BALLANTYNE: Honourable senators, it is indeed a privilege for me to second the resolution that has just been moved by the honourable leader of the House. I know that the views I am about to express are those of every honourable senator on this side. The victory in North Africa has been so eloquently and comprehensively referred to by the honourable leader that it is unnecessary for me to take up much time. When

the history of this war is recorded, the successful conclusion of the North African campaign will be seen as something far more significant than a brilliant victory: as an indication of the unity and solidarity of the United Nations, of the British, American, French, Indian, Dominion and native troops in this great campaign.

My honourable friend has truly stated that in the early stages of the war the picture was not a bright one, especially when materials and men had to be sent over a route of some 14,000 miles, via the Cape of Good Hope. It has been a long struggle. I am very glad that the honourable leader referred to that gallant soldier, General Wavell, who, with a much smaller force than the Italians had when they were at Sidi Barrani, about two hundred miles from Egypt, drove them back as far as Tobruk and almost annihilated them. But for the crisis in Greece at the time, which necessitated calling upon General Wavell for large numbers of troops to be sent there, he no doubt would have gone on in triumph to Tripoli.

I wish also to mention another able soldier about whom too little has been heard, that famous Scottish General, Auchinleck. After the unfortunate temporary defeat at Tobruk, when 25,000 of our army were captured, nearly 300 tanks put out of action and we had to begin a retreat that stopped only at El Alamein, it was General Auchinleck's skill and the bravery of the small force he had with him that held the enemy until such time as General Montgomery could gather a larger army and accumulate the necessary armaments and other supplies, which had to be sent to Egypt not only from England, but also from the country of our gallant ally, the United States.

The victory that has just been concluded is really greater than we had expected. We certainly looked for victory, but we could not foresee all that has happened. As the honourable leader pointed out, eleven German generals have capitulated, along with a number of Italians, and the number of prisoners in our hands is 150,000. We now have absolute control of North Africa. That is indeed a wonderful accomplishment by the Allied forces. At the outset of the struggle the enemy occupied all the strategic heights. Some of the hills were as high as 2,000 feet, and our gallant troops had to climb up them in single file. In attacks in those hilly districts it was a case of man fighting against man. We always did know, but we know with greater certainty now than ever before, that, good as the German armies are, the Allied armies are more than a match for them when equal in numbers and as well equipped.

Hon. Mr. BALLANTYNE.

Another wonderful feature about this North African campaign was the remarkable pursuit of the enemy for a distance of some 2,000 miles. There is nothing like that in the history of any previous war. It must have been a gigantic undertaking to keep the Allied armies supplied with munitions, food and other requisites over that long stretch of country. We all join with the honourable leader in paying tribute to that gallant gentleman, General Montgomery, and the men under his command.

We know there is a long road ahead of us yet, but we and all the other Allied nations are full of confidence. Victory is bound to be achieved, let the time be long or short. This war, unlike the last one, will end in unconditional surrender of the enemy. The United Nations and their forces on land, in the air and on the sea are imbued with the knowledge that they are fighting for the freedom of all the peoples of the world, more particularly those whose countries have been overrun by a ruthless enemy.

Canada has played a very great role in this war. As the honourable leader has stated, we are looking forward to the day when our Canadian army will be active. They did great things in the last war, and they will not disappoint us when their time comes in this war. We hope that—I cannot say in the near future, but probably, without being too optimistic, by the year 1944—we shall be able to celebrate in this Chamber the Allied armies' victory, in which the Canadian Corps will have played a noble and brave part; a victory that will mean nothing less than the complete capitulation of the enemy.

I thank the honourable leader for giving me an opportunity to second this important resolution, and I am only sorry that my remarks were not better prepared. The victory in North Africa is an historic event, and it is fitting that this Chamber, the Senate of Canada, should associate itself with the House of Commons in paying tribute to all those who are mentioned in the resolution.

The resolution was adopted.

NAZI CRIMES AGAINST HUMANITY

MOTION—DISCUSSION CONTINUED

The Senate resumed from April 15 the adjourned debate on the motion of Hon. Mr. Hugessen:

That this House views with indignation and horror the barbarous treatment inflicted by Nazi Germany on the peoples of occupied Europe, expresses its sympathy with the unfortunate victims, and urges that stern punishment be inflicted on those who are shown to be responsible for these crimes against humanity.

Hon. S. A. HAYDEN: Honourable senators, some weeks ago the honourable senator from Inkerman (Hon. Mr. Hugessen) moved this resolution. There are a few things which, with your indulgence, I should like to add to the debate, because I regard it as being a very important resolution from the point of view of lending support and encouragement to the peoples of occupied Europe, who are undergoing untold suffering and hardship at the present time, and whose soldiers, free from German control, are fighting so valiantly in the cause of the United Nations.

I desire therefore to join with the honourable senator from Inkerman in his condemnation of the German atrocities in occupied Europe, and in expressing sincere and wholehearted sympathy with the unfortunate victims. As Disraeli once said:

> There are rare instances when the sympathy of a nation approaches those tenderer feelings which are generally supposed to be peculiar to the individual and to be the happy privilege of private life; and this is one.

We may well say that this is indeed one of those occasions where sympathy, real and sincere, such as may exist between individuals, is the kind of sympathy that we feel for those oppressed peoples. I think it is good for us to pause and contemplate their tragic misfortunes and to realize how fortunate we have been to escape such suffering and misery by what I may call the mere accident of geography.

May I for a few moments mention in a general way some of the atrocities? The story of German atrocities in occupied Europe is so shocking and so revolting to our sense of what is decent and humane that when we read of them in any detail we are incredulous, almost unable to accept as true the narration of such brutal, inhuman and unnatural acts. Two thousand years of Christian civilization and cultural development have only made the German more terrible and more barbarous in his cruelty to his fellow men; and the expression, "man's inhumanity to man," takes on a new meaning when we read the story of the treatment by German military and civil forces of the peoples of Poland and the other countries of Europe that have been overrun by the German hordes. The fortunate persons, I think, were those whom the Germans executed at once.

In Poland, for instance, mass executions and mass deportations were two weapons used by the German authorities, both civil and military, to maintain control of the country. They divided Poland into two parts. The western half they incorporated into the Reich. It was not even classified as occupied territory. There the Poles had no status whatsoever; they were aliens in their own country and were regarded as usurping the property and positions of those Germans who moved in on the heels of their armed forces and took over the property and business of the inhabitants. The only thing left for the Poles in that section was deportation or slow death in prisons and concentration camps.

The other part of Poland became known as the Government General, and the only right to existence allowed the Poles there was the right to serve the interests of the German people and the German army. There were mass executions of the business and professional classes, their only crime being their social standing and education.

There were executions of old people, the sick and children, their only crime being that they were unable to render any service to their German masters. There were punitive expeditions against the inhabitants of towns and villages, in which the whole population, including women and children, were burned or shot to death. There was the continued use of prisons and extermination camps where Poles and Jews were herded together and systematically put to death. There were brutal whippings, physical violence, starvation and refined torture that exceeded the worst efforts of the early barbarian hordes of Europe. These methods were used by the Germans against the people of Poland as part of the policy of extermination.

In addition to all this there was the mass deportation of hundreds of thousands of men and women for forced labour in various parts of Europe, from which they could not shift.

On top of all, there was what is called the policy of collective repression, that is, the collective responsibility of hostages to ensure the imposed order of the German civil and military authorities. For instance, when a German soldier was shot at, or when a village failed to meet its levy of grain or other foodstuffs for the German army or for export to Germany, these hostages were massacred or thrown into prisons and concentration camps specially designed for this type of "crime."

Then again, the Jews in Poland were isolated in the Ghettoes of Warsaw and elsewhere throughout Poland and denied any human recognition. They were treated in the most brutal and bestial manner; starved to death, slaughtered in thousands, transported in mass trainloads in cattle cars to special camps, where those who survived the trip found torture, starvation and death. The old people were taken to cemeteries and murdered, for they were of no use to their German masters. Only the strong escaped death in those special camps, to be enslaved as labourers. It is

reported on reliable authority that of 3,130,000 Jews in Poland three years ago, more than 1,600,000 have since been exterminated. In order to get some idea of what that mass extermination means, we have only to contemplate the murder of every man, woman and child in a city the size of Montreal. Then only can we realize just how terrible has been the German visitation upon the Polish people.

In order to illustrate the German point of view, I desire to cite the remarks of one or two German authorities. Dr. Frank, the Governor of the Government General of Poland, stated on one occasion:

> The Polish State has ceased to exist and will never return to life.

Herr Greiser, another German official in Poland, said:

> For the first time in German history we are politically exploiting our military victories. Not even a centimetre of the land we have conquered will ever belong to a Pole again. Poles can work for us, but not as rulers, only as serfs.

In Belgium, Czechoslovakia, France, Greece, the Netherlands and Norway, the same policy of collective repression was and is still at work. Hostages are used as a weapon to impose upon the conquered people the will and orders of the German authorities. There is no justice in these lands but the will of the German authorities, and there is no law but the whim of the German masters. Day after day we read the story of the slaughter of those whom I may call the innocents, which goes on throughout occupied Europe. We have mass deportations from these various countries into the Reich of skilled workers to man the German industrial machine. All these countries are called upon to supply grain and foodstuffs for the German military machine in order that the war potential of Germany may be maintained at as high a level as possible. The principle seems to be that the serfs must slave and starve in order that their German masters may achieve their goal of world domination. Murder, torture and the concentration camps are used to this end. I think we may well say that at last Germany has reached the zenith of military organization. The resources and lives of the conquered belong to their conquerors to do with them as they will. It is a sad commentary that this condition of slavery and serfdom exists in so many parts of Europe after two thousand years of Christian civilization.

Surely out of all this we must draw some conclusions to guide us in our handling of this German problem with firmness and iron will when victory has been won.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAYDEN: First, however, I desire to express to the oppressed peoples in Europe, the Poles, Czechs, Belgians, Greeks, Dutch, French and Norwegians, our sincere and whole-hearted sympathy with their lot. I desire also to assure them that as we contemplate their sufferings we are only strengthened in our resolve to overthrow this barbarous tyranny that has enslaved so many of the peoples of Europe. By approving this resolution we give assurance that we condemn such practices, and that we are firmly and inexorably bent on bringing punishment and retribution on those who have been guilty of such inhuman acts.

But punishment and retribution must be adapted to meet the German mentality and philosophy, because the German does not think as we do. The German standard of morality is not ours; it is essentially different. To the German force is right. To him all that matters is who is the stronger. To him, good is German good, truth is Aryan truth. Everyone and everything must be made subservient to German interests and German progress. German philosophers have fostered this doctrine and inculcated it in the German mind, so that to-day we have it in the form of a mental ailment or disease, and we must deal with it as such.

We must therefore at this time consider the German problem in this light. It is anthropoidal—inherent in the makeup of the German race. Punishment and retribution, to be effective, must be adapted to this condition. We restrain violators of society and its laws by force if necessary. No other method could be understood by anyone who deliberately flouts our laws. We cannot hope to convert the mental processes of the German people to our way of thinking and to an appreciation of our standards of morality. German thought and German politics have goose-stepped together for too many years for any such conversion. Therefore we must be realists, we must be practical, and deal with the problem on that basis. Adopting the language of Lord Vansittart, I would say: "The German nation needs the most drastic cure in history, and if it is not applied we shall die of the German disease."

Once before we lost the fruits of victory and world peace because we did not properly understand the German problem and German philosophy. I submit that if we are not ultimately to be destroyed by this German disease we must be prepared to recognize in the manifestations of German philosophy and in its policy of murder and torture and the concentration camp and collective repression the danger that this disease may recur if

after this war Germany is left with the freedom which she was allowed to enjoy after the last war. Restraint, force, must be applied to Germany as it is applied to individuals who violate our laws, if we are to hold this German disease in check and so prevent another epidemic of atrocities such as we have had in the last few years. The punishment of individuals is in itself no solution. The German nation must be restrained and policed, so that never again shall it be able to nurture and develop an armed might to support the philosophy of the "master race," and bring death, ruin and destruction to so many parts of this world.

The oppressed nations of Europe must be assured of their own continued strength, both politically and economically. After the last war we demonstrated the folly of trying to build on the basis of nationality alone. Economic strength is absolutely essential, if we are to maintain national strength and if the oppressed countries of Europe are, after this war, to go forward in peace and security.

In closing, I say to the peoples of oppressed Europe: in the midst of your sufferings we will remember all these things now and in the days following our victory, to the end that we and you may be able to rejoice and say:

Honour has come back, as a king, to earth,
And paid his subjects with a royal wage;
And Nobleness walks in our ways again;
And we have come into our heritage.

Hon. A. MARCOTTE: Honourable senators, under ordinary circumstances I would not take part in the discussion on this resolution, which I consider to be one of great importance, but would leave it to others with a wider experience in international affairs. But in his sound and impressive address the honourable senator from Inkerman (Hon. Mr. Hugessen) made two statements which are of grave concern to me. The first was in reference to the functions and attributes of the Senate, and the second, on the fate of France, was in the following words:

We are told that the old France, the France which we knew and visited and loved in former and happier days, is dead. Well, it may be so.

I shall deal principally with these two aspects of the question raised, but in order to keep closer to the wording and meaning of the resolution I shall follow the address of my honourable friend.

I wish to offer my congratulations to the honourable gentleman on presenting his resolution, and on the splendid way in which he presented it. At the same time I should like to pay my compliments to the honourable leader of this side of the House (Hon. Mr. Ballantyne) for having, in his impromptu address, so well explained the position taken by Canada not only in regard to our war effort, but also in regard to the conference between those two great world figures, the Prime Minister of England and the President of the United States. Presence, physically, is not always possible, and sometimes is not necessary. Presence may be felt through co-operation, by advice, by information; and that kind of presence is also worthy of our approval and commendation.

In stating that the Senate is the body in our Parliament which is better fitted to deal with affairs of this nature, the honourable the mover of this resolution struck the right note when he said:

We are not primarily concerned with considerations of party politics or of political advantage.

Those words should be graven on the mind and the memory of every Canadian citizen. If they were understood at their proper value, we should not hear or read so many abusive statements regarding the usefulness of the Senate or the amount of work done by this branch of Parliament. Since I have been a member of the Senate I have had many opportunities to appreciate the truth of my honourable friend's statement. Many times discussions have taken place and votes been cast when Liberals sided with Conservatives, and vice versa, thus proving to the country that in this House we do not entertain rabid partisan views. We may be true to our political allegiance because we are convinced that our policies are better suited to the welfare of the country, but duty to Canada is always our first concern, and in order to fulfil that duty we vote in accordance with the dictates of our conscience.

One of our troubles is that the work of the Senate is done so quietly and receives so little publicity that virtually no attention is paid to it. It may well be that the time has come when something will have to be done towards giving to the public the right kind of information on the work of the Senate. Some days ago a newspaper wanted to know about the Senate's record. That paper would have had only to refer to its own files of a few years past to find the answer; and I think that if this had been done an apology would have been in order. I hope that very soon a study will be made of the functions of the Senate and its past record, for then I shall be only too glad to add whatever information I have gathered on these points.

In giving my approval to the first statement of the honourable the mover of the resolution, I shall merely add that if among the Allies there is one country which deserves to have a place at the conference table when the time

comes to settle terms of peace, it is Canada. It has been stated in every part of the world and by every leader of the Allied Nations that Canada has been second to none in her contribution to the war effort. Considering the size of our population and the limited development of our resources at the present time, we have done marvellously, and we are going to repeat our performance by oversubscribing the present Victory Loan. But there is more. In the World War of 1914-1918 we were fighting, not for the acquisition of new territories nor for material gain of any kind, but simply for the peace of the world at large. We are now fighting for a still nobler cause—the salvation of Christianity, of liberty, of civilization. To this end we are making sacrifices which should entitle us to a place among the victorious nations and give us the right to judge the guilty nations and punish the leaders of those nations for their inhumanity and their oppression. But what we do shall be done in accordance with international law.

A small paragraph in an editorial of the Montreal Gazette of Saturday, April 24, reads as follows:

> New justification appears, oddly enough, in the letter from a Berlin civilian found on a German war prisoner in Tunisia, and made public by Allied authorities there yesterday. "Remember Hamburg, Cologne," he implores German soldiers. "Be pitiless, for the English know no pity. Hate, hate, and hate alone must fill every German's soul."
>
> Hate engenders hate.

Now let us look at the other side. In the Reader's Digest of February, 1943, there is a statement made to a correspondent by a Major Krechet, of the Red Army, on the evening before he died of wounds in hospital. It is as follows:

> When we kill Germans now, we are not taking revenge; we are fulfilling a simple function of war. What I am afraid of is that when we shall begin to take our revenge there will be found such humanitarians, especially abroad, who will start to talk about mercy and morality.
>
> These people have not seen their dearest ones shot by Germans as they travel on the wide highways. They have not been shocked by the smoke of their own burning cities or found the ruins of their own houses blocking their path. They do not know the real woe of the people.
>
> How will the Fascists be able to repay for the losses of thousands upon thousands of Russian families? The Hitlerites should be annihilated, by dozens, by thousands, like rats; for the sake of the future we must cleanse the world of this black plague.
>
> Thousands are dying with the belief that there will be such an avenging justice. The Fascists have made us ruthless, and they shall feel that ruthlessness on their own skins.

When I state that we should judge and punish according to international law, it is because I know that not hate, but justice, will dictate our action.

In dividing his resolution into three parts, the honourable senator from Inkerman addressed the first part to a condemnation of the Nazi forces in their inhuman treatment of occupied countries. To his quotations could we not add the following queries? What about the action of Italy in stabbing her neighbour, France, in the back—to use words that have now passed into history? What about the sufferings of Asiatic peoples at the hands of the Japs? What about the atrocities in China? What about the shooting of American aviators who had become prisoners in Japanese territories? What about Germany attacking Russia after entering into a treaty of non-aggression with her, the attack being made without provocation, justification or excuse, even without notice that the treaty was broken? What about Japan's action at Pearl Harbour at the same hour as her ambassador and representatives in Washington were assuring the Americans of their friendly spirit? Who has ever read anything of the kind in history? And what about the hellish abominations against the Jews?

It may be well to cite some of the words of Ben Hecht, as published in the Reader's Digest of February. Here they are:

> Remember us who were put in the freight trains that left France, Holland and Belgium for the East. We died standing up, for there was no food or air or water. Those who survived were sent to Transnistria and there died of hunger, slowly and under the watchful eyes of the Germans and Rumanians.
>
> We fill the waters of the Dnieper to-day with our bodies, thousands of us. For a long time to come no one will be able to drink from that river or swim in it, for we are still there. And this, too, is held against us, that we have poisoned the waters with our dead bodies.
>
> Remember us who were in the Ukraine. Here the Germans grew angry because we were costing them too much time and ammunition to kill. They devised a less expensive method. They took our women into the roads and tied them together with our children. Then they drove their heavy motor lorries into us. Thousands of us died with German military cars running back and forth over our broken bodies.
>
> Remember us in Ismail when the Rumanians came. For two days they were busy leading all the Jews to the synagogue. We were finally locked inside it. Then the Rumanian Iron Guards blew us up with dynamite.
>
> In Ungheni, Rumania, the Germans accused us of crimes against the police. Three thousand of us were tried. The Germans followed us to our homes. They had been forbidden to waste bullets on us. We were old and unarmed, but it took them two days to club us all to death with their rifle butts and rip us into silence with their bayonets.

When the German delegates sit at the peace table, no sons or survivors or representatives of these myriad dead will be there to speak for them. And by that time it will be seen that the Jews are Jews only when they fall under German rifle butts, before German motor lorries, and hang from German belts out of their kitchen windows. Once dead it will be seen that the Jews are left without a government to speak for their avenging, and that there is no banner to fly in their to-morrow.

One could cite page after page of these crimes against humanity, of this extermination of a race—an extermination promised and planned by Hitler himself. These crimes deserve punishment, and punishment there shall be.

When we speak, honourable senators, of the punishment of the guilty Nazis, we should not confine our judgment to the military elements. What about the systematic looting and plundering of the natural resources of the occupied countries and the confiscation of commercial enterprises by German authorities? Like myself, you must have read that in the United States a committee has just been formed for the protection of foreign owners, to look after the interests of some two million people whose properties have been stolen by the German authorities. It has been announced by the Office of War Economics in Washington that the amount of this looting is estimated at thirty billion dollars—and that does not take into account the damage done by the Japs in Asia, New Guinea and the Netherlands possessions.

It has been stated that we are far removed from the scene of these atrocities and that we have no direct interest in the matter. Are we so far removed when ships are being sunk in the St. Lawrence river, on the banks of Newfoundland or on the shores of Alaska? We know very well that, were it not for the splendid work done by our forces in the air, on the sea and on land, our shores would have been invaded long ago, properties would have been destroyed and lives would have been sacrificed.

I have dealt with the third part of the resolution, leaving the second for the end of my address. This second part expresses sympathy for the oppressed peoples. This sympathy is universal. It is deep in the heart of everyone—man, woman or child—irrespective of race, religion and language.

The honourable the mover of the resolution has told you in a succinct but complete way of the sufferings of the nations attacked and subjugated by the Axis. It is not necessary for me to repeat his statements or elaborate the story of abuses, outrages, murders, rape, destruction. But, as I stated at the beginning of my remarks, I will refer particularly to the fate of France. I do not know whether honourable members have read the message of the French Admiral, Darlan, as published in Cosmopolitan magazine of last month. I would not pass judgment on the activities of Admiral Darlan, for I think it is too soon to do so yet, since we are not in possession of all the facts and circumstances that have surrounded or guided those activities. In that message to the American people Admiral Darlan said:

In defiance of all international law, Germany annexed Alsace and Lorraine and mobilized men who were French by birth and French at heart. She expelled from their ancestral homes tens of thousands of other Alsatians and Lorrainers, who were not even allowed to take away their savings. She shot thousands of "hostages" imprisoned by her in every French city. She insisted upon the payment of a daily "indemnity" of 300,000,000 francs, an amount three times as great as the French budget of 1939. She condemned to unemployment and reduced to misery with their wives and children the patriotic workmen who stubbornly refused to go and work in Germany. She ordered "requisitions" of labour, of food, of factories, of machinery and of means of transport, which really amounted to downright theft. She threw into prison, deported, massacred and persecuted in a thousand ways my fellow countrymen, while professing a make-believe collaboration that was but a further insult to their pride.

. . . The whole of metropolitan France has been occupied, martyrized and starved by the troops of the Axis. The fleet that I had the honour to command, that was the pride of the nation and the apple of my eye, scuttled itself in order to avoid falling into Nazi and Italian hands.

Is France dead? With millions of friends of this brave nation, I say "No." France cannot die. The country of Clovis, Charlemagne, Saint Louis, Joan of Arc, Louis XIV, of Napoleon, of Foch, Joffre, Clemenceau, de Gaulle and Giraud will not die. In the past France has known defeat, invasion, revolution and bloodshed, and to-day it knows the horrors of slavery. But France has always come back to the rank of a first-class power. The France that has given to the world scientists, writers, musicians, missionaries, will not die. Salvation, which came in the past, is again coming; and the miracle is that it will come firstly by the efforts and sacrifices of the country which for centuries was France's worst and most powerful enemy.

England, at the last moment before the collapse of France, offered to share with her ally faith, efforts, sacrifices, even citizenship. This was declined, not by France, but by politicians, who will be judged by history. England stood by, not only with arms at the shoulder, but with faith in her soul and courage in her heart. Through the heroism of her people, the help of her dominions and colonies, and

the co-operation of her Allies, she will help to save France and restore her to the status of a great nation. With the help of England, the United States, Russia and the other Allied nations, France will be rejuvenated. Canada is one of these other nations, and it is befitting that Canada should do her share. And she will do her share with pride, and in the spirit of love.

That is what I intended to say to you some little time ago, honourable senators, when this discussion was adjourned. But let us thank God that we can say more to-day, because of the glorious news that we have received. The salvation that we were praying for is coming. One has only to read General Giraud's order of the day to his troops to believe that the time of ultimate victory and of definite salvation for the oppressed peoples and for France is getting closer. Here are his splendid words:

On Joan of Arc day, May 8, Tunis has been liberated, Bizerte has been set free.

Honour to the British army, honour to the American army, honour to you soldiers of France who fought without arms, without clothes, without boots, but who believed in victory. . . .

Thank you for what you have accomplished for Tunisia, for France, for liberty.

Thanks to you, the French army has restored its position in the great sun of glory and will nevermore relinquish it.

Forward to victory!

Yes, forward to victory! And let us hope that soon will come the day when we truly shall be able to proclaim to the world these words, which are French, but are understood everywhere and by everyone: Liberté! Egalité! Fraternité!

Hon. L. M. GOUIN: Honourable senators, I wish to add a few words to the remarks which have just been so eloquently made by our colleagues from Ponteix (Hon. Mr. Marcotte) and Toronto (Hon. Mr. Hayden) in support of the resolution now before the Senate; and I desire to congratulate sincerely the honourable mover of this resolution (Hon. Mr. Hugessen) for his excellent address and the admirable way in which he delivered it.

Following the example of the honourable mover, I should like at the outset to call the attention of honourable senators to the part which should normally be played by this Upper House in the sphere of external affairs. In this we should avail ourselves of the precedents set by the House of Lords in Great Britain and by the Senate of the United States. I too believe it is time that the voice of Canada's Parliament should be heard on international questions. But, as our colleague from Inkerman (Hon. Mr. Hugessen) remarked:

So far during the present war this country has for the most part allowed its name to be used, or allowed itself to be spoken for, by one or other and sometimes by both of the two great nations with which we are more particularly allied, Great Britain and the United States.

The Prime Minister stated, with a legitimate sense of national pride, when launching the Fourth Victory Loan campaign, on April 19, "We see Canada now emerging from nationhood to the position of a world power." And from a statement made in another place yesterday we learned with great satisfaction that Canada will take part in the very important conversations which have already begun, at Washington, between the Prime Minister of Great Britain and the President of the United States. The invitation to participate in these conversations proves that Canada is now playing a role of ever increasing importance among our Allies. To quote again the great leader of our Canadian Confederation in the present struggle, the "Dominion has become a vast arsenal, fourth in war production among the United Nations."

Indeed, our achievements are astounding. Our unexcelled flying organization, the heroic Royal Canadian Air Force, with which I am greatly honoured to be now associated in a humble way, makes us the fourth greatest military air power among the democratic countries. Next year, under our present naval programme, the personnel of the valiant Royal Canadian Navy will be almost equal in number to the personnel of the British Navy shortly after the beginning of hostilities. And we now have an army of 435,000 men, without taking into account our very considerable reserves.

In terms of man-power, among the twenty-eight Allied nations we occupy, as pointed out by the honourable gentleman from Inkerman (Hon. Mr. Hugessen), sixth place. Honourable senators, in view of this almost superhuman and even miraculous war effort for a country of only eleven and a half millions of people, is it not clear that, in the words of our colleague, "Canada should let her voice be heard and her weight be felt in discussions of international affairs"? I do not hesitate to answer this question affirmatively.

If you grant these premises, honourable senators, it follows logically that the motion now before us comes at a very opportune moment. Yes, it is clearly my duty as a Canadian citizen to protest against the atrocities committed by the Nazis in the oppressed territories that they occupy. Like my colleague from Inkerman, I wish to express heartfelt sympathy for those millions of our Allies now undergoing the inhuman treatment inflicted upon them.

I quote from an interesting article by Professor Robert R. Wilson in the January, 1943, issue of the American Journal of International Law:

> Deportations, forced labour, and shootings of hostages have been conspicuous features of the German policy. . . . As of July 1, 1942, the Germans were reported to have approximately six millions of foreign labourers in the Reich, of whom at least half were acknowledged civilians.

In the same issue there is an editorial comment by my learned friend George A. Finch. Under the title, "Retribution for Crimes," this prominent international lawyer denounces with a truly Christian indignation:

> the evident purpose of the present enemy to reduce large masses of conquered populations to permanent subjection and to exterminate others, including his own, whom he cannot assimilate into his so-called racial and ideological new order.

Thus, continues Mr. Finch, we witness

> an orgy of inhuman brutalities on a scale unprecedented in previous wars, not only in flagrant violation of universally accepted laws of war, but which have also, in President Roosevelt's words, "violated every tenet of the Christian faith."

In order to protest before the whole world against these increasing crimes, the governments in exile of eight European States, and also the Free French National Committee, signed, in London, on January 13, 1942, a solemn declaration. The signatories are: Belgium, Czechoslovakia, Greece, Luxembourg, The Netherlands, Norway, Poland, Yugoslavia and Free France. These nine powers have formally placed among their principal war aims the punishment, through the channel of organized justice, of those persons guilty of or responsible for war crimes, whether those persons have ordered the crimes, perpetrated them or participated in them. The nine powers have resolved to see to it, in a spirit of international solidarity, that those guilty or responsible persons, whatever their nationality, are sought out, handed over to justice and judged, and that the sentences pronounced shall this time be carried out.

Let me add that Great Britain and the United States have agreed to establish a commission for the investigation of war crimes, to be composed of nationals of the United Nations, selected by their governments. In making his announcement to the House of Lords on October 7, 1942, the Lord Chancellor referred to the mistake made in 1919. At the end of the first world war it was only after signature of the final peace treaty that a demand was made for the surrender of the criminals wanted for war crimes, but the Lord Chancellor declared that when this war ends they should be caught and handed over at the time, and as a condition, of the Armistice, with the right of course to require the delivery of all others as soon as supplementary investigations are completed.

Let me remark here that the Treaty of Versailles contained various provisions for the punishment of war crimes, but such penal provisions were not very effectively carried out. In his editorial comment of January last, Mr. Finch gives the names of various notorious German officers whom it had been decided in 1919 to bring to trial in the courts of the Allied and Associated Powers. But there was so much opposition in Germany against such a course that the accused were allowed to be summoned before the German courts. Mr. Finch adds:

> Only a few of the hundreds of accused members of the German armed forces were belatedly tried before the German Supreme Court at Leipzig and given police court sentences, which were not seriously executed.

The trial of the Kaiser did not take place, because Holland considered that the charge against him was political, and therefore his extradition not legally demandable.

This time, as stated by our colleague from Inkerman, those who are to be brought to trial are "the criminal gangsters who have caused untold misery and suffering throughout Europe." No less an authority than Mr. Finch is of opinion that it is legally possible to try and punish such ringleaders. He declares:

> If this means the responsible authorities of the enemy States under whose orders or direction crimes and atrocities have been perpetrated, their indictment before military tribunals should be feasible on the well-known principle of law, respondeat superior.

I have given these citations because the honourable senator from Inkerman has himself anticipated objections which may be made to his resolution. He knew that some people would describe it as a useless gesture. I have shown—to your satisfaction, I hope—that such is not the case. Indeed, it is our duty to show our sympathy for the people who are now the victims of the Nazi hordes: the populations of Austria, Czechoslovakia, Poland, Norway, Denmark, Holland, Belgium, Luxembourg, Greece and Yugoslavia.

Of my ancient mother country, France, my honourable friend from Inkerman has said: "La France est morte. Vive la France." I appreciate the noble feelings which he has expressed for the unhappy people of France. But, for my part, I believe that France is not dead, that France cannot die. In Tunisia our common enemies have learned that, side by side with their British and American brothers in arms, with the help also of our Canadian

airmen and sailors. Frenchmen have contributed their full and glorious share in literally throwing the Nazis and Fascists into the Mediterranean. The combined efforts of the Allied forces have secured the triumphant victory for which we are now thanking God from the depths of our Christian hearts. Next Sunday morning, honourable senators, at the request of our Cardinal, a great Canadian and a most loyal citizen, in all our churches of Quebec, the heart of New France, the Te Deum will be sung. From the steeple of our historic chapel of Our Lady of Victories—Notre-Dame des Victoires—the old bells which came from France centuries ago, our dear old bells, nos bonnes vieilles cloches de France—sœurs de celles de Louisbourg, chers sénateurs des provinces maritimes—will be heard once more, as they ring out our joy and our gratitude, under the protection of the Union Jack, which floats freely in the wind on Cape Diamond. The voices of our faithful, faithful to their creed and to their race, the voices also of our sacred chimes, will proclaim triumphantly to Heaven and to earth that France cannot die; that her destiny is to survive in old Europe as well as here in North America; that France is eternal. Vive la France éternelle! Oh! how happy we are indeed, as compared with our brothers in conquered France! But in spite of terrible sufferings the French people almost unanimously have remained faithful to their patriotic ideal, which is also ours. Thanks to General de Gaulle, Free Frenchmen have always continued to fight on our side, and in the darkest hour in French history it could be said: "If all is lost, at least our honour is safe." To all those who are now serving under General Giraud, the glorious veteran of 1914, to all the soldiers, sailors and airmen of the fighting forces of France, and also to all my own countrymen, I wish to say: Forget all your past differences of opinion. Only one thing matters now, and it is victory. Achieve once more, and without any further delay, because delay might be fatal, the sacred unity which existed in 1914, and which is now absolutely essential to the survival not only of the French nation, but also of all the nations associated with us. Victory can be secured only through perfect unity of heart and purpose among the citizens of each State, and also among the Allied Nations themselves.

It is, honourable senators, a great satisfaction to see such unanimity among ourselves on the question of the punishment of war criminals. It proves that this ideal of justice inspires all those who are now carrying on their supreme fight to give again to humanity the blessings of true Liberty, true Equality and true Fraternity.

Thanks to our colleague from Inkerman and others who have just spoken, the voice of this free land of ours shall be heard to the remotest ends of the world in this protest against barbarism, in this eloquent plea for the restoration of law and order by punishing the crimes committed against all humanity by the German military caste.

In conclusion, I wish to make completely mine the following stirring appeal of my honourable friend from Inkerman:

> We are in this war to a finish, with all our resources of man-power and wealth, and we are joined with the other Allied nations in a solemn pledge to set these captive populations free in God's good time.

So may it be, honourable senators, with the help of our heavenly Father.

Hon. C. E. TANNER: Honourable senators, I just want to add a few sentences to the discussion. I am thoroughly in sympathy with the motion. I congratulate the honourable member from Inkerman (Hon. Mr. Hugessen) on introducing it. I believe that he, as well as those who have spoken in support of the motion, is thoroughly serious, and I expect that every honourable senator will give it his whole-hearted support. I should not like to think for a moment that any honourable member is considering otherwise than seriously the matters which have been mentioned during the discussion. This is not a mere paper resolution, to be placed in the books of the Senate and then forgotten. It should, in fact, be a guiding star to the leaders of this country, and I think that in this instance the Senate may well be proud of giving leadership.

My only regret is that the matter has not gone further. I should like to hear this House declaring itself not only in favour of the policy of this resolution, but also in favour of the other policies enunciated by the great men who lead our Allies: the policy of unconditional surrender by our enemies, for nothing else is good enough; the policy that those enemies shall be stripped to the bone of everything that goes to make up material for carrying on war; the policy that the United Nations will see to it, by force if necessary, that the totalitarian powers are never allowed to re-equip themselves with materials of war to deluge the nations of the world with blood again. In these matters our enemies must be dealt with just as ruthlessly as they are dealing with other countries they have overrun. I hope that, the clarion voice of this House having been heard, the leaders

of our country will now join their voices with those of Roosevelt and Churchill and others in declaring these great policies, and that their pronouncements will not be considered mere statements to be forgotten, but that when the time comes this country will stand side by side with its Allies and do its part in seeing to the punishment of those barbarian nations by stripping them of the implements of war down to the smallest pop gun, so that never again shall they be allowed to equip themselves for such a war as they have waged since 1939. As I read this resolution and understand it, and as I understand the other pronouncements, I take them to mean, not only that in this Senate are we declaring for the language of the resolution, but also that we resolve and insist that Canada shall play her part in the winding up of the war and in the suppression of those barbarian nations.

In concluding these few remarks, may I express the hope that my honourable friend from Inkerman (Hon. Mr. Hugessen) has lighted a signal that will be seen by the leaders of the country, and that they will come out just as openly as he has done and make these declarations which I have mentioned.

On motion of Hon. Mr. Copp, the debate was adjourned.

DIVORCE BILLS

REPORTS CONCURRED IN

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, moved concurrence in the sixty-sixth to seventy-fifth reports, both inclusive, of the Committee on Divorce.

Hon. J. MURDOCK: While regretting the necessity of taking exception to the motion of my seat-mate, I take the position that it is entirely out of order. We have here ten reports, ten petitions, and rule 141 says:

> The petition when presented to the Senate shall be accompanied by the evidence—

And rule 143 provides

> The report—

—and there are ten here—

> —shall be accompanied by the testimony of the witnesses examined, and by all documents, papers and instruments referred to the committee by the Senate or received in evidence by the committee.

I take the position that under the rules we are not permitted to pass the reports until the printed evidence on these ten cases is before us.

Hon. Mr. ROBINSON: Honourable members, I should like to have every consideration for my seat-mate, but I think his interpretation of the rules is incorrect. He tells us that rule 141 says the petition must be accompanied by the evidence. I cannot find that.

Hon. Mr. MURDOCK: The first two lines.

Hon. Mr. ROBINSON: That is the evidence of publication. Under rule 136 notice is required. That has been complied with. Rule 143 says:

> The report shall be accompanied by the testimony of the witnesses examined, and by all documents, papers and instruments referred to the committee by the Senate or received in evidence by the committee.

I understand that has been complied with also; that when the report was submitted it was accompanied by the testimony of the witnesses, and everything else required by the rules. But the printing of the evidence is another matter. After the report has been received and concurred in, the evidence is in due time printed; but until the report is adopted there is no object in printing the evidence. When printed, the evidence will be placed in the hands of every member before the Bill is proceeded with.

Hon. Mr. MURDOCK: I submit that never heretofore has this interpretation been placed upon the rules; but if we are going to change the interpretation and dictate to those in another place who have argued that we are just a farce, why, let us go ahead and do as has been suggested. Never mind the evidence! Let us go ahead without knowing what we are dealing with! We are only senators, without any obligations, rights or privileges, and concerned only with doing what someone suggests and getting out of here! I object to that.

The Hon. the SPEAKER: On the point of order, honourable senators, I am sorry to say that I am not familiar with the practice of this Chamber, but I should think that the wording of the rule would be a sufficient guide to enable me to make a ruling. Rule 141 is as follows:

> The petition when presented to the Senate shall be accompanied by the evidence of the publication of the notice as required by rule 136, and by declaration in evidence of the service of a copy of the notice and of a copy of the petition as provided by rule 137.

Rule 136 requires every applicant for a Bill of Divorce to give notice of his or her intended application, and to specify from whom and for what cause such divorce is sought.

I understand from the chairman of the committee that the report is accompanied by the evidence of publication of notice.

Secondly, the first paragraph of rule 143, to which reference has been made, reads as follows:

After such hearing and inquiry the committee shall report to the Senate, stating whether the requirements of these rules have been complied with in all material respects; and, if it shall have been then found that any such requirement has not been so complied with, stating in what respect there has been default. . . .

I understand with respect to these reports that every rule has been complied with.

Furthermore, paragraph 2 of rule 143, to which the honourable senator (Hon. Mr. Murdock) has just referred in support of his point of order, reads as follows:

The report shall be accompanied by the testimony of the witnesses examined, and by all documents, papers and instruments referred to the committee by the Senate or received in evidence by the committee.

I see there nothing that requires the printing of the evidence before the report of the committee can be considered. If the honourable senator desires to speak to that aspect of the question, he may do so. It may be that I have not grasped the point he is making.

Hon. Mr. MURDOCK: This is entirely new. I have been here for only thirteen years, but never before have I heard of any such position being taken with regard to one of these bills. I am only one member of the Senate, and shall have to comply with the decision.

The Hon. the SPEAKER: I have not made a decision. I am inviting the honourable senator to state whether my reading of the rules is correct.

Hon. Mr. MURDOCK: "The report shall be accompanied by the testimony of the witnesses examined." I, as a member of the Senate, want to view and read that testimony. I want to see that printed record. Always, up to this thirteenth day of May, 1943, on every divorce case regarding which contention has been made, I have been privileged to see the evidence. But there is a particular reason why I should like to see the evidence in these cases. We have before us ten petitions or ten reports of the Divorce Committee. For the past two or three weeks we have been canvassing the people of Canada to donate their funds to the Government, but in these ten instances this committee has donated $770 to the lawyers and the gum-shoe men who handle these cases. I should like to read the evidence and know why in each particular case. Always heretofore I have understood that I was entitled to do so, and had the right to get out of my box in the Senate post office a copy of the printed record and digest it before I came here.

Hon. Mr. ROBINSON: I do not like to press this matter upon the Senate, but in view of the fact that the Senate may adjourn for quite a long time, and that the printed rules are so clear, I do not see how we can go against them and postpone this matter over and over again when there is no necessity for postponement. It is quite clear that there is no requirement that the evidence shall be printed before the submission of the report. The honourable gentleman is quite at liberty to see the evidence, which has been on file with the Clerk since the report was submitted.

Hon. Mr. MURDOCK: What nonsense!

Hon. Mr. ROBINSON: It is not nonsense; it is an absolute fact. I am sure the honourable gentleman can get it any time he wants to read it.

Hon. Mr. MURDOCK: May I say one word more? My distinguished seat-mate has never taken this position before, and I think I am safe in saying it has never before been taken. The rule says the report shall be accompanied by the evidence of the witnesses.

Hon. Mr. ROBINSON: And so it is.

Hon. Mr. LEGER: May I ask the mover of the motion if the evidence as taken in the committee will be available to the Senate before the bills come up for second reading?

Hon. Mr. ROBINSON: Oh, yes. That would be perfectly in order. I would agree with that.

The Hon. the SPEAKER: According to the rule, the point of order raised by the honourable senator from Parkdale (Hon. Mr. Murdock) cannot be sustained. There is nothing in the rule requiring that the printed evidence be available at this stage of the proceedings. Of course, the point raised boils down to a question of expediency, of whether these reports of the committee should be considered now or not until such time as the evidence has ben printed and distributed, as I understand will be done in due course.

Hon. Mr. ROBINSON: Yes.

The Hon. the SPEAKER: The question before the Senate at present is only consideration of and concurrence in the committee's reports. After these reports have been concurred in, bills will be introduced and, as usual, the evidence will be printed and distributed. As I say, the point boils down to whether the Senate desires to proceed to concurrence in the committee's reports now, or to defer action on the reports until the evidence is printed.

Hon. Mr. MURDOCK: Your Honour, may I say one word? We are asked to adopt ten reports. Paragraph 2 of rule 143 says:

The report shall be accompanied by the testimony of the witnesses examined. . . .

Are these reports accompanied by the testimony?

Hon. Mr. ROBINSON: Yes.

Hon. Mr. MURDOCK: Where?

The Hon. the SPEAKER: The ten reports have been tabled. Each report is accompanied by the testimony of the witnesses examined, and by all documents, papers and instruments which were referred to the committee. Each report is in book form, and the testimony and all the other documents are bound in with it.

Hon. Mr. MURDOCK: Then, Your Honour, have I a right to ask that before these reports are adopted I be permitted to examine the testimony of the witnesses?

The Hon. the SPEAKER: Yes.

Hon. Mr. MURDOCK: All right. That is what I ask.

The Hon. the SPEAKER: The motion before the House is consideration of and concurrence in the reports of the committee. It is open to the honourable senator to move contrary to the motion.

Hon. Mr. MURDOCK: I would not do that, Your Honour.

The Hon. the SPEAKER: Otherwise, I have to ask honourable senators if it is their pleasure to adopt the motion.

Some Hon. SENATORS: Carried.

The motion was agreed to.

FIRST READINGS

Hon. Mr. ROBINSON: Honourable senators, on behalf of the Committee on Divorce I now present bills based on the reports just concurred in.

The following bills were then severally read the first time:

Bill S3, an Act for the relief of Maitland Richardson Silvester.

Bill T3, an Act for the relief of Agnes May Jack Jackson.

Bill U3, an Act for the relief of Marie Fernande Broca Taisne.

Bill V3, an Act for the relief of Samuel William Simon.

Bill W3, an Act for the relief of Vera Venning Prestt.

Bill X3, an Act for the relief of Katherine Scott Thacher.

Bill Y3, an Act for the relief of Elias Shapiro.

Bill Z3, an Act for the relief of Fannie Rubin Segal.

Bill A4, an Act for the relief of Doris Mae Sangster Webster.

Bill B4, an Act for the relief of Charles Joseph Wilfrid Rousseau.

The Hon. the SPEAKER: When shall these bills be read the second time?

Hon. Mr. ROBINSON: Next sitting.

ADJOURNMENT—BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, I move that when the House adjourns to-day it stand adjourned until Tuesday, May 18, at 8 p.m.

Hon. Mr. CALDER: Apparently there is no possibility of our receiving in the near future the Bill that is now under consideration in another place?

Hon. Mr. KING: I have made inquiries and am hopeful we shall get the Bill next week. I had a consultation with the honourable leader opposite (Hon. Mr. Ballantyne), and it was felt that even if the Bill did come over to-morrow there would hardly be time for its consideration this week, and that in the circumstances it would be better for us to adjourn until Tuesday.

The motion was agreed to.

The Senate adjourned until Tuesday, May 18, at 8 p.m.

THE SENATE

Tuesday, May 18, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

WAR LOANS

INQUIRY

Hon. Mr. HAIG inquired of the Government:

1. Since the outbreak of war, on September 9, 1939, the Government floated certain loans with the public, from time to time. What was the amount of each loan asked for?

2. The amount subscribed by individuals, and the amounts subscribed by corporations and others.

3. The same information for each loan, including the last.

4. The amount subscribed in war savings certificates and sold by the Government since the outbreak of the war up to, say, March first. If that date is too late, then not later than the first of January, 1943.

5. How much of the loans have been resold to, or cashed with, the Government since they were issued by individuals and by corporations and others?

6. How much of the war savings certificates have been cashed since the war began?

Hon. Mr. KING: Honourable senators, this is the reply to the honourable gentleman's inquiry:

1, 2 and 3.

Loan	Objective	Total Subscribed	Total Allotted	Estimated Derivation of Allotments At Time of Sale: Individuals	Corporations and others	Total
First War Loan (Jan., 1940)	$200,000,000	$320,266,100 (cash)	$250,000,000	$160,000,000	$ 90,000,000	$250,000,000
		53,300,000 (conversion)				
Second War Loan (Sept., 1940) .	300,000,000	342,247,100 (cash)	324,945,700	139,000,000	185,945,700	324,945,700
		24,945,700 (conversion)				
First Victory Loan (June, 1941)	600,000,000	730,376,250 (cash)	836,820,250	351,000,000	485,820,250	836,820,250
		106,444,000 (conversion)				
Second Victory Loan (Feb., 1942)	600,000,000	843,127,900 (cash)	996,706,900	366,000,000	630,706,900	996,706,900
		153,579,000 (conversion)				
Third Victory Loan (Oct., 1942)	750,000,000	991,389,050 (cash)	991,389,050	401,000,000	590,389,050	991,389,050

4. To March 31, 1943, $211,380,048 (purchase value).

5 and 6. War savings certificates in the amount of $27,813,020 (purchase value) had been cashed up to March 31, 1943. There is, however, no provision for the Government to redeem bonds prior to their maturity or call date. None of the above issues has been redeemed or called. The Government of course has authority to purchase and sell Dominion of Canada securities, and often does so when it has surplus cash balances. The total cost of the securities held in Bond Holding Account on March 31, 1943, was $18,000,000. This does not include any purchases made by the Unemployment Insurance Fund and certain other Government funds which invest surplus funds in Dominion of Canada direct and guaranteed bonds. Certain of the above issues have been purchased by these Funds.

ADMINISTRATION OF MONTREAL ABATTOIRS

INQUIRY FOR RETURN

Hon. ARTHUR SAUVE: May I call to the attention of the honourable leader of the House (Hon. Mr. King) that the order for a return was passed on the 15th of April, but that the return has not yet been laid on the Table?

Hon. Mr. KING: Oh, yes, I tabled the return last week. The honourable gentleman probably was not in his seat at the time.

Hon. Mr. SAUVE: Is it the intention of the Government to investigate the conditions set out in my motion?

Hon. Mr. KING: I would ask my honourable friend to consult the return and repeat his inquiry later.

Hon. Mr. SAUVE: Is the correspondence produced complete?

Hon. Mr. KING: I think so.

Hon. Mr. SAUVE: But the intention of the Government has not yet been made known?

Hon. Mr. KING: My honourable friend asked for the correspondence. It has been produced. The policy of the Government has not been declared, nor do I think it is usual to declare it in a return. I think it would be well if my honourable friend would peruse the correspondence tabled. Then, if he wishes to put any further questions, I shall be glad to hear him.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL

FIRST READING

A message was received from the House of Commons with Bill 76, an Act for granting to His Majesty aid for the purpose of making available Canadian war supplies to the United Nations.

The Bill was read the first time.

APPROPRIATION BILL No. 4

FIRST READING

A message was received from the House of Commons with Bill 95, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

The Bill was read the first time.

WAR APPROPRIATION BILL No. 2

FIRST READING

A message was received from the House of Commons with Bill 96, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

DIVORCE BILLS

SECOND AND THIRD READINGS

On the motion of Hon. Mr. Copp, for the Chairman of the Committee on Divorce, the following bills were severally read the second and third times, and passed, on division:

Bill S3, an Act for the relief of Maitland Richardson Silvester.

Bill T3, an Act for the relief of Agnes May Jack Jackson.

Bill U3, an Act for the relief of Marie Fernande Broca Taisne.

Bill V3, an Act for the relief of Samuel William Simon.

Bill W3, an Act for the relief of Vera Venning Presst.

Bill X3, an Act for the relief of Katherine Scott Thacher.

Bill Y3, an Act for the relief of Elias Shapiro.

Bill Z3, an Act for the relief of Fannie Rubin Segal.

Bill A4, an Act for the relief of Doris Mae Sangster Webster.

Bill B4, an Act for the relief of Charles Joseph Wilfrid Rousseau.

NAZI CRIMES AGAINST HUMANITY

MOTION ADOPTED

The Senate resumed from May 13 the adjourned debate on the motion of Hon. Mr. Hugessen:

That this House views with indignation and horror the barbarous treatment inflicted by Nazi Germany on the peoples of occupied Europe, expresses its sympathy with the unfortunate victims, and urges that stern punishment be inflicted on those who are shown to be responsible for these crimes against humanity.

Hon. CAIRINE WILSON: Honourable senators, first I should like to express my appreciation to the honourable senator from Inkerman (Hon. Mr. Hugessen), who moved this resolution. Not only did he make an eloquent contribution himself, but he enabled us to enjoy the benefit of some other very fine speeches on the subject. Few of us who claim to have any human feeling could listen to these speeches unmoved, particularly the tale of atrocities cited by the honourable senator from Ponteix (Hon. Mr. Marcotte).

But I should like to ask if we cannot do something more than express our sympathy. It will bring little comfort to the victims of these persecutions to know that the perpetrators of these crimes may be brought to judgment, though their relatives may derive a little satisfaction from knowing that the guilty ones will not go altogether unpunished.

I think I have had more to do with the Immigration Department than any other honourable senator in this Chamber, because four and a half years ago I assumed the chairmanship of the National Committee on Refugees. At that time most of the people in Canada were rejoicing over the settlement of Munich; and I, quite innocently believing that we had secured at least temporary safety by this measure, thought we would be willing to aid those who had suffered and had saved us from a fate similar to theirs. However, there seemed to be no eagerness on the part of Canada to admit these refugees from the Sudeten countries. After some negotiations the Government here agreed to admit five thousand settlers, who were to be financed by funds from Great Britain; but the delays were so great that very many of the original number were trapped in Czechoslovakia even before Hitler took possession of that country on March 15, 1939, and as a result only 1,200 of the original five thousand reached Canada.

We all know that settlers from Czechoslovakia have been highly esteemed here. I was interested in some figures published in the London Czechoslovak newspaper on the 26th of March, 1943. In the period between 1920-21 and 1925-26 there came to Canada as immigrants 5,402 of these people; between the years 1925-26 and 1929-30 there were 20,736; between 1930 and 1935 there were 4,024, and between 1935 and 1942, 4,837. The point I wish to make is this: included in these figures are the 1,200 who came to northern Alberta and northern Saskatchewan, to Wahlberg and Tupper Lake.

I do not know whether all honourable senators are aware of the extreme restrictions on immigration into Canada at the present time. There are perhaps only these three classes admissible: genuine agriculturists, who, I think it is stipulated, must have at least five years' standing—a requirement which would exclude young graduates of agricultural colleges; relatives of the first degree; and persons with capital. Occasionally exceptions have been made for specially qualified persons, such as those with certain scientific training and others who might be useful in our war industries; but, broadly speaking, the three classes I have mentioned are the only ones eligible.

In the summer of 1939, just before the outbreak of war, we were finally given permission to bring 100 refugee children from Europe to Canada. They were to be between the ages of five and thirteen years, and orphans, or orphans in the legal sense of the term, that is, children to whom their parents had abandoned all claim. The outbreak of war caused a change in the regulations, which meant that these young immigrants were to be brought, not from Europe, but from among the refugee children then in Britain. There were between nine and ten thousand refugee children in Britain at that time, but despite the employment of a social worker and careful examination of all these children, only about thirteen could be found to comply with the Government regulations. We spent many days of that winter of 1939-40 considering arrangements with the federal and provincial governments, the Department of Immigration, and social agencies. The result of our efforts was that two children were sent to British Columbia, and this was done because an English woman who was living there had asked for them some months, if not years, previously.

However, our efforts were not altogether wasted. The investigations we had made into the homes that were offered in very generous measure by citizens of Canada bore some results, for at the beginning of the movement of English evacuated children to Canada, all the information we had obtained was made available, and it helped very materially. But the failure of our efforts was a great disappointment to every one of us who had been so anxious to furnish safe and permanent homes in Canada for European children driven from their own homes.

Another subject with which we have been very much occupied for the past three years is that of friendly aliens who went to Great Britain and who, in May and June of 1940, when invasion seemed imminent, were, perhaps with a certain degree of panic, interned and shipped to Canada with prisoners of war. There was nothing against those people. They had been allowed their freedom in England, but they lived in certain areas that were considered danger spots, and the sending of them to Canada was only a precautionary move. His Majesty's Commissioner of Prisons cited the case of a doctor who on a Monday had been officially thanked by the Admiralty for some special service performed, I believe, under fire, and on the next Wednesday found himself among prisoners of war en route to Canada.

It was not until some months later, when a special senior official was sent over here, that we found out about those people. At that time there were in Canadian camps Nazis and anti-Nazis side by side. One story, which I know to be true, relates to one camp where young men were told they could not be supplied with any water unless they heiled Hitler. They did without water. Some of these young men, who were among the original refugees we wished to bring to Canada, were later released from the camps, because funds were available for sending them to universities and they were able to comply with the regulations governing student permits.

We know of the good work that is being done in our country by some of the refugees. The Bata Company, for example, and others who established themselves here with the greatest of difficulty and against very stiff opposition, have furnished and are continuing to furnish materials of war and other necessities in no small measure. One refugee from Austria has set up in British Columbia a plywood factory that is the second largest in the world.

As honourable senators will recall, in the depression years there was widespread fear that every new-comer to the country would take a job from somebody already here. That was not the case in England, and we know now that it has not been the case in this country. Prior to the war England suffered severely from unemployment, yet refugee industries that were set up there brought relief to many distressed areas. And the mayor of one of our smaller municipalities said that, thanks to the glove industry established by a refugee from Czechoslovakia, there was no unemployment in the town.

Last autumn it was arranged to bring from France a thousand refugee children whose parents had been deported, we know not where; but with the total occupation of that country it became impossible to carry out the arrangement. However, there were many refugee children in Spain and Portugal who could have been brought here had we been willing to give them sanctuary.

In this connection I should like to read a cable from Lisbon, Portugal, which I received last January. It is from Mrs. Elizabeth Dexter, who has worked there with the Unitarian Mission, and is as follows:

Understand Canadian Government authorized visas for refugee children under 18. No information available here. Could details be sent appropriate British Canadian authorities? Many fine children Spain Portugal over 16, therefore ineligible United States, in dire need; some in prison. Philip Conard just returning American Friends Service Committee Philadelphia knows situation. Information re passages and placement also helpful. Send Unitarian 111 Marquez Fronteira. Warm personal greetings.

I at once made inquiries, and this is the answer I was obliged to send:

Regret visas authorized for orphan children. Understand none for this group. Am endeavouring arouse interest.

Because these children have parents they could not come in, but it seemed to me we were losing a golden opportunity to save some at least from the horrors to which they undoubtedly would be subjected. I know there are several thousands in places from which they could be rescued, and that the neutral countries would be willing to accept others if they knew they would not be called upon to care for more than their scanty supplies would permit.

I should like to refer to one particular case, which I think will perhaps illustrate some of the difficulties of these unfortunate refugees. In the autumn of 1940 a Czechoslovakian, a very highly skilled munition worker, wrote to Sir Robert Falconer from Lisbon. He had some months previously found in a Paris newspaper references to the Canadian National Committee on Refugees and noticed Sir Robert's name at the head of the list of members of the committee. The letter was sent to me with the sad comment, "So many of these, and we can do nothing." I thought, however, that in this case there was some hope and I applied to Colonel Ralston, who referred me to two or three other persons, and finally the Director of Immigration, in despair, told me that if the man could pass the medical examination he could come to Canada.

The refugee's first letter to me was dated September 27, 1940. He finally came to see me in Ottawa in April, 1941. He spoke very little English. He was sent to Montreal, and in thirty-six hours had secured employment, in which he is still engaged. His letter describing his escape from France and all that he had gone through is very interesting, but perhaps rather too long to read to honourable senators. The British Consul at Morocco had given him a visa for Canada, but to his and his wife's intense disappointment it was found to be utterly valueless when they reached Lisbon. I have never met a nicer couple than this Czech and his Danish wife.

In conclusion, I wish to draw to the attention of the Senate the appeal of the Archbishops of Canterbury, York and Wales, supported by the Moderator of the Free Church Council and by the late Cardinal Hinsley. The Archbishops declare:

That the sufferings of these millions of Jews and their condemnation, failing immediate rescue, to a cruel and certain death, constitute an appeal to humanity which it is impossible to resist. They believe that it is the duty of civilized nations, whether neutral or allied, to exert themselves to the utmost possible extent to provide a sanctuary for these victims.

They therefore urge the Government of the United Kingdom to give a lead to the world by declaring its readiness, in consultation with the Dominion Governments, to co-operate with the Governments of the united and neutral nations in finding an immediate refuge in territories within the British Empire as well as elsewhere for all persons threatened with massacre who can escape from Axis lands, or for those who have already escaped to neighbouring neutral countries and can make room for other refugees to take their places.

The appeal appeared in Time and Tide, with this comment:

Little need be added, save to say that in this matter our country's honour and good name are at stake. He who watches murder without making any kind of attempt to save the victims cannot avoid sharing to some degree the guilt involved.

This reproach, I think, can scarcely apply to Great Britain, which has granted sanctuary to so many thousands of refugees. At the present time Great Britain is caring for about 700,000 refugees, including the 200,000 in the United Kingdom itself. But we, whose ratio of population to the square mile is the second lowest in the world, and who boast of our immense natural resources and wealth, may well pause and ponder.

Hon. NORMAN P. LAMBERT: Honourable senators, I had hoped that the remarks of the honourable senator from Rockcliffe (Hon. Mrs. Wilson) would have been developed further by some of my colleagues on the other side of the House. It seems to me that however fervently we express our support of the resolution so admirably moved by the honourable senator from Inkerman (Hon. Mr. Hugessen) and so eloquently supported by my honourable friend from De Salaberry (Hon. Mr. Gouin), our words might well be followed up by appropriate suggestions in anticipation of a solution of the problems which must be settled when the time comes to enunciate policies for the post-war world.

Practical sympathy with the unfortunate people in Europe who have been subjected to such frightful atrocities and whose countries have been so ruthlessly devastated might be expressed in two ways: first, by extending facilities to take care of refugees from those unfortunate countries. Apart from a comparatively small quota of refugees from Czechoslovakia, and from assistance given by citizens of this country, I have failed to notice any translation into action of the sentiments which have been so eloquently expressed by the mover of the resolution and by those who have spoken in support of it. I think it has been generally felt that we in Canada stand

at a disadvantage in comparison with the United States in our attitude towards this refugee problem, and I for one, even at this late date, should like to see some steps taken towards a practical expression of our sympathy with the unfortunate victims of the Nazi tyranny.

The second point would be to state our views in relation to future international policy directed to preventing the recurrence of such a world catastrophe as has occurred during the past four years. In other words, why not express our position in unmistakable language in favour of a system of collective security, whether in terms of the old League of Nations set-up or in favour of a system which would take advantage of the experience of the League of Nations organization? Let this country at any rate associate itself with an international policy which we hope will become the spearhead of the Allied Nations to secure mankind from a repetition of the terrible consequences that followed the complete failure of the nations of the world to profit from the lessons of the last war.

I associate myself with the sentiments of the honourable senator from Rockcliffe in her plea for favourable consideration of the refugee problem. I think she herself might have gone further in her remarks, for she has been as actively engaged in the movement for collective security as she has been in trying to solve the refugee problem. She might have urged that Canada should in the future be identified very definitely with the cause of international peace and security through the establishment of an organization which might properly be described as the Association of the United Nations.

I hope my words will not be taken as critical of the resolution at all. I am wholeheartedly in agreement with the spirit of the resolution, but I would suggest that it carry with it, by implication at any rate, implementation of the two points which I have mentioned.

Hon. J. H. KING: Honourable senators, I am not sure that I should speak just now. I had not intended to do so. I am thoroughly in sympathy with the resolution moved by the honourable senator from Inkerman (Hon. Mr. Hugessen) and what has been said in the speeches we have heard in regard to the atrocities perpetrated in the conquered countries of Europe. We all know from our reading of history, and some of us from our own experience, that through the years there has been built up a war jurisprudence under which, in time of war, civilized peoples and nations of the world observe certain rules, not only in regard to the soldiery of the belligerent countries, but also in regard to the treatment of civilians. In the present war apparently all rules, regulations and covenants have been swept aside by those who are trying to establish a so-called new order in this world. Only to-day we have received word of an atrocity in the Pacific. A hospital ship bearing the insignia of the Red Cross and complying with all the conditions set forth in the international convention signed by Germany, Japan and other countries, was torpedoed, and non-combatants, both men and women, were sent to their graves. It is proper that we in this Senate should indicate our abhorrence of such things in a world which we thought had made some progress in civilization.

I am very sympathetic towards what has been said by the honourable senator from Rockcliffe (Hon. Mrs. Wilson). I know she has laboured hard in order to do something for the unfortunate people of Great Britain and the occupied countries of Europe. It was in 1940, if I remember aright, that a committee of the Senate considered the situation of the refugee children of England. England had been bombed at that time, and it was thought and hoped that many of the children of that country could be brought to Canada. I am sorry to say that, even though our people were desirous of offering relief, it was not possible to carry out the programme that the Government of Great Britain, Canada and the United States had contemplated. For confirmation of this we have only to refer to what the ex-President of the United States, Mr. Hoover, has been trying to do to relieve distress in France, Belgium and other countries of Europe. The Government of the United States was of the opinion that the conquerors of those countries could not be trusted sufficiently to permit the distribution of goods there. It was undoubtedly feared that any such undertaking would be of aid to the enemy. Even the influential Mr. Hoover, who did so much after the last war to relieve distress in Europe, has not succeeded in convincing his Government that it would be safe to attempt such a distribution at the present time.

It is true that the Canadian Government, through the International Red Cross, has been able to send cargoes of food-stuffs and medicines to the people of Greece, and in that way some relief has been given.

But one must look at the whole picture, and it is not a pleasant one to contemplate. I am satisfied that if the governments of the Allied countries had thought the way was open and that these refugees could be brought to our shores in safety, they would have been quickly

received and taken care of here. It would seem that, unfortunately, this has not been possible.

The honourable senator from Ottawa (Hon. Mr. Lambert) is asking that there be a declaration of policy. It is early yet to make declarations. There will be a tremendous problem ahead of us after the war is over. When peace comes, it would seem that the first thing to be thought of is the provision of food and other comforts for the peoples of Europe. Then the great problem of migration from those countries to Canada and the United States and other parts of the world must be considered by the governments of all the Allied Nations, who are to-day endeavouring to defeat the enemy, who has brought such hardship upon the world. This being so, I would ask my honourable friend not to infer that thought is not being given to the future. I have no doubt that very serious consideration is being given to the whole problem; and I hope that when peace is restored we shall be able to show, through our Government, what we as a nation are prepared to do in order to give people an opportunity to start life anew in Canada under conditions very much better than they have experienced in the countries which they have left.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, May 19, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE COAL SHORTAGE

DOCUMENTS TABLED

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, I desire to lay on the Table Order in Council 4091, of the 17th of May, 1943, and a copy of the proclamation issued thereunder. This Order in Council and the proclamation relate to the calling of miners and others to relieve the emergency in regard to coal.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 76, an Act for granting to His Majesty aid for the purpose of making available Canadian war supplies to the United Nations.

He said: Honourable senators, I think the members of the Senate are fairly familiar with the contents of this Bill. It is not a long Bill. It has been very carefully drawn, and its objects and purposes are clearly set out. Early in the session, on February 8, the Minister of Finance, in outlining to the House of Commons the proposed financial measures in relation to the war, dealt especially with this one. Under the terms of the Bill, the Government is asking for powers to borrow one billion dollars and to expend that money in making available to the armed forces of the Allied countries our surplus of production over and above the requirements of the Canadian armed forces.

Section 2 defines "war supplies" as meaning:

(i) any weapon, munition, aircraft or ship;

(ii) any machinery, facility, tool, material or supply necessary for the manufacture, production and processing, repair, servicing, or operation of any article described in this paragraph;

(iii) any component material or part of or equipment for any article described in this paragraph;

(iv) any agricultural product; and

(v) such other commodities, articles or services as may from time to time be designated by the Governor in Council as essential to the conduct of the war or to the relief and maintenance of any United Nation.

That definition is very broad. It includes not only those things that are ordinarily known as instruments of war, such as guns and airplanes, but also ships, agricultural products and other commodities. Rare metals that are being produced in Canada would be made available under this Bill.

It will be remembered that last year we passed legislation granting one billion dollars as a gift to Great Britain. Under that measure large quantities of war supplies not required for the Canadian forces were placed at the disposal of and given to the Government of Great Britain, which distributed them throughout the world. Many of those supplies went to Russia, some to China, some to the Malay Peninsula, and some to North Africa. In short, Canadian war supplies were pretty well distributed throughout the war areas. It is intended to proceed under this Bill along the lines that were followed last year, except that this time the Government is being given power to set up an allocation board or committee composed of five members of the Cabinet: the Minister of Munitions and Supply, the Minister of Finance, the Minister of National Defence, the Minister of Agriculture and one other Minister.

Hon. Mr. COPP: The Minister of Justice.

Hon. Mr. KING: Yes, the Minister of Justice. The board will be empowered under this Bill to allocate war materials to places where, in the board's opinion, they will be of the most strategic importance. We are in the fortunate position this year of having a representative of the Government of Canada on the United Nations War Board. Through this representation we obtain a thorough knowledge of what is in the minds of that war council, which meets from time to time at Washington. The Canadian Mutual Aid Board will make its recommendations, which must be approved by the Governor in Council. There is also provision in the Bill that within a reasonable time after the assembling of Parliament a report shall be made to Parliament of the allocation of these materials.

The Bill was discussed at some length in another place, and it was suggested that it would be better to follow the practice laid down in the legislation of last year, namely, that these supplies should be given to Great Britain and distributed by her. The Government did not adopt that suggestion, and the fact that the principle of the Bill in this regard was accepted by the other House is conclusive proof of its soundness.

There was also a suggestion that as the Bill provides for Canada to advance large sums of money to supply equipment for Great Britain, the Government of Canada should receive from the British Government certain Canadian securities held by the people of Great Britain, in lieu of the money expended or equipment supplied. That proposal did not appeal to the members of the other Chamber. In going through the discussion there I find that Sir Kingsley Wood, Chancellor of the Exchequer of Great Britain, discussing in the Imperial House of Commons the American Lend-Lease Bill as it appertained to Great Britain and the United States, is quoted as follows:

> It rests on the principle that in the common war all shall give all they can for the common task.

I think that very well expresses the feeling of the people of Canada, whose safety and security are at stake just as much as the safety and security of our Allies; and I notice that Mr. Ilsley, Minister of Finance, in criticizing those who sought to press home the viewpoint that Canadian securities held by British investors should be returned to Canada in payment for the loan or lease of munitions to Great Britain, said:

> The position was a little too much like this: England's extremity is Canada's opportunity.

I believe that neither the members of this Chamber nor the people of Canada generally desire to be placed in that invidious position.

The main criticism of the Bill in the other Chamber was directed to the section covering that principle. The Bill was not amended there. I understand it was very carefully drafted, and I hope its principle will also be accepted by this Chamber.

In the definition of war materials, I notice, the item of ships is mentioned. I took occasion to read what the honourable Minister of Munitions and Supply had to say in regard to this, and I will briefly review his statement. When the war broke out the Government found that little, if any, shipbuilding was being carried on in Canada, though there were some shipyards capable of building small craft. These yards were immediately put to work on the building of corvettes and mine-sweepers. This activity was continued up to the beginning of 1941. At that time it became evident there would be a shortage of merchant ships for the carriage of munitions and supplies from Canada and the United States to the war zones. To help meet this shortage it was suggested that we should extend our shipyards in order to undertake a larger shipbuilding programme. Immediate navy requirements having been fairly well taken care of, this suggestion was adopted and an extensive shipbuilding programme entered upon. At the end of 1941 some two or three ships had been completed. In 1942 we were able to construct nearly a million tons of shipping, composed of two types: small ships of 4,500 tons and larger ships of 10,000 tons. These shipyards have done a remarkably good job, and it is to the credit of those whose enterprise developed these yards that we have been able to accomplish so much in so short a time.

Under the Hyde Park Agreement an arrangement was made whereby the United States is to purchase ships constructed in Canada. The agreement is of two-fold advantage: it enables the United States to secure extra tonnage, and it enables Canada to secure American dollars, which are very important to her in the matter of exchange between this country and the United States.

The Government has retained the ownership of all ships manned in Canada. They are within Canadian control. The difficulty has been to find trained officers to take them over when built. As we all know, our merchant marine has not been large; nevertheless, we have been able to take from that service a number of officers, and our ships have been manned. It is the hope of the Government that after the war the ships

being lent to Great Britain, and those which under this Bill will be lent to other countries, will on their return, afford an opportunity of employment to the men of our Navy. We have a large naval force at sea, and although the Minister was very careful not to indicate the post-war policy, it is hoped that when the men retire from the naval service after the war they will enter the merchant marine.

The Government has set up what is known as the Clark Shipping Company, which is charged with the responsibility of chartering vessels. Those which go to Great Britain come under the control of the British Admiralty, but a number are being leased to companies who for years have maintained lines of steamships between Canada and various parts of the world. The charge for operating these ships is very small. The profits made on the voyages are credited to the ships, and it is the expressed hope of the Minister that the ships will not only have provided service during the war, but will also have virtually defrayed their capital cost by the time they are returned to Canada.

So far as this Bill is concerned, I think we could quite properly call it Canada's Lend-Lease Bill. Its purpose is such as the American Government has accomplished by the lend-lease arrangement under which that Government has authorized the expenditure, if necessary, of thirty-five billion dollars, of which eight billion dollars, I believe, have been spent up to the present time. The operations under that arrangement have not been all "lend" nor all "lease"; and neither will our operations be. Such a measure is reciprocal in character. Through the United States Lend-Lease Bill, Great Britain has had the use of much equipment; on the other hand, Britain has rendered many services to the United States, and I do not think the ledger account is debited as it would be in an ordinary commercial transaction. It is felt by the nations which have had experience of debts arising out of the last war, that there is not much use in accumulating a large indebtedness out of this war, but rather that the people should give all in their power in order that the common cause may receive the support it requires.

At half-past twelve to-day we heard another excellent speech from the Prime Minister of Great Britain. No doubt many honourable senators had an opportunity of listening to it. What he had to say was inspiring, but it was also grave. He stated that although it would seem that we had reached the turning point in this war, and the success in Africa had been a magnificent one, there were still great obstacles in the way; the task of the United Nations was still of great magnitude and its accomplishment would require a considerable period of time. He was careful not to make predictions, but assured us in no uncertain terms that if we had the persistency and courage to continue we should win this war. As to that, I think there is no doubt. But in order to win, not only Canada but every one of the United Nations must give of its courage and its goods to overcome the great evil that has been forced upon the world.

Hon. C. C. BALLANTYNE: Honourable senators, when this global war broke out the leaders of the Conservative party in both branches of Parliament pledged their loyal support to the efforts of the Government in prosecuting the war. That pledge has been faithfully kept, and will continue to be kept until final victory is won. It is therefore a pleasure for me, speaking as I do for those on this side of the House, to say that we wholeheartedly support this Bill—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BALLANTYNE: —reserving, of course, our right to seek further information with regard to it.

It has sometimes been said that Great Britain has not done enough in this war and that Canada has done too much. I find myself very much at variance with that statement. I need not tell honourable members of this Chamber of the glorious part that Great Britain, the overseas dominions and the colonies have played in this war. They are as familiar with what has been accomplished as I am. But when the history of the war is written many pages will be devoted to the gallant efforts of the Mother Country, and will be read by our children and our children's children, who will learn how, in the dark days in 1940, Great Britain, standing alone, saved not only herself and the Empire, but all the democracies of the world. Therefore I say that any extra effort which the Government of Canada can make to strengthen the hands of Great Britain and our Allies has the full endorsement of those on this side of the House.

In the discussion, in another place, of the resolution upon which this Bill is based, I find an astounding statement which I should now like to read. It is as follows:

I have referred to the generosity of the Mother Country toward Canada, and we must also remember what Britain has done for the United States under lease-lend. After Pearl Harbor whole products of all war factories were shipped from Britain to the United States, together with weapons and other war materials.

Some of the details were given on May 5. This is the statement that appeared in the Press:

After Pearl Harbor, British arms were rushed directly to the U.S.A. Thousands of barrage balloons and AA guns, predictors and other protective appliances were shipped across the Atlantic.

The latest machine tools were stripped from British factories and dispatched to the United States. One entire shell-making plant—one of the most modern in the world—was dismantled and shipped, and a gun-making factory went the same way.

No charge was made.

During the North African landings the American forces were provided by Britain with 160 Spitfires, more than 500,000 anti-tank mines and grenades, 130 reconnaissance boats, medical supplies for 100,000 men, and one U.S. division was completely equipped with the famous British 25-pounder guns.

All this, too, was free of charge.

Among other military supplies that have been or soon will be furnished by Britain to United States troops as reciprocal aid are

500,000 hand grenades
15,000 bombs, many of them one ton in weight
70,000 six-inch shells
1,000 parachutes
300,000 camouflage nets
500,000 flashlight batteries a month (in short supply in Britain)
20,000 hundred-pound reels of barbed wire
4,000,000 pairs of socks
2,000,000 blankets.

As I said last year, speaking on the gift to Britain, that was a very fine gesture, giving an answer to those who thought we owed nothing to the Mother Country and believed only in home defence. If it had not been for Britain, what would have happened to Canada?

I quote that only to substantiate further what I said a moment ago, namely, that the statement that Great Britain had done too little and Canada had done too much was made by persons who were not fully informed.

Now, honourable senators, I turn to the Bill itself. Heretofore Canada has been in quite large measure furnishing war equipment and food supplies to Russia, to Great Britain, and, through the United States, to China; and now the Government of the day has decided to set up a mutual aid fund of one billion dollars under the direction of a board of five Ministers, of which the Hon. Mr. Howe is chairman. Therefore from now on Canada will deal directly with its Allies that need aid.

This sum of one billion dollars is not to be considered as a gift from Canada. As the honourable leader has stated, the matter is on a reciprocal basis. If our Allies are able to pay for what we send them, they will do so; and if they are not able to pay, Canada will expect that whatever equipment remains in their hands after the war will be returned to this country.

I presume that when Canada gets a request from any of her Allies, the Ministers on the board here will first consider whether or not Canada has a surplus of the material required; and, if she has, the matter will have to be taken up with the board that Mr. Howe says is now functioning at Washington. On May 6 the Minister stated in another place:

I am a member of the combined Production and Resources Board. That is a board made up of three men, the other two being Mr. Oliver Lyttelton, representing the United Kingdom, and Mr. Donald Nelson, representing the United States. We each have a deputy, and the three deputies are in continuous session in Washington studying the planning of the war production of the United Nations. There is a counterpart of the board in London, each having a deputy in London, and the board is sitting there viewing the situation from London.

I take it, therefore, that after a request reaches the board of five Ministers here and it is found that we have the war equipment or agricultural products or whatever it is an Allied nation might want, the board will have to confer with Washington. It might well be that the board there would sometimes consider it better that other supplies be sent than the particular ones asked for, or that one of our Allies could fill the order more expeditiously than we could. The question of shipping also will have to be considered. All these matters have to be attended to through the co-operation and co-ordination of the bodies that I have just referred to. Perhaps—I hope I am wrong—this Bill will not result in as speedy action as the old system did. However, no doubt every effort will be made to get necessary information as quickly as possible and to rush supplies to the Allied countries that require them.

I was particularly interested in what my honourable friend the leader (Hon. Mr. King) and also Mr. Howe had to say about ships. I hope honourable senators will not become weary of hearing me talk about ships so often. It is very gratifying to me that the Government are now duplicating what for a quarter of a century their members were pleased to term a tremendous blunder on the part of the Union Government during the last war. Strong criticism was made not only of the Union Government, but also of myself, and the critics were good enough to refer to the ships that we built in the last war as Ballantyne ships. The Government had a lot of them tied up in the eastern part of the port of Montreal, as an everlasting monument to the folly of the Union Government and their Minister of Marine. And now, in this war, I do feel considerable pleasure because of the fact that the present Government

are building ships. They are not building as good ships as we built in the last war; neither are they building ships with as great speed.

The honourable leader and the Minister of Munitions and Supply have stated, with—you will pardon me for saying so—a certain degree of exaggeration, that in this building of ships the present Minister started from scratch; that we had no yards in Canada. I ask my honourable friend the leader and the Minister: Where do they think Canada built sixty-three ships in the last war? We built them in the shipyards of this country, and did not construct a single new yard for the purpose. We had shipyards at Halifax, at Point Levis, Montreal, Three Rivers, Vancouver, Victoria and Prince Rupert. So it is a little unfair to say to the public now that we had virtually no shipyards at all. I know, of course, that the Government have extended the yards.

A complaint I have always had against the Minister of Munitions and Supply is that, for some reason I could never understand, he has refused to give out information about the building of ordinary cargo ships, which in general parlance are known as ugly ducklings, or liberty ships. He has said that it would not be in the public interest to give such information, but for the life of me I never could see why statements about the number of cargo ships being built and their cost would be of any particular benefit to the enemy. His position is all the more difficult to understand in view of the fact that President Roosevelt has publicly stated on more than one occasion that the United States' shipbuilding quota is 16 million tons, and that they have built 8 million tons. I have a very high regard for the Minister, but I totally disagree with the stand he has taken in withholding from Parliament and from the public, ever since war broke out, the facts as to the number of ships Canada is building for the United States, Great Britain and ourselves, and as to the cost of those ships. Parliament has a right to know these things.

The Minister, no doubt bearing in mind the criticism that fell upon the Union Government and myself in the last war, was bound not to get into similar trouble; so in a speech dealing with this Bill he cleverly said that all the cargo ships built in this country and leased to Great Britain for a nominal sum are owned by Canada, and that the profit made from the leasing will be placed in the Consolidated Revenue Fund as a credit in reduction of the cost of the ships. Then he went very much further than that, for a few days ago he said in another place that it was his intention to charge the entire shipbuildnig programme against the appropriation granted under this Mutual Aid Bill. Well, honourable senators, you see the position in which that places members of Parliament and the public. They do not know anything about the cost of these ships, and they cannot find out anything. The Minister should inform Parliament and the country how much money is being used in the construction of these ships, and say that in order to reduce the high cost—and I am afraid it is very high—it is proposed to adopt certain methods. The honourable leader has said that all this comes under the Mutual Aid Bill. It is difficult for me to understand how the building of ships, which Canada needs, should be charged against a Mutual Aid Bill, but apparently such is the policy to be followed.

The spellbinders of the last war—if I may refer once again to that period and to the Union Government—said: "We can understand the Minister building ships during the war, but why should he have built ships after the war?" Well, we built ships after the war because there was so much unemployment in this country. Then those critics went on to say, "We should have promptly got rid of the ships." But, honourable senators, what is happening now? The Minister does not say it definitely, but he indicates clearly that after the war we are going to have a merchant marine, manned by Canadians and under the Canadian flag. A similar statement was made by me about a quarter of a century ago. When the Minister sold our fastest ships, which had a speed of eleven and a half knots—and two of them were capable of thirteen knots—it was said that they were altogether too slow; that in this age we must have fast ships. But now it appears that the best speed of our after-the-war fleet will be nine knots.

Hon. Mr. HOWARD: Twelve knots.

Hon. Mr. BALLANTYNE: Oh, no. I am sorry. You have no ships capable of twelve knots.

There is one more matter I want to refer to. We approve of this Bill, but it has a restriction that we think might have been modified. Section 8 says:

> As soon as practicable after the close of each fiscal year, the Board shall prepare and lay before Parliament a report of operations under this Act.

I submit that the section should stop right there, but instead it goes on to provide that such reports shall not contain information that the Governor in Council deems it incompatible with the public interest to disclose.

Here again Parliament and the public are in this position, that they will be given only what information the Government think they ought to get. I know that no suggestion of mine will change the opinion of my honourable friend opposite, or cause the Government to modify this provision. But I strongly believe all Governments should be as frank as they possibly can be, in times of peace and of war, and I do hope that the Ministers comprising the board set up under this Mutual Aid Bill will not wait until Parliament meets before releasing information, but will give to the Press from time to time statements of what they are doing, and in this way follow the example set by the authorities in the United States and Great Britain; then give Parliament a full and complete report. Parliament does not expect the Government to give away any secrets that may benefit the enemy, but I do hope that when this Mutual Aid Board is organized it will not hold back information in the report which it is required to submit to Parliament.

Let me reiterate once more, honourable senators, that there is nothing too much nor too good that we can do for grand old England and our gallant Allies. The other day, quite properly, we passed a resolution of congratulation on the great Allied victory in North Africa. As the honourable leader opposite has told us, and as we know, Mr. Churchill expects that there will be a long war before the enemy is reduced to unconditional surrender, and that we shall have to make great sacrifices before that goal is reached. Great Britain and Canada and our Allies will make those sacrifices cheerfully and to the fullest extent. Finally, let me assure the Government and the country that in the war effort they can always count on the utmost support of the Conservative party.

Hon. P. R. Du TREMBLAY: Honourable senators, this legislation is essentially a defence contribution of one billion dollars to the United Nations. Being at war, we should make every possible contribution towards victory, and there is no doubt that to ensure success it is necessary that the products of Canada's war industries should be made available, not only to our own forces, but also to those of the United Nations in such a manner that they may be used to the best advantage in the common cause. This is a total war and each member-nation of the Allied association is called upon to make its utmost effort to defeat the enemy.

This Bill authorizes the Government to supply to the signatories of the Declaration by United Nations any weapons, munitions, aircraft, ships, machinery, materials, food, and so on, as may from time to time be designated by the Governor in Council as essential to the conduct of the war. A board, consisting of the Minister of Munitions and Supply, the Minister of National Defence, the Minister of Finance, the Minister of Agriculture and the Minister of Justice, will be charged with the administration of this legislation, the Minister of Munitions and Supply to be the chairman of the board. This board may, in accordance with the strategic needs of the war, contribute, deliver, exchange or otherwise make available war supplies to any of the United Nations. These war supplies will be available for use in the joint and effective prosecution of the war, upon terms and conditions to be approved by the Governor in Council or by regulations.

For this purpose a sum not exceeding one billion dollars is to be made available. This sum is to be expended in this country on weapons, war commodities, and so on, which are to be supplied upon the request of the Allied Nations. This money will not go out of Canada; it will be earned by our people.

The United States, as honourable senators are aware, first instituted the system of lease-lend, and it met with great success. Under it all sorts of war supplies have been sent to the Allied Nations as needed. It is significant that Great Britain herself, after Pearl Harbor, sent war materials to the United States.

In this country we are in the relatively happy situation of being able to produce or manufacture war supplies free from the constant threat of bombing raids or other enemy interference, and to date we have attained great success in this direction. It is not only our duty, but it is also in our interest that to the utmost of our ability we should supply war materials to those who are fighting for us at the front, and we are happy to be in a position to do so.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. Du TREMBLAY: This grant has been criticized, but in my view we must not hesitate to help those who are fighting our battles. In giving the necessary weapons to our Allies we are really helping ourselves, and we should feel deeply grateful to those who are using those weapons to bring victory to our common cause.

This Bill is mutual aid legislation, and is a most commendable and practical gesture on the part of the Dominion of Canada. I have no hesitation in endorsing the measure, and I

am sure the Mutual Aid Board and the Governor in Council will use this grant in the best interests of Canada.

Hon. ARTHUR SAUVE: Honourable senators, the administrative provisions of this Bill are so important that in examining them we must exclude all sentimental considerations. The House of Commons passed the Bill only after long and vehement criticism by members of the various political groups. Some of the most severe criticism was voiced by a former Cabinet Minister, also by Liberal members, and by those who considered themselves most "loyalist," as well as by Nationalists and Independent members.

The Canadian people generally, irrespective of racial prejudices, do not deem the explanations given by the Government sufficiently satisfactory to justify this measure. Even those newspapers which devotedly support the Government have refused to defend the proposed legislation with their usual zeal. This general feeling of dissatisfaction is all the more tenacious because it is based on the peculiar way in which the British Government administered our first gift of a billion dollars. The principal ground of criticism was that while we had made Great Britain a gift of one billion dollars with which to buy in Canada goods, war supplies and food, yet Great Britain received certain compensation from the Allied Nations to whom she had sent some of those supplies.

The Minister of Munitions and Supply, Hon. Mr. Howe, may be called the Chargé d'Affaires of Great Britain for her Canadian purchases, but according to the official answer from that gentleman the Parliament of Canada cannot learn what Great Britain buys in this country. The British Government spent $31,000,000 on the acquisition of Canadian factories, and $58,000,000 on munitions. The Minister Chargé d'Affaires stated that Canada had bought back all those factories and munitions, but the ministerial explanations are neither straightforward nor clear enough to satisfy Parliament.

In an attempt to remove this dissatisfaction the Administration has now evolved a new mechanism of distribution. Instead of giving Great Britain, as it did last year, full power to dispose freely of our gift, the Government of Canada now takes upon itself, through the intermediary of a five-Minister Cabinet, without Parliament being called upon to give consent, the distribution to the United Nations of the munitions, food, and supplies to be provided under this measure. Canada will be the first Dominion to grant such a gift in such a manner. The Government calls it a "contribution to the common cause," or "mutual aid to the United Nations." Which nations? When? How much? This will depend upon the secret will of the special Cabinet: Parliament will have no voice in the matter. The billion will be spent as lend-lease for war purposes and for the reconstruction of Europe after the war.

In view of the expenses of the Government, how will our own reconstruction be effected? Nobody can predict it now, while we are wasting so much money. This state of affairs calls for a greater sense of caution and foresight. All at once the Government takes from the public treasury one billion dollars in order to buy in Canada, as it states, war supplies, agricultural products, and so on, intended for Allied countries. But according to the Minister of Finance this is only in certain cases. In what cases? When? The answer is not revealed; it is kept at the discretion of the Minister of Finance.

I have spoken about caution and foresight. What are we doing to foresee? Instead of a rational system of rationing we have a series of Orders in Council which are improperly applied and do not meet the various conditions of living and production. The pretext is economy, yet the Government increases the budget by billions and imposes taxes and surtaxes. We are shown a happy post-war period in a so-called re-established democracy, but always it is directed by selfish interests, by deceit, by dishonest speculation for the sake of the pleasures of a disorderly life. During this period of war we are lavishly throwing away our money, and other billion-dollar budgets are suggested for the post-war period in order that a mode of living may be maintained which is more pagan than Christian. We must oppose such folly, which hides so great a danger under the cover of a heap of lies.

Honourable senators, I hope I shall not be misunderstood. I am discussing not so much the principle of the measure as the detail concerning its administration.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

The Hon. the SPEAKER: When shall this Bill be read a third time?

Hon. Mr. KING: The next sitting of the House.

Hon. Mr. BALLANTYNE: I want to address myself particularly to the honourable leader. There are several on this side of the House who would like to have this Bill referred to committee. The committee could meet to-morrow morning; so the Bill would not be delayed.

Hon. Mr. KING: I have no objection to the Bill going to committee, and would suggest that, like similar measures relating to the war, it be sent to the Committee on Finance. This committee could meet to-morrow morning at ten-thirty, and the experts could be present to answer questions.

I move that the Bill be referred to the Committee on Finance.

The motion was agreed to.

APPROPRIATION BILL No. 4

SECOND READING

Hon. J. H. KING moved the second reading of Bill 95, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1944.

He said: Honourable senators, I have not very much to say on this Bill. It is the second interim supply bill relating to ordinary peace-time expenditures, and is for an amount of $40,307,998.90. Except for an item of $40,000 to pay the persons appointed as parliamentary assistants, which amount was voted in full under Appropriation Bill No. 3, the Bill is the same as the one passed a few weeks ago, and is to carry the Government over June and July.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

WAR APPROPRIATION BILL No. 2

SECOND READING

Hon. J. H. KING moved the second reading of Bill 96, an Act for granting to His Majesty aid for national defence and security.

He said: Honourable senators, I have only a word to say about this Bill. This is the second interim supply bill relating to war expenditures. It is for one-sixth of the total amount required, and is similar to the bill passed some two months ago.

Hon. C. C. BALLANTYNE: Honourable senators, I have very little to say in regard to this Bill, but I wish to place before this Chamber certain viewpoints that I mentioned some weeks ago. I would refer particularly to what is called the army for the defence of Canada. We have never been told how many men there are in Canada who are signed up for overseas service, or the number who have signified their desire to serve only in Canada. I am sorry we have not been able to get that information, because the lack of it leaves me in the position of having to use estimated figures, and they may be incorrect. I believe that we have in Canada about fifty thousand or seventy-five thousand men who have signed up for the defence of Canada only.

Hon. C. P. BEAUBIEN: Sixty thousand.

Hon. Mr. BALLANTYNE: My honourable friend to my right says sixty thousand. The Minister of Defence is quite right in maintaining a sufficient armed force for the defence of our Atlantic and Pacific coasts, but I am sure all honourable senators will agree with me when I say—and this is not my viewpoint alone, but that of thousands of people throughout this country—that Canada is in no danger of an armed invasion unless we lose the war overseas. The cost of providing camps, staffs, equipment, food and clothing for sixty thousand men in the interior of Canada is tremendous. When I refer to "the interior of Canada," I mean Quebec, Ontario, Manitoba, Saskatchewan and Alberta. It is unfair to put such a load upon the shoulders of the taxpayers at this time.

I want to repeat what I said on a previous occasion, and to add to it. After one year of training these men should not be discharged from the army in Canada, but should be placed upon farms. At the present time a great crisis exists in this country by reason of a shortage of farm labour. It is almost impossible for the farmers to get help, and when they do get it the wages asked are such that they are usually beyond the capacity of the farmers to pay. Furthermore, to make this critical condition worse, this year the season is from three to four weeks late, and the incessant rains which we have had have not yet dried out sufficiently to enable the farmers to put in their crops. It may be—I hope not—that we shall not have a very good crop this year. In any event it is urgent that these sixty thousand men who have signed for service in Canada, but not for overseas, should be released from the forces for the time being, subject to call, and placed on farms.

Hon. Mr. COPP: What guarantee have we that they will go on the farm?

Hon. Mr. BALLANTYNE: If they do not, then I would say, put them into industry. Only the other day the Prime Minister announced that there was an emergency in the coal industry. I agree with him in that; but I maintain that a still greater emergency exists in agriculture. Of course, not all the men that

I refer to will understand farming, but a large number will, and the rest could be placed in industry. The other day the Minister of Labour issued another order calling upon all men born since 1902 to register by June 15. This shows that there is a shortage of manpower, and I for one cannot understand why the Minister of Defence, at such great cost to the country, should hold sixty thousand men who are not needed. I hope that unless they choose to enlist for overseas service they will be put into more profitable employment.

Hon. Mr. KING: What we are passing to-day is only an interim supply bill. I had thought that when the main supply bill comes before Parliament we could refer it to a committee who could question departmental officers or the Minister about such matters as my honourable friend has discussed. Three billion eight hundred million dollars is a very large sum, and I hope that when we meet again the legislative programme will be sufficiently advanced to enable us to consider the main supply bill in committee.

Hon. A. MARCOTTE: Honourable senators, I have just a few words to say, and I shall put my remarks in the form of a question to the honourable the leader of the Government. Bill 95, which we have just passed, contains this provision, in section 3:

A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

That section is in a bill granting some $40,000,000, but there is no such section in the Bill now before us, which grants more than $648,000,000. Why is there such a discrepancy between these two bills of exactly the same nature?

Hon. Mr. KING: Civilian expenditures are contained within certain fairly definite limits, which are well known, but in the war expenditures the picture changes from week to week, and from day to day. It is not the custom to present to the House of Commons a statement of war expenditures. I do not think it has ever been done.

Hon. Mr. MARCOTTE: We have a more or less general knowledge of what the ordinary expenditures are, yet a detailed account of them is presented to Parliament. Surely there is a far stronger reason for presenting an account of war expenditures, about which we know very little. It seems to me that this is a clear point.

Hon. Mr. KING: I have stated what the practice has been.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

On the motion to adjourn:

Hon. Mr. HUGESSEN: Honourable senators, in connection with the Senate Special Committee on Post-War Reconstruction, I wish to inform the House that the Subcommittee on Social Security, of which I am chairman, has arranged to have its first meeting on Wednesday, the 9th of June. I understand that after the forthcoming adjournment the Senate will reassemble on the preceding day, the 8th of June. At that meeting we shall have as witness before the subcommittee Dr. Leonard Marsh, the author of the report on social reconstruction in Canada. It goes without saying that every honourable member of the Senate is most cordially invited to be present at that meeting.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, May 20, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

WAR APPROPRIATION (UNITED NATIONS MUTUAL AID) BILL

REPORT OF COMMITTEE

Hon. ELIE BEAUREGARD: Honourable senators, the Standing Committee on Finance, to whom was referred Bill 76, an Act for granting to His Majesty aid for the purpose of making available Canadian war supplies to the United Nations, have examined the said Bill and now beg leave to report the same without any amendment.

THIRD READING

Hon. J. H. KING moved the third reading of the Bill.

Hon. A. MARCOTTE: Honourable senators, I shall take just a few minutes of your time to make some remarks before the motion is adopted. In supporting the gift of one billion dollars last year, I mentioned that in the opinion of some people it would have been better to supply the money and leave the settlement of accounts until after the war, according to the circumstances then prevailing. The present Bill follows that suggestion, except that its scope is broadened to cover all the United Nations instead of being confined to Great Britain alone.

The main complaint against the Bill is the lack of information on the spending of the billion-dollar gift of last session. In reply to inquiries and criticism, somewhat lengthy explanations were given in the other House, but these were vague and lacking in the detail necessary to satisfy the natural desire of the people's representatives to know how that vast sum of money had been expended. To judge from the wording of this Bill, it is almost safe to say that no adequate information on the way it is administered can be expected. But this is a matter for the Government to decide, and the public will hold it responsible for whatever decision it may reach.

In my view our action on this Bill should be based on three main propositions: First, is this appropriation necessary and advisable? Second, if it is, are we able to supply this huge sum of money? Third, if we are able, are we willing to do so?

As to the necessity, the Government, which has the responsibility of directing our war effort, and knows all the circumstances and conditions, says, "Yes, the appropriation is necessary." So we have to accept that answer. The billion-dollar gift of last year was taken up in nine months. This year more money will be needed because of the extension of war operations. The expected invasion of the European continent will require more men, machines and munitions and larger food supplies. Liberated countries will need help of all kinds, and it is fitting that Canada, having plenty, should contribute with her Allies to supply these needs. Canada has not known the sufferings, the destruction of property, the domestic disasters, which have been the lot of the unfortunate people in invaded countries.

Is the appropriation advisable? If you read the preamble of the Bill you will find the answer in the following words:

> . . . and whereas it is expedient that the conditions upon which Canadian war supplies are made available to other United Nations should not be such as to burden post-war commerce or lead to the imposition of trade restrictions or otherwise prejudice a just and enduring peace.

The foundation of these mutual aid bills is the desire of the United Nations to avoid the mistakes of the last post-war period and to assure the restoration of peaceful trading between nations. This measure will be a safeguard against the ambition and greed of some nations willing to risk war to satisfy their passion for world domination.

Are we able to supply the money? The answer may be found in the reply which was given to the inquiry of the honourable gentleman from Winnipeg (Hon. Mr. Haig), and which appears in our Debates of last Tuesday. Add to the amounts there stated the subscriptions to our recent victory loan and you find that our people have lent the Government more than four and a half billion dollars. Besides this huge total of war loans, we must bear in mind the terrific amounts levied in taxes of all kinds since the beginning of the war. I am sure that when confronted with these impressive figures honourable members will agree with me that Canada well deserves the compliment paid her yesterday by the indomitable Prime Minister of England, Winston Churchill, when he said that the contribution of Canada was massive and invaluable. Truly, Canada is just beginning to realize her possibilities.

Lastly, are we willing to make this contribution of mutual aid to the United Nations to carry on and fight this war until victory is won? Are we willing to free the world from terrorism, to liberate shackled nations, to bring back oppressed people to normal life and civilization, to save Christianity? We know that the answer of our people is almost unanimous, and that it is "Yes." Yes, we are willing to make sacrifices, to contribute our share alongside our Allies to ensure the peace of the world, to make Canada a matured and vigorous nation, a country where our people will know the blessings of peace and liberty.

Sir Wilfrid Laurier was not a visionary when he said that this century would be the century of Canada. We have done marvels in wartime. Let us win the war, and do better in peace-time!

Some Hon. SENATORS: Hear, hear.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADIAN INTERNEES IN FRANCE

MOTION AND DISCUSSION—DEBATE ADJOURNED

Hon. JULES-EDOUARD PREVOST moved:

That this House deems it proper to call the attention of the Government to the situation of Canadians incarcerated in France by German authorities, on the mere ground of their being British subjects, whereas Germans who abide

by the laws of Canada peacefully enjoy their freedom in this country; and that this House believes and trusts that Canadian authorities will be able, by taking appropriate steps, to secure the liberation of our unfortunate compatriots.

He said (Translation): Honourable senators, may I briefly urge the adoption of the motion which I have had the honour of introducing in this House.

We all know that, since 1940, hundreds if not thousands of Canadian civilians, pastors, priests and members of religious orders have been arrested and interned in France. Under the Nazi yoke, that unfortunate country is no longer, and will not be until the day of its deliverance, the land of liberty, equality and fraternity.

Those Canadians were not caught carrying weapons, for they are not soldiers, rioters, insurgents, nor agitators; nor had they been involved in sabotage or spying activities. Peace-loving people, they had gone to France, according to a century-old custom, in search of intellectual enlightenment. Their purpose was to admire the artistic and historical treasures of Europe, particularly those of France, to acquire scientific and literary knowledge, or to devote themselves to some religious and Christian work, every one of them penetrated with the inspiring thought: "Peace on earth to men of good will." The Germans have deprived these Canadians of their liberty for the sole reason that they are British subjects.

In the meantime Germans living in Canada who abide by our law enjoy their freedom unmolested.

We know several who, whether naturalized or not, live amongst us in full liberty, go about their own business and are even trusted with responsible positions.

We do not ask that these German subjects be imprisoned or interned in concentration camps, but we deeply regret that our fellow-countrymen who happen to be in France should be treated as guilty evil-doers by the German authorities solely because of their British nationality.

For the past three years those Canadians have been detained in French barracks, prisons or concentration camps. Stripped of all their liberties, they have had to suspend their studies, their religious life, their professional career, and have endured all sorts of hardships. They cannot communicate with their families, who are in anguish, not knowing what has become of them. The anxious parents of those Canadians, whose sad lot we should keep in mind, wonder whether the prisoners are still alive.

We earnestly beg Canadian authorities to take all appropriate steps, or pursue any measures already begun, to secure the liberation of our countrymen who have been treated so harshly.

Such steps could be taken jointly with the United States, whose subjects are dealt with like our own in occupied France.

I know that in 1940 some Canadian women in France were also imprisoned by the Germans. A few months later they were released.

Without indulging in vain illusions, may we not hope that Canadian men will also be restored to liberty?

Let us leave nothing undone to kindle the spark of justice that will secure for our fellow-countrymen detained in France the same treatment as is given to German subjects in Canada.

On motion of Hon. Mr. Gouin, the debate was adjourned.

ADJOURNMENT

Hon Mr. KING: Honourable senators, I move that when the House adjourns to-day it do stand adjourned until Tuesday, the 8th of June, at 8 o'clock in the evening.

The motion was agreed to.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 5.45 p.m. for the purpose of giving Royal Assent to certain bills.

The Senate adjourned during pleasure.

The Right Honourable Sir Lyman Poore Duff, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned and being come with their Speaker, the Right Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bills:

An Act to amend the Income War Tax Act.

An Act to amend the Excess Profits Tax Act, 1940.

An Act for granting to His Majesty aid for the purpose of making available Canadian war supplies to the United Nations.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

An Act for granting to His Majesty aid for national defence and security.

The House of Commons withdrew.

The Right Honourable the Deputy of the Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, June 8, at 8 p.m.

THE SENATE

Tuesday, June 8, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

RECLAMATION AND USE OF FUEL OIL

RETURN

On the inquiry by Hon. Mr. Duff:

1. What disposition is made of fuel oil in vessels arriving at Halifax, Nova Scotia, before they re-outfit for sea or proceed on future voyages?
2. What facilities have any Halifax ship repairing and industrial plants for reclaiming oil?
3. Has it been the practice to discharge any reclaimable oil into the ocean?
4. Does this practice still continue?
5. If discontinued, when?
6. How much oil, if any, reclaimed or reusable, has been so discharged into the ocean?
7. How is such disposal made?
8. Do said ship repairing and industrial plants use fuel oil to operate their plants either wholly or partially?
9. Would such oil, if reclaimed, be available and useful to operate plants?
10. What is the price charged the said plants for regular fuel oil per gallon?
11. What is the price per gallon for reclaimed waste oil?
12. If such reclaimed oils were used, what saving would be effected in one year?
13. What is the present total cost of new fuel oil used by the said ship repairing and industrial plants in Halifax?
14. If reclaimed oils were used, what would be the total cost for a likely period?
15. How is waste oil removed and treated?
16. What is the cost?
17. If any change has taken place in this regard, what was the former practice?
18. What is the present practice?
19. Have any improved facilities been provided recently?
20. If so, what?
21. If not, why?

Hon. Mr. KING: Honourable senators, as this inquiry involves two or three departments of Government, I would ask that it stand as an order for a return, which I table forthwith.

ADDRESS OF PRESIDENT BENES TO MEMBERS OF SENATE AND HOUSE OF COMMONS

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, before proceeding with the Orders of the Day, I should like to refer to the visit paid to Ottawa last week by a distinguished international statesman, His Excellency Dr. Eduard Benes, President of the Czechoslovak Republic, who addressed members of the House of Commons and such senators as were fortunately in the Capital at the time. Since he is recognized as one of the great statesmen of the world and is the official head of one of our Allied nations, I think we might well follow the practice of the House of Commons and have his speech recorded in our Official Report of the Debates. I therefore move:

That the speech of His Excellency Eduard Benes, President of the Czechoslovak Republic, delivered on June 3, 1943, before the members of the Senate and the House of Commons, together with the speeches of the Right Hon. the Prime Minister and the Hon. the Speaker of the Senate and the Hon. the Speaker of the House of Commons, be included in the Senate Debates and form part of the permanent records of this House.

Hon. Mr. HORNER: You include the remarks of His Honour, our Speaker, do you not?

Hon. Mr. KING: Oh, yes.

The motion was agreed to.

REPORT OF THE PROCEEDINGS

Members of the Senate and of the House of Commons assembled in the Commons Railway Committee Room on Thursday, June 3, 1943, at 12 o'clock, noon.

Right Hon. W. L. MACKENZIE KING (Prime Minister): We in Canada are indeed greatly honoured to have in our country today His Excellency Doctor Eduard Benes, the President of the Republic of Czechoslovakia. I wish at once to extend to Doctor Benes the warmest of welcomes on behalf of the Government, the Parliament and the people of Canada. Doctor Benes is such a well-known international figure and has played so prominent a part in world events over the past three decades that he does not come to us in any sense a stranger, and needs no introduction to any democratic audience in any part of the world.

I should like to say to Doctor Benes what I said in the House of Commons yesterday—that he will have noticed a very close sympathy between the people of Canada and the people of the Czechoslovak Republic. The agreement at Munich, which had the effect of partitioning his country, and caused great sacrifices on the part of his people, sacrifices made, it was thought at the time, in the interests of the whole of Europe, but which have since proved to have been on behalf of the whole world—that agreement was never recognized by Canada and is not recognized by Canada today.

We share in regard to Czechoslovakia the view of the British Government that the Munich agreement has ceased to exist as a factor either in present or post-war relations. We look forward to the day, which we hope is coming speedily, when the Czechoslovak Republic in its entirety will be restored to its full independence.

One expression, Mr. President, which we have sought to give to our feelings of close relationship with the people and Government of Czechoslovakia has been to welcome to Canada Doctor Frantisek Pavlasek, who is seated to my left, as Minister of the Republic of Czechoslovakia, and to appoint in London a Minister from Canada to the country of which you are presently the head. I would take advantage of this opportunity to say how greatly Doctor Pavlasek as Minister of Czechoslovakia has endeared himself to all those who have had the privilege of making his acquaintance while here. As you yourself told me, Mr. President, when we recently talked together in Washington, Doctor Pavlasek was a close friend of Masaryk, the founder of your great republic—of which you are a co-founder—and that he was one of the most cultured gentlemen in Czechoslovakia. We here have come to appreciate through the personality of Doctor Pavlasek and in his public utterances not only much of the culture of Czechoslovakia, but also the high ideals of your country.

I am not going to take time this morning to say more than one other word by way of welcome to Doctor Benes. It is that we welcome him not only as representing the brave people of Czechoslovakia and the great services they have rendered to democracy, but we welcome him also, and in great measure at this moment, on acount of himself. He has a career of public service that has been paralleled by very few men in the world's history. As all present know, he was co-founder of the Republic of Czechoslovakia. He was the first Foreign Minister of that country and has been its President for many years. He bore the heaviest responsibilities throughout the trying period of the Munich discussions and the years which followed, a time when his country was passing through a terrible ordeal. He did all within his power to keep united the forces of freedom in his own and other lands. It is of interest to know that he came at that very time to America and was for a short period associated with the University of Chicago. He found there a sphere from which, as President in exile from his country, he might be able to direct its affairs in its titanic struggle for freedom. He has, as you know, been responsible for the organization of the different forces of Czechoslovakia. I should like to say to him how much the people of Canada, in common with people who love liberty everywhere, appreciate the great services which Czechoslovakia rendered to the cause of freedom in the last great war, and the great services she has never ceased to render to the cause of freedom since and in the present war.

Czechoslovakia has had to bear some of the heaviest burdens any country has ever been called upon to endure by way of sacrifice for a great cause. These she bore at the time of Munich. These she has borne ever since. These she is bearing heroically to-day. Notwithstanding that at present the country is occupied by the enemy, her forces, both within Czechoslovakia and in different parts of the world, are fighting in the cause of freedom with the allied and united nations of the world. That is a great tradition for a nation, and we know that that heroic effort is going to win its due reward.

I need not touch on other aspects of Doctor Benes' career, of his presidency of the Assembly of the League of Nations, and of course his leadership at the present time of his Government in exile. From the beginning and all through his life he has been the exponent of high and noble ideals and of those great aims, purposes and practical measures which seek not only the higher development of the peoples of his own country, but also fraternity and unity among all nations.

When I was recently at Washington I asked Doctor Benes how it was that he came to venture on some of the prophecies that he had made, prophecies which are giving much in the way of hope to the world at this time. He said to me, in reply, that the so-called prophecies were not in reality prophecies, that as a matter of fact he had the good fortune, in the many years he has been in public life, to form intimate friendships with men in many countries, and had been particularly fortunate in being able for the most part to keep up these friendships through the period of the war, and that from information he had gathered at first hand in this way he has ventured to give open expression to some of the views which he holds regarding the present and the future.

I should like in this connection to read a statement that Doctor Benes publicly made before the war actually took place. All of us would, I think, regard it as a prophecy. Doctor Benes himself would say that it is based on logic and philosophy and expresses

only a sequence of facts gathered from the confidences of the acquaintances he has maintained.

In November, 1938, the gentleman who this morning is seated to my right made the following statement in regard to what he believed was likely to happen within a short time after the Munich agreement had been entered into. He said at that time that he believed war was inevitable after Munich. He went on:

> I do not know when it will break out, possibly in a year, perhaps in two or three. I personally doubt whether it will take more than a year.

This was in November, 1938. The attack on Poland came on September 1, 1939.

> The first to suffer the blow will be Poland. . . . France will pay horribly. . . . Hitler will attack all—in the west, and even Russia—and in the end America, too, will be in it.

I do not think I need say anything further by way of introduction of the President of the Czechoslovak Republic as one who is entitled to speak with great authority on international affairs.

Dr. EDUARD BENES (President of Czechoslovakia): Mr. Prime Minister, Mr. Speaker of the Senate, Mr. Speaker of the House of Commons: Let me first thank you very warmly and sincerely for the kind words with which I have been introduced to this distinguished audience.

It is the first time in the history of Canadian-Czechoslovak relations that a President of Czechoslovakia has the honour of addressing the Canadian Parliament. I am cognizant of the great historical significance of this event, and I am profoundly grateful that the honour is mine.

The great contribution of Canada to the struggle of the world for the defeat of German Nazism and for the re-establishment of liberty, the achievements this country has made in the war, the organization of her army, navy and air force, industrial and especially financial success in solving extremely difficult war problems, the steadiness and the spirit of this country, evoke a deep and sincere admiration.

The sympathy of the Canadian Government and people for Czechoslovakia, expressed in words and deeds during the past four years, has been an encouragement and inspiration in this darkest period of modern Czechoslovak history.

You know that for centuries, beginning with the Middle Ages, this small nation in the heart of Europe had been a glorious independent kingdom and a prosperous state—the state that first began the fight for religious freedom in Europe. In the fifteenth and sixteenth centuries, Prague, its capital, was a great centre of learning, contributed largely to European cultural, spiritual and material development, and played an outstanding role in European history and particularly in the history of the Holy Roman Empire and the Austro-Hungarian monarchy. Perhaps your Government knew, too, the famous declaration made by the German Chancellor Bismarck after his victory over Austria in 1866:

> Whoever is master of Bohemia is master of Europe. Europe must, therefore, never allow any nation except the Czechs to rule it, since that nation does not lust for domination. The boundaries of Bohemia are the safeguard of European security and he who moves them will plunge Europe into misery.

In my estimation there can be no better comment on the position of my country even to-day.

The recognition of our cause here in this country in 1918 was also undoubtedly due to the unmistakable determination of our people to live as a free and independent nation. More than one hundred and fifty thousand Czechoslovak soldiers, many of whom came from Canada to Europe, fought for their country's liberation in the first world war in Russia, France and Italy. When the war was drawing to a close, the epic march of the Czechoslovak legionnaires across the Siberian plains to Vladivostock fired the imagination of the Canadian people as well as the rest of the world. The first unit of our legionnaires made its way across the Pacific from Russia to the battle-fields of France, landed in Vancouver and was enthusiastically welcomed by the Canadian people.

Czechoslovakia's twenty years' record as a free and independent democratic state is one of which we are justly proud. Surrounded on all sides by authoritarian countries and governments, she remained faithful to the democratic traditions which came to her very largely from the western hemisphere. Her social legislation and her educational system were progressive and advanced; her financial system was stable, her currency one of the soundest in Europe; her general economic standard was very high and her import and export trade greater than that of Italy. Until 1938 this republic was one of the most prosperous and happy countries in Europe. Even the concentrated campaign of Nazi Germany, beginning in 1936, using corruption and lying propaganda and threatening war and violence, failed to shake the inner harmony of the Czechoslovak Republic.

In her foreign policy Czechoslovakia resolutely and consistently followed the policy of peace, international arbitration and collective security. She fostered and encouraged friendship with her neighbours—Austria, Poland, Yugoslavia, and Rumania. She was the most loyal member of the League of Nations. She supported the Locarno policy, was an original signatory of the Briand-Kellogg pact, and was ready to play the part demanded of her in any generally accepted system of collective security. In Geneva she resolutely opposed the Japanese invasion of Manchuria and China; I was President of the Assembly of the League of Nations when we voted the sanctions against Italy upon her invasion of Abyssinia. Czechoslovakia was ready to oppose militarily the occupation of the Rhineland and Austria. Our army and air force were ready and thoroughly efficient. Up to the year 1939 we did our duty completely, not only to our nation, but to Europe and democracy as well.

Czechoslovakia was in mortal danger from the moment that Hitler and the Nazi leaders came to power. When Hitler saw that the policy of sanctioning against Italy was not strictly applied, and when the German remilitarization of the Rhineland was not opposed by force, he thought that the countless seeds of bitterness and mistrust sown by the dictators would permit him to reap a harvest of destruction of democracy in Europe and bring about the realization of his pan-German plan. The success of the annexation of Austria in March led to the September crisis in 1938.

My own view then was that Hitler's demands and attacks against Czechoslovakia should have been rejected even at the cost of a war. We had ready one and a half million splendid soldiers. But the Western powers were not ready for war in 1938, either morally, or materially. Through the sacrifice made by Czechoslovakia, Europe and the world gained a year's time in which to prepare better for the defence against the coming onslaught. In my opinion, the second world war began with the criminal occupation of Prague. And from the very day of occupation, March 15, 1939, all Czechoslovak citizens have been at war with Germany.

Since 1938 the Czechoslovaks at home have endured great hardships, sorrows and suffering. They know that many of their soldiers and airmen who escaped from their enslaved homeland lost their lives while fighting for its liberation in Poland and France. They know that after the Franco-German armistice, Czechoslovak soldiers and airmen reassembled in Great Britain, and that in the decisive Battle of Britain Czechoslovak airmen played an honourable part. They know that Czechoslovak soldiers are now fighting in Russia and in Africa and manning the defences of Great Britain even while they see their own country being converted into an arsenal for a war against the United Nations. Many are now working as forced labourers in Germany and elsewhere. Those who resist the oppressors are either executed in masses or tortured in prisons and concentration camps. Their country is pillaged and Germanized, their national education completely destroyed. The undying memory of the martyred village of Lidice forbids us ever to relax in the world-struggle now waged against the powers of evil and darkness.

We know what we are fighting for. Our every effort is, first of all, spent for the restoration of our democratic way of life, for those moral values that are fundamental to it, as opposed to the Nazi creed which deprives individuals and nations not only of freedom, but of human dignity and equality. We are fighting, too, for the return of international order, in which the sanctity of treaties and the pledged word will prevail, in contrast to their deliberate violation whenever the Nazis consider it expedient. We are fighting for some sort of international charter—a charter which shall embody the rights of man and be applicable to the people of all countries; in short, for a world that is new and free. In my opinion, this entails the punishment of all those people who are guilty of perpetrating numberless crimes and cruelties of the past four years—not in the spirit of vengeance, but with a full measure of justice.

Secondly, we are fighting for a social and economic reorganization of the European continent, which will be in great danger of chaos and disruption after the present war. The consequences of this war will be far-reaching, and social and economic difficulties far greater than those of 1918 in Europe. The democratic United Nations will have the duty to remain politically and militarily together even after the present war. But the peace which comes after this war will necessitate their new close collaboration also in the social and economic spheres.

Thirdly, we are fighting for a more lasting peace in the future, one which will be guaranteed effectively by an international organization. A new system of collective security must be prepared and established, one which will be more practical and function more effectively than the last. The first steps have already been made in the treaty signed by the

United Nations, but more discussion and preparations on the far-reaching questions of peace will be necessary before unity among the United Nations will be achieved.

This is directly connected with the fourth fundamental aim of the present war, the one which will perhaps be the most difficult and at the same time most decisive to realize: a new political reorganization of Europe and the world. All these aims are interrelated and inseparable.

All the United Nations—the great British commonwealth in which Canada has so vital a part and which has played such a glorious role in the present war; your great neighbour, the United States, whose friendly three-thousand-mile boundary is an example of good neighbourliness to the rest of the world; Soviet Russia, who first broke the legend of Nazi invincibility; China, whose strength seems incredibly increased as we look back on her heroic fight against the Japanese aggressors, as well as the smaller United Nations—all share in this global struggle and all agree in these four great peace aims, which must be achieved in this second world war. Poland, Czechoslovakia, Yugoslavia, Greece, the Netherlands, Belgium, and Luxembourg, Norway, Austria, as well as France—all have to be liberated. France has had to come to humiliating terms with the enemy. Even to-day the enemy has not exacted his last full measure of humiliation and vengeance. Germany has torn up the armistice agreement, imprisoned France's manhood, or compelled it to work at forced labour. Yet France has never ceased to be capable of greatness. I believe that before very long France will rejoin her allies as a fully sovereign and belligerent nation. She will take her place at a council table of Europe. Europe needs a strong and regenerated France—and the same is true of the other subjugated nations—and without her there will be no lasting peace on the European continent.

After the collapse of Germany the United Nations must, in my opinion, remain an organized body which will create the basis for the new post-war international order and for the new system of international collaboration and security, in which every member will play its due and proportionate part.

All Czechoslovaks are greatly indebted to Canada as well as to Great Britain and to the British commonwealth for the magnanimity with which she received Czechoslovak citizens who fled from their homeland in the past several years. They only followed their fellow-countrymen who came years before to establish themselves permanently in Canada and are now faithful Canadian citizens and true Canadian patriots. I firmly believe that they are fully sharing Canada's effort in this war and will always serve to promote and strengthen our mutual understanding and friendship.

Canadians of Czechoslovak origin are now fighting in the Canadian and partly in the Czechoslovak army abroad. Many flyers, Canadian and Czechoslovak, trained here in your great country, are bravely fighting together to defeat our common enemy, who brought this war upon us.

Czechoslovakia's gratitude for Canada's consistent policy toward Czechoslovakia since 1918 is boundless. Mr. Mackenzie King's repudiation of the wanton German aggression against Czechoslovakia in the House of Commons on March 20, 1939, Canada's refusal to recognize the occupation of Czechoslovakia on April 7, 1941, and the granting of full recognition to the Government of Czechoslovakia in England on July 17, 1942, have been the rounding out of this mutual relationship. These are ties that bind Canada and Czechoslovakia together and will bind them for ever; and my thanks for all this, Mr. Prime Minister, to you, to your Parliament, and to your great country.

Czechoslovakia's policy has not changed since 1918. Nor will it change after victory is ours. I feel authorized to declare on behalf of my nation that after the final victory in this great war is achieved, the Czechoslovak nation will reconstruct its old home rapidly and successfully by its untiring efforts, remaining faithful—as it always was during the difficult periods of its long, chequered and glorious history—to the democratic way of life, to the principles of spiritual and religious freedom and to the ideals of peace and peaceful international collaboration, of which Canada, with its brave and freedom-loving people, was always one of the most typical and courageous representatives in the policy of the whole world.

Mr. MACKENZIE KING: I would ask the Speaker of the Senate and the Speaker of the House of Commons if they would express on behalf of the members of Parliament our appreciation of the memorable address to which we have just listened, by the President of the Czechoslovak Republic. May I say to Dr. Benes that we follow in our Parliament the practice he followed as President of the League of Nations, and speak in either one of two official languages. I know, had time permitted, the President, as was the custom at the League of Nations, would have wished to repeat in French the address which he has just delivered

in English. I would suggest that one of the two gifted gentlemen who will express our thanks to Doctor Benes might take notice of the fact that we are a Parliament which recognizes more than one language.

Hon. Mr. VIEN, Speaker of the Senate (Translation): Your Excellency, it is for me a privilege which I highly prize to be called upon to convey to you the warmest thanks of the members of the Senate and of the House of Commons for the honour you have conferred upon us by your presence here to-day and for the memorable address which you have just delivered.

In discharging this very pleasant duty in my mother tongue, one of the two official languages of this country, I derive added satisfaction from the fact that you, sir, speak it yourself with such fluent elegance.

We have for a long time ardently desired the privilege now so charmingly extended to us by Your Excellency. For more than a quarter-century we have witnessed your achievements and closely followed your rapid accession to a foremost rank in the political world.

We warmly cheered at the birth of the Czechoslovakian Republic. We have shared her happiness, admired the heroic courage of her people, and shed burning tears, as we still do, over her misfortune. On their return from Geneva, your friends, our Prime Minister and our late lamented Senator Raoul Dandurand, often spoke to us with admiration of your illustrious master, Mr. Masaryk, and of yourself, his worthy successor. Your world-wide reputation has preceded you here. We admire in Your Excellency the wisdom and caution of the statesman, the vigilance and valour of the patriot, the indomitable courage of the apostle disseminating throughout the world the immortal principles upon which are founded true democracy, liberty, order and peace.

On one of the memorable occasions which marked your brilliant career, you declared yourself a citizen of this young Europe which had sprung from the embers of the most disastrous conflagration the world has ever known, and of a new state which has devoted its strength and energy to the reconstruction of a world perpetually in the making.

Like ourselves, you are seeking an ideal, a symbol, a formula for a civilization capable of guaranteeing to humanity as a whole the complete enjoyment of its rights and of freeing it for evermore from fear and want.

We thank you for having given, by the warmth of your eloquence, a new and more vivid ardour to our faith in truth, honesty and human fraternity. We shall keep an everlasting memory of your visit, and this day will remain deeply graven, in letters of gold, in our annals and our hearts.

Hon. J. A. GLEN (Speaker of the House of Commons): Mr. Prime Minister, Mr. President and ladies and gentlemen: There are many occasions, Mr. Prime Minister and Mr. President, during a man's life when the hopes and dreams of the past become the realization of the present. I think that Doctor Benes is in that position to-day. He to-day sees in the immediate future the realization of those hopes. Everyone will remember Doctor Benes during those days of Munich of 1938, and how he conducted himself with cool and calm courage, with steady judgment and with a definite purpose in mind. He held for himself during that time a high honour—I think he will consider it a high honour—that he incurred the most bitter hatred of Hitler. For all of us will recall those days of the Sudeten incident when Doctor Benes was leading his people, how Hitler chose him as public enemy No. 1 and reviled him to the whole world as a traitor to Czechoslovakia and, therefore, a traitor to Germany! I shall always recall the steadiness with which that challenge was met, and the determination with which Doctor Benes carried on his high office in behalf of his country.

The Prime Minister has told you of the prophetic utterance by Doctor Benes in November, 1938, which was fulfilled to the last word. Now Doctor Benes has given us another prophecy, though he himself knows and says this is in a very dangerous field. He predicts the end of this war; I think the words he used were: "in the winter of 1943-44." May he see the fulfilment also of that prediction. Doctor Benes' address to us is an inspiration to Canada. It conveys to us some measure of the courage and steadfastness which was exhibited by his people and by himself during those terrible days. I should like to recall a broadcast that was made by Doctor Benes some time ago, which has remained in my memory. I do not recall his exact words, but I remember that he asked himself one question: "What do I want?" The answer he gave was: "I want to go home. I want to go to my own country. I want a free Czechoslovakia in a free Europe."

Mr. President, on behalf of those who are gathered here at this joint meeting of both Houses of Parliament, I thank you for your presence here with us to-day. As I stated, you have again entered into the realm of prophecy, and we do hope that your predic-

tion on this occasion will come true within another year. Whether or not, I want to assure you that all Canada joins with you and your country, that we shall prosecute and continue our efforts until this war is successfully finished. On behalf of this joint meeting I express to you that which has been so evident from time to time during your address, the great pleasure you have given us. I express the wish of every man and woman in this audience when I say to you that we hope in the very near future you may return to your own home, your own country, a free Czechoslovakian in a free Europe.

WORK AND SERVICES OF THE SENATE

DISCUSSION

Hon. J. H. KING: Honourable senators, there is on our Order Paper no business that we may proceed with, but I have no apologies to make for that fact. Some people who criticize the Senate fail to understand the set-up of this body. They compare it with the American Senate, but our whole set-up is different, as the work we undertake to do, and do very well, must come from the elective Chamber.

It is suggested from time to time that more work should be given to us and more legislation should be introduced or fathered in this Chamber. Possibly that is true with regard to certain bills which do not relate to the public life of the country. But most bills do relate to matters affecting the general public. Such legislation as amendments to the Patent Act might very well be initiated in this Chamber. Yet there is a limitation upon what may be done in this way. Many of the measures which come before us involve Government policy and are introduced because the Government, or the public, see a need for their enactment. In such cases a Minister must convince the Governor in Council of the importance of the legislation. Having succeeded in doing so, he likes to take care of his own baby, and naturally introduces it before the elected representatives of the people. I cannot see that very much is to be gained by talking about legislation being initiated in this House, or by deluding ourselves into thinking it can be done. Useful work, however, has been accomplished here. Take the Shipping Act, for instance. It was a non-political measure, whose object was the revision of our shipping laws. It was a fine piece of work, which occupied two sessions—work of a kind that this body could do, and did, very effectively. But, speaking in the main and generally, I do not think we may expect to have Government policy initiated in the Senate, unless the Government of the day appoints more members of the Administration to this Chamber. In that case those members would probably be satisfied to introduce here measures in which they were directly interested, but they would not undertake to initiate measures sponsored by members of the Government whose seats were in the House of Commons.

While the Senate was recently adjourned there was another important visitor to Ottawa, who spoke to a joint meeting of the reconstruction committees of both Chambers. I refer to Sir William Beveridge, the author of the social security plan in Great Britain. Honourable members who were fortunate enough to hear him must have been convinced, I think, not only of the sincerity of his presentation, but also of his fairness and his, I would say, Scotch shrewdness. He indicated at once that he had not come here to tell the people of Canada what they should do in regard to social security, as his plan was designed for application to conditions in Great Britain. And he complimented Dr. Marsh, who has prepared a report on social security for Canada and who to-morrow morning will appear before a subcommittee of the Senate Committee on Post-War Reconstruction. That is the Subcommittee on Social Security, presided over by the honourable senator from Inkerman (Hon. Mr. Hugessen), who, I know, will want to say a word before we adjourn to-night. It will be his desire that members of the main committee itself, as well as members of his subcommittee, be present, and as many as possible of the other senators interested in the subject.

There is no doubt that this problem is one which should give us great concern. It is being studied not only in Great Britain and Canada, but also in other portions of the world. Honourable members can be well employed to-morrow morning, I think, in hearing the evidence that the chairman of the subcommittee has arranged to bring before us.

With these few remarks, unless the honourable gentleman from Inkerman wishes to make a statement, I would move the adjournment of the House.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure we all have been much interested in listening to what has been said by the honourable leader with regard to the small amount of legislation initiated in this Chamber. I do not find myself fully in accord with his expression of opinion that this House must in future expect that all legislation will be initiated in the other House.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: I do not think my honourable friend is quite correct in attributing that statement to me.

Hon. Mr. BALLANTYNE: I want to interpret correctly what the honourable leader said. I did understand him to say that, so far as he could judge, legislation was going to be initiated in another place—

Hon. Mr. KING: It has been.

Hon. Mr. BALLANTYNE: —owing to the fact that Ministers wanted to sponsor their own legislation. I think I am not unfair when I say he intimated to this House that that would be the policy followed by this Government, and that the Senate of Canada could not look forward to initiating much legislation. I should like to remind the honourable leader that, according to my recollection, during the five years when the Right Hon. R. B. Bennett was Prime Minister this Chamber never had occasion to adjourn for lack of business. The Senate dealt not only with the Shipping Bill and Insurance Bills, but also with so much other legislation that it was virtually in continuous session. Honourable senators are aware that legislation can be initiated in this House just the same as in another place. It seems to me that the responsibility lies more particularly on the leader who may be Prime Minister at the time. Certainly Mr. Bennett kept this House busy. I think that our members, with their wide and rich experience, can deal with legislation more carefully, not only in this Chamber, but also in our special and standing committees. I know that we cannot expect to get much legislation while we are engaged in global war, but I do hope that when peace is restored, whatever Government may be in power will not follow the view just expressed by the honourable leader of the Senate and have all legislation introduced in the other House. I for one should deplore such a policy. I hope my honourable friend will use his good offices to prevail upon this Government, if it is still in power, to see that a fair amount of legislation is initiated in this House after the war is over.

Hon. Mr. KING: I desire, not to prolong the discussion, but to avoid being misunderstood. Probably I should have indicated that we are labouring under extraordinary conditions brought about by the war. Apart from that fact, we know that only a few years after Confederation complaints came from the Senate that it did not have sufficient opportunities to initiate legislation. True, legislation of the character of the Patent Act could very well be introduced here, but it is probable that legislation involving Government policy will, of necessity, be introduced in the elective Chamber.

Hon. Mr. BALLANTYNE: Why not here?

Hon. Mr. KING: I do not think any of us wish to place the Senate in such a position as to provoke adverse criticism on the part of the public for circumstances entirely beyond our control. As I have mentioned, soon after Confederation the Senate complained of lack of business, and I do not think conditions in that respect have changed very much in the meantime. However, the records of the Senate show that there have been periods when this House has been busy. Two years ago, on the motion of my honourable friend opposite, we conducted an investigation of our railways, and undoubtedly spent some months in a very useful undertaking. But what I want to make clear to-night is that we have no reason to apologize for the present state of affairs, and I do not think the Senate should be criticized for the lack of business to-night.

Hon. J. A. CALDER: Honourable senators, I should like to get the opinion of a member who knows constitutional law and the powers of the Senate with regard to introducing legislation. My own idea at the moment is that, with the exception of legislation involving expenditure of money, the Senate has the same power to introduce legislation as the House of Commons.

Hon. Mr. KING: That is true. Nobody is objecting to that.

Hon. Mr. CALDER: It seems to me the present condition of affairs is due directly to one main cause—that we are at war—

Hon. Mr. HUGESSEN: Hear, hear.

Hon. Mr. CALDER: —and that the other Chamber spends virtually all its time in dealing with purely war matters.

Hon. Mr. ASELTINE: Money bills.

Hon. Mr. CALDER: Very largely money bills, but not entirely. That condition is bound to continue until the war ends. Then we shall have to deal with the aftermath, which in a sense will be related to war conditions. So the Senate is passing through a period during which we cannot expect much in the way of legislation; not because we may not need it, but simply because everybody's thoughts are centred on something else. In the course of time the war will end, and then the Senate, I have no doubt, will carry on as it has done in the past. On any questions outside of war measures very little legislation

engages the attention of the Commons, whose members think they have full power to initiate legislation. What legislation of any consequence have we had so far from the Commons? Very little. And we can expect very little during the entire session.

Hon. Mr. BALLANTYNE: That does not mean we have not the right to introduce legislation.

Hon. Mr. CALDER: I think, myself, we have that right.

SUBCOMMITTEE ON SOCIAL SECURITY

Hon. Mr. HUGESSEN: Honourable senators, with regard to the remarks of my honourable leader, I wish to remind the House that the Subcommittee on Social Security will hold its first meeting at half past ten to-morrow morning. At this meeting the witness will be Dr. Leonard Marsh, the gentleman who prepared the report on social security for Canada. I wish on behalf of the subcommittee to extend to every member of this Chamber a most cordial invitation to be present at the meeting.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, June 9, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, June 10, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILL

REPORT OF COMMITTEE

Hon. C. E. TANNER: Honourable senators, the Standing Committee on Miscellaneous Private Bills begs leave to present its report on Bill X2. As presented to the Senate, this Bill was entitled, "An Act to incorporate The Church of God." There were some objections to that name, and on the suggestion of the applicants another name has been adopted, and the Bill is now entitled, "An Act to incorporate Bethel Full Gospel Assembly." A few verbal amendments had to be made in the body of the Bill so as to conform with the new name. Otherwise, the Bill in its original form was approved by the committee, no material change at all having been made.

Ordinarily, of course, notice for consideration of this report would have to go on the Order Paper for next sitting. I understand the honourable senator from Vancouver South (Hon. Mr. Farris) would like to have a little progress made towards passage of the Bill; therefore, if the Senate consents, I will move that the report be considered and concurred in now.

The motion was agreed to.

THIRD READING

The Hon. the SPEAKER: When shall this Bill be read a third time?

Hon. J. W. deB. FARRIS: If no one objects, I move that the Bill be read a third time now.

The motion was agreed to, and the Bill was read the third time, and passed.

THE SUPPLY OF POTATOES

DISCUSSION

On the Orders of the Day:

Hon. R. B. HORNER: Honourable senators, before the Orders of the Day are called, I desire to direct the attention of the honourable leader opposite (Hon. Mr. King) to the following report in last night's Journal:

"In ten days there will be enough potatoes for everyone, with prices lower than this time last year," H. H. Hatfield, member of Parliament for Victoria-Carleton, N.B., assured the Journal to-day.

The reasons are that the heavy new crop from Virginia and North Carolina will be available here next week and will tide Canadians over until the new Canadian crop matures in a month—a month late. The price ceiling, fixed for old potatoes, will hold. . . .

My object in bringing this dispatch to the attention of the honourable leader of the Government is that I think it is perhaps not yet too late to ship in further supplies of potatoes from northern Saskatchewan. When I left there the potatoes that were being shipped were being culled altogether too closely. Beautiful potatoes were piled near the elevator, along the railway track, and I am sure that if some of the farmers in

Saskatchewan who were told to pick out the so-called small potatoes could see the little potatoes served here in Ottawa they would condemn them as being too small even to pick up from the field.

We were unable some time ago to deliver wheat to Mexico because of the freight-car situation. It will certainly cost something to bring potatoes all the way from the South. If potatoes are in sacks, any old freight car is suitable for their transportation from northern Saskatchewan. We have from twenty to fifty carloads of potatoes available, and they could be sent here in from four to five days at a cost of a cent a pound.

The potatoes of northern Saskatchewan are the best in the world. When you eat a baked Saskatchewan potato you do not have to cut it two ways as you do with the sort served here; you just break the skin. I have good reason for saying the potatoes of northern Saskatchewan are the best in the world. Some years ago, when a body of English miners came to the Prairie Provinces to assist in the harvest, a number of them were stranded in our village and I undertook to show them how to stook. At their first meal, when we placed on the table large dishes of baked potatoes, those men, to our amazement, dumped the whole lot on to their plates. I said to them, "I see, boys, you are fond of these potatoes." They said that they were, and they had never tasted anything like them before; in fact they had not believed that potatoes could have so fine a flavour. I assured them that they should always have a plentiful supply.

I was telling some of the senators from the Maritimes that one year we did not need any bin in the basement for the potatoes; we just piled them up like cordwood.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: If there is any doubt about getting potatoes from the Maritimes, we can supply the world from Saskatchewan.

Hon. C. MacARTHUR: Honourable senators, we seem to be learning something every day. I always understood that Maritime potatoes, particularly those from Prince Edward Island, were acknowledged to be of paramount quality. That was never questioned before.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MacARTHUR: The honourable senator referred to sixty cents a bushel for potatoes. That is a cent a pound. Is there not some regulation about that? We can get twice as much for Prince Edward Island potatoes.

Hon. Mr. ASELTINE: Before I left Rosetown, Saskatchewan, I bought potatoes at fifty cents a bag.

Hon. Mr. MacARTHUR: How much to the bag?

Hon. Mr. ASELTINE: A bushel and a half.

Hon. Mr. COPP: Perhaps it is because they are of poor quality.

Hon. Mr. MacARTHUR: You had better send them here.

Hon. Mr. ASELTINE: We have hundreds of acres of them going to waste.

Hon. Mr. MacARTHUR: I want to ask why it is these marble-sized potatoes are shipped. Are they not graded? Are there no regulations here like those we have in the Maritimes?

Hon. Mr. HORNER: How do these small potatoes get in here?

Hon. Mr. MacARTHUR: There is no doubt that we are getting very small potatoes in the hotels and restaurants. Our potatoes measure from two and a half to three inches.

Hon. Mr. HORNER: They are small potatoes.

Hon. Mr. MacARTHUR: Why the shipment of potatoes that are only fit for pig feed is allowed is more than I understand. I do not understand either that Saskatchewan potatoes are the best.

Hon. J. H. KING: Honourable senators, I knew the statement that Saskatchewan potatoes are the best in the world would not go unchallenged. However, I shall be pleased to bring the remarks of the honourable senator (Hon. Mr. Horner) to the attention of the Minister of Agriculture. I can hardly understand the situation. In this city for some time there has been a great scarcity of potatoes. Surely, if potatoes of the quality and size described are available in Saskatchewan, there must be some reason why they have not been brought down here.

Hon. Mr. MacARTHUR: If the honourable gentleman will send down all the potatoes he can gather up, and they are of decent size and quality, I will give fifty cents a bushel for them right here in Ottawa.

Hon. DUNCAN McL. MARSHALL: To me the difference between Saskatchewan potatoes and Maritime potatoes at the present time is that I can get Saskatchewan potatoes and cannot get the others. So I am in favour of the Saskatchewan potatoes in the meantime at least.

Hon. Mr. HORNER: Hear, hear.

Hon. Mr. COPP: A very good substitute.

CANADIANS INTERNED IN FRANCE

DEBATE ON MOTION CONTINUED—MOTION WITHDRAWN

The Senate resumed from May 20 the adjourned debate on the motion of Hon. Mr. Prévost:

That this House deems it proper to call the attention of the Government to the situation of Canadians incarcerated in France by German authorities, on the mere ground of their being British subjects, whereas Germans who abide by the laws of Canada peacefully enjoy their freedom in this country; and that this House believes and trusts that Canadian authorities will be able, by taking appropriate steps, to secure the liberation of our unfortunate compatriots.

Hon. J. H. KING: Honourable senators, I understand the honourable gentleman from De Salaberry (Hon. Mr. Gouin), who adjourned this debate, is not desirous of continuing it, and I wish to make a few remarks before the debate is concluded.

My honourable friend from Mille Iles (Hon. Mr. Prévost) calls attention to the treatment by German authorities of Canadians interned in France, and contrasts it with our treatment of Germans in Canada. We know that the Canadian Government is living up to international conventions in regard to the treatment, not only of members of enemy forces held here as prisoners of war, but also of alien civilians who happened to be resident in this country. At the outbreak of war all enemy aliens and persons who were naturalized after 1921 were required to register with the Commissioner of the Royal Canadian Mounted Police. Persons whom the police suspected, or whom, for any other reason, they thought it wise to keep in custody, were interned in the early stages of the war, and from time to time others have been picked up in consequence of representations made to the police, or of decisions made by the police on their own initiative. Enemy aliens not interned are required to report at stated intervals to the police in their community. Such has been the procedure followed from the first of the war until lately. Within the last week or two we have adopted the United States practice with regard to Italians, by exempting them, with the approval of the police, from registration.

Then we have a number of Japanese aliens in this country. As is well known, they have been subject to removal from a certain Pacific coast zone that was set aside as a reserve area. With few if any exceptions, all Japanese have been moved out of that district.

In regard to Canadian civilians who are interned or imprisoned in France, I have a memorandum here, which I shall read:

In order to attend more carefully to the problems raised by the internment of a certain number of Canadians in enemy countries, the Department of External Affairs organized a special section which devotes all its time to assuring the best possible conditions for prisoners of war, as well as those interned. The department keeps in close touch with interned Canadians through representatives of the protecting power, Switzerland. These representatives transmit to us at irregular intervals general reports which inform us on the morale and the health of the internees, as well as on the physical and hygienic conditions of the camps. These reports enable us to secure the attention of the German authorities to necessary improvements. Moreover, they give us information on the kind of life which the internees lead. We know that certain camps have organized courses to allow the internees to continue their studies. Some theological students have been able thus to finish their philosophical and theological studies and have been ordained priests since their internment. The protecting power likewise sends individual reports in case of sickness or need. Moreover, to permit the internees to improve their lot, the Government, through a Swiss intermediary, turns over to each internee a monthly sum of $10. There is no doubt that this amount aids greatly in alleviating the rigours of internment.

Although the life of a camp is hardly pleasant, it may be stated with assurance that Canadian authorities spare no effort to make it tolerable, and also to obtain the liberation and repatriation of the interned Canadians.

I may say that some Canadians, not a great many, have been repatriated. I think we probably have been as successful as the other powers in this regard.

It is deplorable that a large number of priests are thus prevented from carrying on their spiritual duties, but the fact that, in certain European countries, persons in Holy Orders are subjected to military service, makes more difficult any intervention in their behalf. In the present situation, the German authorities make no distinction between clerics and laymen.

Constant attention is being given to the problem of the internees, and no step will be neglected which might lead to a satisfactory solution.

The memorandum quoted indicates what the Government is attempting to do on behalf of Canadian civilians interned in enemy countries. We know that international undertakings with respect to internees are not being observed by some of the warring powers who signed these undertakings, particularly Germany. Great Britain has been able to continue an interchange of prisoners of war with Italy. At one time an attempt was made for such an interchange between Great Britain and Germany. I believe the matter

proceeded to such a stage that prisoners were assembled at ports of embarkation when negotiations broke down, and I do not think there has so far been any exchange between those two countries.

Here in Canada we have been fairly fortunate in dealing with enemy aliens. Experience speaks for itself. We have been in the war for nearly four years now, and in all that time we have had very little internal trouble from enemy aliens. There has been little, if any, sabotage, and we must all agree that our police—I refer not only to the Dominion police, but also to those of the provinces and the municipalities—have done an excellent job, and we have reason to be proud of the expeditious and efficient way in which they have handled this problem.

I hope that I have covered the subject to the satisfaction of my honourable friend from Mille Iles (Hon. Mr. Prévost). I have tried to indicate briefly the kind of treatment we are giving to enemy aliens, and also what is being done for our people who are interned in France and Germany.

Hon. J. E. PREVOST (Translation): Honourable senators,—

The Hon. the SPEAKER: Honourable senators, I would point out that if the honourable gentleman speaks now he will conclude the debate. Therefore, if any other honourable member wishes to take part in the debate, he should do so first.

Hon. J. E. PREVOST (Translation): Honourable senators, the only object of the resolution I had the honour to move was for this House to express the hope that all possible efforts would be made to ensure that our numerous citizens who are in France might receive, at the hands of the German authorities, treatment similar to that given by Canada to German citizens who are in our country.

Through diplomatic channels, by the medium of Switzerland, our protecting power, the Canadian authorities are in a position to notify the Germans that they have no reason to resort to reprisals against our citizens who are imprisoned in France, while German citizens are free in this country. Needless to say, in both cases, I refer to citizens who are peaceful and law-abiding in the countries they inhabit.

I realize that it is difficult for the Canadian Government to communicate with the enemy, but it is possible and we are convinced that the Canadian authorities will take more and more interest in the plight of our fellow-citizens who for the last three years have been incarcerated in France by the German authorities, for the sole reason that they are British citizens.

From the statement of the Department of External Affairs, which the leader of this House has read to us, I remember especially the following sentence: "The Canadian authorities spare no effort to obtain the liberation and repatriation of interned Canadians."

In view of this statement and other information just read to this House by the leader of the Senate, and with the permission of my honourable colleagues, I wish to withdraw my motion, convinced that the Senate approves past and future steps tending to ensure the release of Canadians incarcerated in France.

The Hon. the SPEAKER: Honourable senators, is it your pleasure that the honourable gentleman have permission to withdraw his motion? Carried.

The motion was withdrawn.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, June 15, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned until Tuesday, June 15, at 8 p.m.

THE SENATE

Tuesday, June 15, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ADMINISTRATION OF MONTREAL ABATTOIRS

INQUIRY DROPPED

On the inquiry by Hon. Mr. Sauvé:

1. Has the Government fully inquired into the motion adopted by the Senate on the 15th of April ultimo relevant to claims from farmers, dealers and butchers against the commercial operations at Montreal abattoirs?

2. In the affirmative, what steps have been taken?

3. Have the authorities taken into consideration the representations and denunciations of the member for Chambly-Rouville and of the senator for Rigaud?

4. In the affirmative, what is the nature and efficiency of their action in the matter?

The Hon. the SPEAKER: Honourable senators, I have had occasion to give attention to the inquiry by Hon. Senator Sauvé which appears on the Order Paper. In the form of a question it reads, in part:

Has the Government fully inquired into the motion adopted by the Senate on the 15th of April ultimo relevant to claims from farmers, dealers and butchers against the commercial operations at Montreal abattoirs?

From the phrasing of this inquiry it is evident that reference is being made to a motion which the Senate adopted on April 15 last.

I find that rule 25a provides as follows:

No question or amendment shall be proposed which is the same in substance as any question or amendment which, during the same session, has been resolved in the affirmative, or negative, unless the order, resolution or vote on such question or amendment has been rescinded.

And rule 39 reads as follows:

No debate is in order on a mere inquiry; but explanatory remarks may be made by the senator making the inquiry, and by the minister or other senator answering the same. Observations upon any such answer are not allowed.

The Senate received the inquiry, and on the 15th of April passed it as an order for a return. The return having been tabled forthwith, the matter has been dealt with and disposed of during the present session, and I am afraid that under rules 25a and 39, which I have just read, it is not permissible to make any further reference to it. The question now on the Order Paper is in the nature of a discussion of the action taken by the Senate in directing that a return should be tabled; therefore I am obliged to rule that, as it refers to a decision already made by the Senate during the present session, it is out of order.

Hon. Mr. SAUVE: May I ask what procedure should be followed for the purpose of obtaining from the Government an answer to the inquiry or some information about the correspondence that has been tabled? I understand that it would not be permissible to debate that question.

Hon. J. H. KING: Honourable senators, I had intended to call the attention of His Honour the Speaker to the inquiry of my honourable friend. The honourable gentleman is an old parliamentarian and understands the rules and procedure well, and I am sure that if he wants information on the inquiry he will know how to go about getting it. His Honour the Speaker has ruled that this question is out of order, but I have no doubt my honourable friend will find ways and means of getting the information; and I am sure there will be no disposition to withhold anything which may properly be placed before this House.

I would ask that the question be dropped.

Hon. Mr. SAUVE: But the correspondence tabled is not an answer to my question.

The Hon. the SPEAKER

Hon. Mr. KING: The honourable gentleman asked only for correspondence. He has had that.

Hon. Mr. SAUVE: Yes, but it is an empty answer. I cannot get in the correspondence any information as to the attitude of the Government.

Hon. Mr. KING: That is what the honourable gentleman is asking for now; but he asked for a return of correspondence. That has been tabled, and I think the order has been fully satisfied.

The Hon. the SPEAKER: Dropped.

DIVORCE BILLS

REPORTS OF COMMITTEE

On the Orders of the Day for consideration of the 77th, 78th, 79th, 80th and 81st reports of the Standing Committee on Divorce:

Hon. C. W. ROBINSON: Honourable senators, the first five items on the Order Paper to-day are for consideration of Divorce Committee reports that were tabled the other day. I should like to get these adopted, and I know of no rule against this being done, although the evidence has not yet been printed. If the reports are concurred in, it may not be deemed to be in order to introduce bills based upon the reports before the evidence is printed. Yet, again, so far as I know, there is no rule preventing the introduction of bills in these circumstances, and perhaps it would be expedient to present them to-night. However, as to that I am in the hands of the Senate. I would move that these five reports be considered en bloc and concurred in now.

The motion was agreed to.

FIRST READINGS

Hon. Mr. ROBINSON: Honourable senators, now that the reports of the Standing Committee on Divorce have been concurred in, I wish to present five bills:

Bill C4, an Act for the relief of Jean Sylvia Murley.

Bill D4, an Act for the relief of Gertrude Mantha Hore.

Bill E4, an Act for the relief of Claire MacLaren Hunter Barlow.

Bill F4, an Act for the relief of Mary Constance Helena Keys Bates.

Bill G4, an Act for the relief of Margaret Anne Richards Johnstone.

The Bills were then severally read the first time.

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the second time?

Hon. Mr. ROBINSON: Next sitting.

BUSINESS OF THE SENATE—MADAME CHIANG KAI-SHEK'S VISIT

Hon. J. H. KING: Honourable senators, when we adjourned last week we did not expect to receive from the House of Commons at this time legislation to be dealt with in a formal way here, but we had in mind that we could be well engaged for a day or two in the Standing Committee on Finance. That committee, I believe, is to meet after the Senate rises to-morrow afternoon, in order that we may inquire into and study the War Appropriation Bill, which is the most important measure of this session.

After we adjourn I should like to speak to my honourable friend opposite (Hon. Mr. Ballantyne) in order to be in a position to-morrow to advise honourable members what is to be our procedure for the next week or two. I have not yet had a chance to confer with him.

To-morrow morning at 11 o'clock we shall have an opportunity of joining with the House of Commons in meeting a very distinguished visitor to Canada. I refer to Madame Chiang Kai-shek, the wife of the great Chinese Generalissimo. As we all know, under his inspiring and skilful leadership the inadequately equipped armed forces of China, backed up by the energy and courage of their people, have for a period of warfare probably unequalled in modern military history stood four-square against an enemy having the advantage of the most up-to-date weapons of war; and that enemy to-day is one of our enemies. All Canadians appreciate our distinguished visitor, not only on account of her personal qualities, but also because of the magnificent stand that her countrymen have made against their ruthless aggressors.

I understand from His Honour the Speaker that the arrangements made for to-morrow are similar to those which obtained recently when Right Hon. Anthony Eden addressed both Houses of Parliament: members of the Senate will be accommodated on the floor of the House of Commons. I would suggest that as the proceedings are to begin at 11 o'clock in the morning, honourable members should be in their seats ten or fifteen minutes before that hour. I trust the arrangements will be satisfactory to honourable senators, for I am certain that we shall regard Madame Chiang Kai-shek's address as one of the memorable events of this war period.

The Hon. the SPEAKER: May I suggest that as Madame Chiang Kai-shek is to be met at the main door at 10.50 to-morrow morning, honourable senators take their places in the House of Commons not later than twenty minutes or at least fifteen minutes to eleven, so there may be no confusion in the allotment of seats.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, June 16, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

WHEAT ACREAGE REDUCTION—THE SUPPLY OF POTATOES

DISCUSSION

On the Orders of the Day:

Hon. A. D. McRAE: Honourable senators, I desire to call the attention of the Government to an article which appeared in the Searle Grain Company's "Market Features" under date of Wednesday, June 2. The article is headed "Canadian and American Wheat Acreage Reduction." It goes on to say:

> We have been assured time and time again that the most complete understanding and agreement exists between the Governments of the United States and Canada for the production of foodstuffs. Each country, it has been said, has agreed to grow that which it is best fitted for, to the end that the largest quantities of needed foodstuffs will be made available to the fighting forces, to the civilian populations and to those allied countries overseas which need food.
>
> There is every indication that good collaboration exists in the matter of shipments overseas. Canada, for instance, is concentrating on the shipment of bacon to Britain, and the United States is concentrating on the shipment of bacon and pork to Russia. There does not, however, seem to be the same collaboration with production, at least with the production of wheat.
>
> In Canada, as is well known, our Government is almost feverishly endeavouring to bring about a drastic reduction in Prairie wheat acreage. Our farmers are not only bonused to take land out of wheat, but are being literally forced out of wheat by the Government's policy of permitting the farmer to sell only a part of his wheat crop. This plan has succeeded to the extent that Canadian wheat acreage has been reduced from some 27,750,000 acres in 1940 to 20,653,000 acres in 1942, or a reduction of 26 per cent (the U.S.A. in the same period only reduced its acreage by 19 per cent), and now the Canadian Government has induced our farmers to reduce spring acreage for 1943 by an additional 20 per cent.

CANADA DECREASING ACREAGE—U.S.A. INCREASING ACREAGE

Considering all this, it comes as somewhat of a shock to find that while Canada is drastically reducing wheat acreage the United States has made plans to increase wheat acreage, and that farmers in the U.S.A. are actually now being bonused to increase both winter and spring wheat acreages, and this at a time when our Canadian farmers have about 200 million bushels of wheat on their farms unsold, which they have no prospect of selling, and which has cost them money to harvest, to thresh and to store; and which wheat, moreover, is taking up valuable granary room and space on the farms.

Why should this be? If there actually exists complete understanding, collaboration and agreement, which we have been assured does exist between the two Governments, would it not be more sensible, if the United States really requires more wheat, for that country to draw on the wheat surplus of Canada before enlarging her own wheat acreage and production, and for the United States to use her land to produce more of those feeding stuffs—oats, barley and corn—of which products the United States fears there will be a serious shortage this coming year? Far from this, however, we are actually informed that at precisely the same moment we are decreasing wheat acreage and increasing oat acreage in Canada, the United States is planning exactly the opposite—to decrease her oat acreage and to increase her wheat acreage—all as announced recently in Washington by Mr. Chester Davis, War Food Administrator.

The article goes on to say there would seem to be room for a simple agreement. It would seem, honourable senators, that wheat production is one thing upon which there could be greater collaboration between the two countries. I think I am stating the fact when I say that Canada can produce more wheat per acre than can the country to the south. This is partly because the United States has been growing a crop for so many years longer than we have. I think that on the whole our wheat crop will probably average 8 bushels per acre more than the wheat crop in the United States. On the other hand, the United States, being farther south, is more successful in growing corn, second in importance only to wheat, and in growing soya beans and other commodities.

I bring the subject up at this time, honourable senators, for the purpose of asking the honourable leader of the Government (Hon. Mr. King) to see that it is called to the attention of the proper authorities. I am quite sure that the figures mentioned in the article are correct. This monthly periodical is edited by Major Strang, of Winnipeg, an accepted authority on grain matters on this continent, and a man who once won first prize at the Chicago Fair for world wheat production. His figures have always been conservative, and I am sure that in the present instance his statement of the case can be relied upon. If the matter were taken up with the Government by the honourable leader it could no doubt be rectified, to the mutual advantage of both countries.

While I am on my feet I might say that I find a great many people in the United States actually fear a food shortage and are very eager to do everything possible to meet that situation. In fact, many of them believe that the best effort we in this country can make to-day is to increase the production of food.

Hon. J. H. KING: Honourable senators, I do not intend to make a reply to my honourable friend at this time. The authority he quotes is recognized throughout the West as one of the grain handling companies in Western Canada. We know that the Governments of Canada and the United States have been collaborating on most of the war activities of the two countries. I am satisfied that there have been conferences between the Canadian and United States Departments of Agriculture and that certain lines of policy have been adopted. It is true that steps to reduce wheat acreage have been taken in Canada. In fact, a measure with that objective was passed this year, and that seemed to be sound policy at the time. To-day the Government is bringing wheat and coarse grains into Ontario, in order that the stockmen of the province may have feed at a reasonable price for their cattle and hogs. This grain is being moved from Fort William into various Ontario centres without cost to the farmers, to encourage a larger production of pork and beef. I am told by some of the Western wheat-growers that last year they found it more profitable to feed wheat to their cattle and hogs. There is no doubt there will be a great shrinkage of wheat supplies in the Prairie Provinces. It is well known that large quantities of wheat are being imported into the United States for the feeding of cattle and hogs. I am glad my honourable friend has raised this question, and I shall be pleased to bring it to the attention of the Minister of Agriculture.

Hon. DUNCAN McL. MARSHALL: Honourable senators, I may say to my honourable friend opposite (Hon. Mr. McRae) that I read the Searle grain report every week. It is a useful publication and gives a great deal of data on the grain situation. I can understand why the publisher is arguing for more wheat being grown in Canada, but I have not the slightest doubt that arrangements have been made between the Canadian and United States Departments of Agriculture as to the division of grain production between the two

countries. It is a well known fact that a miserable quality of oats is grown in a large part of the United States; in fact down in Iowa oats run only thirty-two pounds to the bushel, as against forty-two pounds in Scotland. Everybody knows the superior quality of oats grown in Saskatchewan and Alberta. There is a strong demand in the United States for oats from those two provinces, and last year some 40,000,000 bushels were exported across the line. In Oklahoma, for example, where the climate is rather warm, when I was there two years ago the farmers were wishing they could grow oats as we grow them in Western Canada. They could not grow very good corn, and their oats were miserable stuff, weighing about thirty pounds to the bushel. They were hoping that some arrangements could be made for them to get a supply of good Canadian oats.

While the United States is to some extent increasing its acreage of wheat, a great deal of that may be for the production of what is known as macaroni wheat, since outside of a few of the northern States only the softer kinds of wheat can be grown by our neighbours.

I am quite sure that the division made by the officials of the two Governments as to the respective grain acreages of the two countries was made with a view to benefiting all concerned, and particularly to getting in Canada what our stockmen want, that is, more and better oats.

Just this morning I was reading a British farm weekly in which it was pointed out that in England at the present time some of the beef cattle which are being marketed were fattened entirely on hay, roots and oats, the oats being brought down from Scotland, where the best oats in the world, barring Alberta and Saskatchewan, can be grown.

Hon. Mr. MOLLOY: And Manitoba.

Hon. Mr. MARSHALL: Yes, Manitoba grows good oats, too, but not quite so heavy as the oats of Alberta and Saskatchewan. There is a quarrel just now between Manitoba and Saskatchewan about potatoes, and I should not like to stir that up. In Toronto we have stopped eating Saskatchewan potatoes and are now eating Manitoba potatoes, but we have not yet decided which of the two provinces produces the better grade. In fact, we have to be content with what potatoes we can buy, and their origin is of secondary importance.

I think there is no great difficulty or hardship in connection with the arrangements between this country and the United States with regard to the allocation of grain production. I am interested, just as my honourable friend is, in the Searle report, which, as I have said, is always in favour of a larger production of wheat in Canada. Perhaps after the war we may find we have not too much wheat on hand, though storing a couple of hundred million bushels on farms is a difficult matter at the present time.

Hon. C. MacARTHUR: Honourable senators, though I have heard a great deal about grain during the past twenty years, I know very little about it; so I will leave it to the Western members to figure out their own problem. Many of you read this morning the statement of the Prime Minister that there would be no more hunger, and that the situation which existed some years ago, when large quantities of hogs and grain were destroyed while millions of people were starving, would not be allowed to occur again. With international goodwill there will be a different situation, and surely we can reach some intelligent method of distribution so that nobody need go hungry.

I was rather surprised the other day at what was said in this House about potatoes. If the honourable gentlemen from Saskatchewan (Hon. Mr. Horner and Hon. Mr. Aseltine) had said the moon was made of green cheese, I would have believed the statement more readily than that you can buy good potatoes for seventy-five cents the bushel-and-a-half bag. One honourable senator said the potatoes were piled up like cordwood. What I cannot understand is why they have not been sent to the Southern States for seed. We want someone to look after intelligent distribution from one country to another, or from one part of Canada to another. Many people are going in for victory gardens, and if there is an intelligent distribution of good, wholesome food no one will go hungry. But these gentlemen from the West are falling down on their job.

Hon. Mr. HORNER: Some people need to be educated as to where that good food is to be found.

Hon. Mr. MacARTHUR: Surely you have a Minister of Agriculture; and with the newspapers it should not be difficult to disseminate the information. In the Maritimes all these things are regulated as to size and quality. I am told that in the West potatoes are grown a foot and a half long. They are no good. Neither are the small ones any good. The medium-sized potatoes are the best. It is the same with shell fish. If they are over or under a certain size, they are not in the same category with the medium-sized ones. I am going to ask these two honourable gentlemen from the West to see that these potatoes are sent where they are needed. I

should like to hear from the honourable senator from Cardigan (Hon. John A. Macdonald), who is an expert, or the honourable senator from Royal (Hon. Mr. Jones), just what is going on in the potato business.

Hon. Mr. HORNER: I should like to say that my statement as to Saskatchewan potatoes has been amply substantiated by a dealer in the province of Quebec. He says that I was absolutely right; that last year he had a carload and they remained firm until August. He found them much better than the Maritime potatoes.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. HORNER: As to wheat, there is one point that has not been made. In a large area of Western Canada where there is a shortage of rainfall wheat is the best and most profitable crop that can be grown. It stands drought better than oats. For that reason we should be given a chance to grow a great part of the world's wheat.

Hon. Mr. McRAE: Honourable senators, the honourable gentleman from Peel (Hon. Mr. Marshall) offered what, in his opinion, might be an explanation of present conditions. But a very definite statement has been made, and I rise to ask the honourable leader of the Government if he will not, during our recess, ascertain the facts in order to give us information on the existing arrangement. In my opinion, in the interest of co-operation and co-ordination, the matter should not be allowed to stand. I share the honourable senator's confidence in our authorities, but a definite statement has been made and published, and I think we should have some information in regard to it.

Hon. J. A. CALDER: Honourable senators, may I add one word to the discussion? In dealing with this acreage problem we should not overlook the fact that something may happen to the crops. You will understand what I mean. I have seen a first-class crop, extending over large areas, virtually disappear overnight. We are at war, and there are many millions of people dependent upon the crops that will be grown this year. I was amazed to hear from the reading of the Searle report that there is a possibility of a food shortage this year. If that is so, it seems to me that the Government should do everything it can to reduce the risk to which I refer. A drought may hit Ontario, it may hit Western Canada, it may hit large sections of the United States, and in two or three weeks the crops grown in such areas will be far short of the need.

Hon. G. B. JONES: Honourable senators, in response to the call from the honourable senator from Prince (Hon. Mr. MacArthur), may I express my regret that I was not in the House when the question of potatoes arose a few days ago. All I have to say in that connection is that if the price and quality are as stated by the honourable members from Saskatchewan, it is hard to understand why the potatoes have not been shipped east to be marketed. The statement was that they could be bought for fifty cents a bushel.

Hon. Mr. HORNER: A cent a pound.

Hon. Mr. JONES: Sixty cents a bushel would mean a delivered price here of about $1.50 for a seventy-five-pound bag. We are selling large quantities of potatoes here at from $2.12 to $2.20 a bag. What I should like to know is why the Saskatchewan potatoes, if they are fit to eat, are not brought here and sold for nearly double the price they are bringing in the West.

Hon. Mr. HORNER: I may say that probably one hundred and fifty carloads have arrived.

DIVORCE BILLS

SECOND READINGS POSTPONED

On the orders for the second readings of Bills C4, D4, E4, F4 and G4:

Hon. Mr. ROBINSON: Honourable members, I understand that the evidence in these cases, numbered 5, 6, 7, 8 and 9 on the Order Paper, has not yet been distributed. Much as I should like to have these bills passed, as we are getting near the end of the session, I do not wish to proceed unless honourable senators think it advisable.

Hon. Mr. COPP: Carried.

The Hon. the SPEAKER: Honourable senators, is it your pleasure that these orders be considered, notwithstanding the fact that the evidence has not been printed?

Hon. Mr. MURDOCK: Stand.

The orders stand.

BUSINESS OF THE SENATE

Hon. J. H. KING: Honourable senators, I have notice here from the Chairman of the Standing Committee on Finance that when the Senate adjourns to-day the committee will meet and will take into consideration the War Appropriation Bill, which provides for the war policy of the Government for this year. Earlier in the session we thought it advisable to consider such legislation in advance of the formal arrival of the bills from the House of Commons—a practice which I think has been

beneficial. I would suggest, therefore, that when we adjourn this afternoon we proceed to the committee; and I expect the committee will meet again to-morrow morning.

To-morrow we shall adjourn for this week. As to whether we shall adjourn until the 29th of June or until next Tuesday I am not in a position to state. If honourable senators will look at the Order Paper of the House of Commons they will see there a notice of a resolution by the Prime Minister that His Majesty the King be asked to request the Imperial Parliament to pass a bill to amend the British North America Act so as to allow us to forgo the passage of a redistribution bill at this session of Parliament. If that resolution is passed this week, we shall have to meet next week. I hope to be able to make a definite statement to-morrow. I had a conference with my honourable friend opposite (Hon. Mr. Ballantyne), and we thought it would be best for us to meet to-morrow at 3 o'clock as usual.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Standing Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill H4, an Act for the relief of John Whitehead Casement.

Bill I4, an Act for the relief of Elaine Alice McCormick Desrosiers.

Bill J4, an Act for the relief of Marion Mathilda Heversage Jost Hooper.

Bill K4, an Act for the relief of Phyllis Beatrice Barnett Woodham.

The Hon. the SPEAKER: Honourable senators, when shall these Bills be read the second time?

Hon. Mr. ROBINSON: Next sitting.

Hon. Mr. MURDOCK: Friday.

The Hon. the SPEAKER: Next sitting.

Hon. Mr. MURDOCK: The rules require two days' notice.

The Hon. the SPEAKER: Next sitting.

Hon. Mr. MURDOCK: I beg Your Honour's pardon. Next sitting would be to-morrow.

The Hon. the SPEAKER: Friday, then.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, June 17, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ADDRESS OF MADAME CHIANG KAI-SHEK TO MEMBERS OF SENATE AND HOUSE OF COMMONS

Hon. J. H. KING: Honourable senators, before we proceed with the Orders of the Day, I think it would be only right and proper that we as a body of Parliament should recognize what appealed to me as a memorable event in our parliamentary life. I discussed the matter with my honourable friend opposite (Hon. Mr. Ballantyne), and we agreed it would be appropriate for this Chamber to incorporate in its records the proceedings that took place in the House of Commons Chamber yesterday. I refer to the address delivered by that distinguished and remarkable person, Madame Chiang Kai-shek, who has been on a visit to the United States and is at present in Canada. She represents the people of the great Republic of China, which has been engaged in serious combat for the last six years, withstanding the attacks of the Japanese Empire, one of the world powers against which we ourselves are contending to-day. I think that the graceful and convincing manner in which she delivered her address yesterday impressed not only parliamentarians of long experience who were present, but also Canadians generally who had the good fortune to hear the radio broadcast of her speech. We learned from her what the people of China have accomplished in their heroic fight against a well-equipped and barbarous military power, and as well the vital importance of China as one of the United Nations now at war with the Axis powers.

In conjunction with my honourable friend opposite (Hon. Mr. Ballantyne) I move:

That the address of Madame Chiang Kai-shek, delivered before the members of the Senate and the House of Commons of Canada in the Chamber of the House of Commons on the 16th June, 1943, and the record of the proceedings, be included in the Senate Debates and form part of the permanent records of this House.

Hon. C. C. BALLANTYNE: Honourable senators, I am happy indeed to second the resolution which the honourable leader opposite (Hon. Mr. King) has just placed before us. As he has so properly said, members of the Parliament of Canada and the strangers

in the galleries were profoundly impressed not only by her charming personality and her gracious manner, but also by the authoritative information that she gave us about her country, our gallant ally, China; and her vast radio audience throughout Canada must have been equally impressed. What struck me more than anything else was her unshaken faith in ultimate victory and her ability to make her audience share in that faith. It certainly was a unique occasion in the parliamentary history of Canada, for it is the first time that a lady has ever addressed a joint meeting of our two Houses, and I think those honourable senators who were present will bear me out when I say that not one of the distinguished gentlemen from other countries who on various occasions have addressed a joint session of Parliament has excelled Madame Chiang in persuasive eloquence and graceful delivery. This inspiring address by a lady from one of the greatest countries in the world, a country with traditions reaching back thousands of years, will greatly strengthen our hope of victory over the Axis powers. I can foresee that a better world will evolve as a result of having China associated with the other Allied nations in the solution of post-war problems, and in bringing about such a state of world security that never again shall humanity be plunged into another such desperate war as we are now waging.

I thank the honourable leader of the House for moving the resolution, and let me add that it gives me great pleasure to express the approval of everyone on this side of the House.

The motion was agreed to.

Hon. Mr. BALLANTYNE: I presume that the records of the Senate will contain not only Madame Chiang's eloquent speech, but also the remarks of the Prime Minister and those of our Speaker and the Speaker of the House of Commons.

Hon. Mr. KING: Yes, that is the intention.

REPORT OF THE PROCEEDINGS

Members of the Senate and of the House of Commons assembled in the House of Commons Chamber, Ottawa, on Wednesday, June 16, 1943, at 11 a.m.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, honourable members of both Houses of Parliament: Our country is honoured to-day by the presence in its capital of a gracious lady who is one of the great personages of the world.

To Madame Chiang Kai-shek I extend the sincerest of welcomes on behalf of the Government, the Parliament and the people of Canada. We welcome Madame Chiang for what she is in herself. We welcome her as the devoted wife of Generalissimo Chiang Kai-shek, the great leader of the Republic of China. And we welcome her as the interpreter of the needs and the virtues of the patient and heroic people of China, the first great power to resist Axis aggression.

I should like to thank Madame Chiang anew for having promised, some little time ago, to visit Canada before her return to China; and for having consented, while in Ottawa, to address the members of Canada's Parliament from the floor of its House of Commons. Madame Chiang was obliged to postpone her return to her homeland for some weeks in order that her health might permit her to fulfil the promise she had made. We are deeply conscious of her kindness in so doing.

Madame Chiang speaks to-day as it has been given to few individuals in all history to speak. She speaks for the struggles and sufferings, and equally for the highest aspirations, of an ancient race. She speaks for an immemorial culture. Combining with dignity and grace great spiritual courage, she stands in our midst fully mindful of the toil and sacrifice which, over many cruel years, she has shared with China's valiant defenders. No recital of the noble qualities of her mind and heart could add to the respect and admiration with which we receive her in our halls of Parliament to-day.

The inspired leadership of Generalissimo Chiang Kai-shek and his brilliant wife personifies the spirit of China's fight for freedom—freedom not only from aggression, but from all the forces of evil. Moreover, it is freedom not for China alone, but freedom which, through understanding and mutual aid among men and nations, will further the well-being of mankind throughout the world. Generalissimo and Madame Chiang Kai-shek voice and exemplify the spirit which animates the defenders of freedom everywhere.

We would ask you, Madame Chiang, to carry to the Generalissimo the expression of our high regard for him, and the assurance that the people of Canada have unreservedly joined with the people of China in putting forth their utmost effort to destroy the evil forces that now seek to dominate the world.

We should like you to tell the men and women of China how unbounded is our admiration of their unswerving fortitude. Their uncomplaining courage has not been surpassed in the annals of human resistance. Canada, in common with all the United Nations, is increasingly conscious of the debt that freedom owes to the unconquerable spirit of China.

We are proud to-day to recall that within the expanding circle of the United Nations, Canada and China, through the exchange of Ministers, have strengthened the ties of friendship between our two countries.

It is the earnest hope of all Canadians, Madame Chiang, that to you and to the Generalissimo may be granted the health and Divine guidance which will enable you together to continue your magnificent work for the unity of your own country and the liberation of all its people.

Our prayers are joined with yours that the day may not be far distant when China, wholly free, may take her rightful place among the free nations of the world.

Hon. J. A. GLEN (Speaker of the House of Commons): Madame Chiang Kai-shek, Mr. Speaker of the Senate, honourable members of both Houses of Parliament: In these war days this Parliament has in its deliberations and affairs created many precedents, and to-day we are making further progress. Never before in our history have we heard the voice of a woman, not a member, address us from the floor of the House of Commons. The occasion which provides so unique an event must have attributes and meanings so outstanding and so deep as to render this gathering appropriate and most befitting.

In all grave crises in national and international affairs we have seen great figures and great personalities arise who seem to embody in themselves the issues to be decided. History abounds with such figures. In the records of this present struggle, to the generic term "mankind" must be specifically attached the term "womanhood." Certainly in no other war of magnitude have the power and service of women been so universally employed, and inevitably there have arisen women leaders and world figures who by precept and example have set the standard of devotion, duty and sacrifice—safe guides in an unsafe world. Our distinguished guest to-day is one of those great world figures.

Madame Chiang Kai-shek has honoured us by her presence and it is our privilege to receive that honour. During almost six years she has borne the toil and sorrow of unceasing warfare. She has lived in her country occupied by a remorseless foe who has inflicted on her beloved people unparalleled barbarities. Yet, through it all she has kept alive the high spirit of her people in a manner truly amazing, commanding the wondrous admiration of the whole world. Her very presence with us to-day is an illustration of the spirit which has sustained her through those years which the locusts have eaten—the triumph of mind o'er the ills of the body.

Honourable members of both Houses of Parliament, it is with modest pride that I, a mere mortal, present one of the immortals, Madame Chiang Kai-shek.

MADAME CHIANG KAI-SHEK: Mr. Speaker, Mr. Prime Minister, members of the Senate and members of the House of Commons: I deem it a privilege and pleasure to be here in your midst to-day, for I have been long looking forward to visiting you and your country. I am conscious of the honour of addressing your Parliament, because your national assembly, as an institution, dates in unbroken lineage from that ancient and worthy institution, the Anglo-Saxon Witenagemot. It is an institution which has proven its mettle in weather fair or foul. Parliamentary government to you and to me means that it is built on the basic laws of the land and the common consent of the people, carrying out a policy within the mandate given by the people. Based on this authority of ancient usage and the legislative enactment of the supreme authority in the State, we have custom which connotes "unwritten law," and law which is "written enactment." I think it was well put when a great Roman writer of the first century B.C. said: "A people is not an assemblage of men brought together in any fashion, but an assemblage of multitude associated by consent to law and community of interest."

We would all agree that a truly parliamentary form of government is the most nearly perfect system of government human reason could ever evolve. And we say that parliamentary government is run by the "rule of law." In other words, it has its foundation on immemorial custom and right reason. No single individual, no group, no class is above law. Parliament has final competence in expressing law, and men can be punished only for breach of law. In this way every individual citizen is within the framework of the law and is thereby protected.

But these ideals and principles were not immediately practised upon their formation; rather they came into being through the passage of time. If we remember, there were indeed fearless men who did not hesitate to speak out their convictions through the centuries. In the sixteenth century, Sir John Eliot, in his celebrated impeachment attacking the favourite minion of Charles I, compared Buckingham to Sejanus. To us, whether Charles I was implied to be a Tiberius or not, matters little. What stays our attention is the implicit demand that a Minister should possess the confidence of Parliament.

Whatever we may think of Milton's unprincipled opportunism in vacillating between Cromwell and Charles II, we must recognize that Milton did contribute to the fight for the

principle of freedom of speech as seen in his "Areopagitica." Much later the Quarterly Review, the Westminster Review, and the Edinburgh Review, as exponents of freedom of speech, grew and flourished and became journals of excellence. They achieved their great purpose inasmuch as they brought public questions before a wide audience. The public became conscious of affairs outside the compressed bounds of their personal lives and voluntarily absorbed their accepted discipline as a great power in the world. Men like Wilberforce and Buxton took their stand and worked against slavery and advocated the freedom of man.

Others like George Grote and John Stuart Mill worked for the freedom of institutions. These are merely a few names amongst the many social and political reformers of your great Mother Country. I need not, however, tell you that it was due to centuries of incessant struggle by your people against the strongly entrenched absolute powers of unreason that your present parliamentary system of government came into being.

It may be interesting to contrast the system of parliamentary government with Axis tyranny which once threatened to engulf the civilized world, and to examine the Fascist philosophy and see wherein it differs fundamentally from yours.

Germany during the Weimar republic had all the outward "appearance" of a democracy, but it degenerated and became extinct after an existence of less than two decades. In its place grew up a demoniac Mephistopheles nurturing persecution and miasmic hate. That such a retrogression could take place shows that the majority of the German people were not aware of the true essence of a constitutional form of government and that the integrants of making it a lasting and true democracy were wanting. Some people conjure that democracy implies that individuals may be allowed to engage in activity even when it is directed against the interests of the State. Others deem democracy to be "a charming form of government full of variety and disorder." By permitting activities subversive to democratic ideals that nation denies to itself the right of self-defence, while those who think that chaos lends charm to democracy deny to democracy the right of self-preservation.

Never for a moment should we confuse democracy with ochlocracy. Democracy is disciplined self-rule. Democracy may be likened to beautiful architecture; for every part of the tracery and sculpture, supreme in its individuality, claims a permanent place on its own merit and then surrenders it to the entire composition, thereby enriching the whole and relieving it from the tameness of mere qualitative perfection. Ochlocracy, on the other hand, is but the inchoate rococo of mob rule bred on febrile emotions and unrestraint.

Present-day Germany has become an immane dictatorship because it precludes the right of the governed to forensic dialectics. The Fascists believe that a preponderance of force constitutes all legal requirements and justification of a government. They have dragooned and deluded the people into a belief of superstition in the infallibility of their leadership. They have refused the people the right to challenge the fallibility of men holding power in the government. We of the United Nations, on the other hand, accept the challenge of query permitting divergent views the right of discussion so that all ideas in the deepest recesses and nethermost corners of the human mind are re-examined and weighed; for we think that this is " a method which produces a better average of humanity and the most scientific of despotism."

Besides the excellent pattern of parliamentary government which Canada represents, I am impressed by the fact that here in your country one finds the greatest example of two steadfast peoples, the French and the British, who in the history of their development of the country were not unmarred by wars and who have now come to live side by side as one people in concord and harmony. In achievement the descendants of the French settlers, as well as those of Anglo-Saxon origin, have contributed in full measure to the progress and prosperity of Canada. This record is indeed noteworthy.

When a part of your vast country was colonized in its early days, the French colonial authorities of Lower Canada instituted in every parish a militia captain chosen from among the "habitants." True enough, this nominee was appointed by the Governor. But the commissions were given or withheld according to whether people approved or rejected the nominee at the regular Sunday assembly. That was an outstanding example of public representation, a practice to follow the will and wishes of the people. The natural good manners, social ease, and never-failing liveliness characterizing the French people made them eminently suitable for the adventurous life of early colonizers. One never fails to be reminded in one's travels in the United States that such names as Detroit, St. Louis, Vincennes and Louisiana all bear impress of the adventurous spirit of the French Canadians. The coureurs de bois with their fortitude and understanding of the Red Indians instilled into the new continent a priceless heritage—the opportunity of liberty. The

French peasants who came to Canada with their frugal traits worked up to become landowners. Here it was not uncommon for the lord of a manor, his lady and his children, to toil together in the fields. They developed respect for labour and, unlike some countries of the time, they looked upon manual work, not as degrading, but rather as the natural expression in which every man must participate, and recognized that every labourer is worthy of his hire. Such was the levelling influence of frontier life.

The Gallic church also played a large part in the development of your country. Some of the most colourful and glorious chapters of Christian missions began in North America. The Jesuit priests were explorers, cartographers and teachers. It was Père Marquette who with Louis Jolliet explored the Mississippi. It was the Catholic Fathers who produced the first maps of lake Superior in 1671 and the northern parts of Michigan and lake Huron. It was the Jesuits who first preached Christianity among the Hurons and aspired to convert and civilize the whole continent of Red Indians.

I recall also the intendant, Jean Talon, who was blessed with vision and foresight. Not content that a few people should profit by the land of milk and honey, he advocated the idea that Canada should be opened up to take the pressure off the increased population in Europe, the great majority of whom were then living in squalor and poverty further accentuated by heavy taxation raised to finance the private wars of kings and princes motivated by selfish ambition of aggrandizement.

Canada, and the world as well, owe a debt of lasting gratitude to men like Poulett Thomson, the first Baron Sydenham, for his wise statesmanship in adopting moral suasion rather than brute force in carrying out his policy during his tenure of office as Governor. Later, Lord Elgin, while representing the Crown in Canada, accepted the Liberal party in the formation of the Canadian cabinet, thereby recognizing responsible representative government. Since then your country has made steady and logical progress in unity of government, and your people have evolved cohesion of purpose and action so that to-day you are an effective member of the United Nations in the fight against aggression.

In my address to the Congress of your great neighbour, the United States, I mentioned that in the common interest of the United Nations, Japan must not be permitted to have undisputed possession of the territories she has seized in China and elsewhere, for, with the help of time, she is accumulating added resources to continue the Axis war of aggression. The material she has commandeered during the past twelve months reaches staggering figures. From occupied territories within the great wall of China, on the average, every month, three million two hundred thousand tons of raw materials were shipped to Japan, whilst two million eight hundred thousand tons were shipped from the occupied territories in Manchuria to Japan. In addition, each month, she transported from territories inside the great wall two million three hundred thousand tons of material for the heavy industries she is building in Manchuria and other parts of Asia. In short, within the last year, Japan has seized and carried away, in round numbers, one hundred million tons of raw material for the use of her armed forces. This figure does not include the foodstuffs her army in China's occupied areas consumed. The importance of driving Japan from China can be further seen when we consider that from Malaya, Japan, the past year, had only shipped approximately six million tons, the ratio of about one to sixteen as compared with what she appropriated from China. She is continually consolidating her position as a vicious world threat and increasing her exploitation of China's resources, aimed at the United Nations.

My country, China, for six years has hung like a millstone around the neck of the Japanese military, and has succeeded in preventing Japan from utilizing several millions of her armed forces and workers in other parts of the world. With ill-equipped men we have fought with small arms, flesh and blood, and the will to battle. Until a few weeks ago, the Chinese army never had the sort of consistent air protection necessary for even small-scale offensives. The fact that our army with the help of a few planes in the combined American and Chinese air forces was able to rout the enemy in the last up-river Yangtze invasion proved conclusively that comparatively much can be done with comparatively little. The danger to China and the United Nations, however, is not past; the magnificent will to resist of the Chinese people and army, implemented only by inadequate fighting material, must not be strained beyond human endurance, for if Japan should succeed in subjugating China, the repercussions to the cause of the United Nations would be the greatest cataclysmic disaster civilization has yet to face.

Like that of China, the contribution which Canada has made to our common cause has not been of the spectacular. I am constrained

to say that those of Great Britain and the United States as well have rarely been in that domain. Yet we must realize that it is not the occasional brilliant strokes which determine victory; it is the steadfast performance of preconceived plans in strategy backed by the willingness to contribute ungrudgingly to the common effort that will tip the scales. We should constantly bear in mind the fact that contributions to ultimate victory must not be evaluated by the ephemeral criterion of the spectacular. The accumulated heroism of your commandos, the large amount of foodstuffs and munitions which your country has sent to England, the manner in which you have utilized your air bases for training of Allied effort, and the fact that per capita Canada has produced more for the war effort than any other member of the United Nations are indicative of Canada's will to fight to victory.

There are few new doctrines in the world. In fact, to my mind, we do not need any new doctrines, but we should see to it that every worthy doctrine is fully developed and practised. In the same way, we should not sit and hope for a fortuitous concourse of events creating a better world after the war, but should have the moral courage to strike out and explore the possibilities of making a better world. Caraffa (Pope Paul IV) was once told by Cardinal Pecheco of the corruption around him. Far from resorting to anger, he examined the situation and took steps to eliminate those who were responsible for the evils. He was not afraid to rise above the mêlée surrounding him; he fought against favouritism and won the battle of the will to righteousness.

There are some skeptics to-day who regard all post-war world collaboration with the eyes of cynics. Bacon, a nationalist of the exclusive school, lacked a sense of statesmanship; for he did not realize, as we do to-day, that rulers and statesmen owe allegiance to civilization and to humanity at large. To-day his well-known maxim, "The increase of any State must be from the foreigner, for whatever is somewhere gotten is somewhere lost," sounds to those of us who have the slightest inkling of economics to be risible, although his logic to like minds may have seemed to be irrefutable. Compare him to Grotius, his great contemporary, and you will immediately understand what a part vision and imagination can play.

If we but possess the pertinacity to bring it into being, what was yesterday regarded as the impossible becomes to-day the reality. In the Middle Ages, I may point out, papal bulls of excommunication, bloody wars in determining the true Catholic faith, religious pogroms and inquisitions impoverished and tore Europe asunder. What could seem more inconclusive than a question which involved the arbitration of men's souls? Who could have thought, nay, dared hope, that movements of reformation could finally materialize with the religious peace of Augsburg in 1555?

Again, the British North America Act in 1867, providing for the federation of Canada, was thought by many at the time to be alienating Canada from the British commonwealth. In reality it forged stronger bonds of affection and ties between Great Britain and your country.

The world to-day is once more at the crossroads. Let us realize that in planning for a post-war world the transient assets of a policeman, in the Hobbesian sense given world-wide application, will be far from adequate unless we actualize it with the fundamental and the positive. Should not we of the United Nations also strive for foresight and exercise understanding so that the vanquished will be treated as neighbours and as fellow beings while punishment should be limited only to the perpetrators of this war?

Indeed, from Canada, through your welding successfully two peoples into one strong and harmonious nation, the world has much to learn in universal brotherhood. The touchstone of human greatness lies in co-operation and collaboration, the antitheses of domination and exploitation of one people by another.

Hon. THOMAS VIEN, Speaker of the Senate (Translation): Madame, your coming to America has captivated our minds and delighted our hearts. In our annals we had already written down your name as that of one of the eminent women who throughout the ages have brought blessings and honour to mankind.

You have been named "the Joan of Arc of the East," and, like our own valiant Maid of Lorraine, you suddenly appear "because the times are hapless and there is much sorrow in the fair land of China!" Your career, like hers, is one of simplicity and grandeur, a career that would be handed down to posterity as a splendid legend were it not so real. It is also your mission to drive out the invader and to wage war beside your husband, the illustrious Generalissimo, whose chivalrous qualities remind us of Roland, Duguesclin and Bayard, while your own services to your sorely tried people recall the virtues of Jeanne Mance, Marguerite Bourgeoys and Florence Nightingale.

Endowed with a keen intellect and a warm heart, you have not hesitated to jeopardize your health that you might make your appeals

to the United Nations for justice and liberty in the world, and for that purpose you have come from your distant and very lovely land, from China, the venerable ancestor of world civilization, whose origin is lost in the most ancient times.

While the splendours of Egypt, Greece and Rome were disappearing in the mists of time, China pursued its steady course through the centuries, neither fading, mingling nor dividing, even assimilating those invaders who had, at times, succeeded in retaining a foothold in the land.

Your people have been an ingenious people. It was they who more than four thousand years ago invented the compass, and discovered the means of making silk. It was they who nine centuries ago invented gunpowder. They devised and used the printing press long before Gutenberg, and the wheelbarrow long before Pascal. Three thousand years ago they were familiar with music, architecture, sculpture and ceramics, and China still holds the secret of its admirable porcelain, which other countries can but faintly imitate. Five centuries before our era, your philosophers laid down the rule that "as you would that men should do to you, do you also to them in like manner," and taught ancestor worship, brotherly love and " the doctrine of the mean," prelude to that "holy indifference" which is the basis of Christian asceticism.

Your personality, may I say, Madame, is a symbol of that wisdom and knowledge which your people, for centuries, have faithfully and reverently held and guarded as a sacred treasure. You have stirred us deeply by the warmth of your eloquence, and for that we owe you everlasting gratitude. If possible, you have strengthened our conviction that we fight not alone for our own freedom, but as well for the freedom and peace of all mankind and our determination not to lay down our arms until there has been a complete and final victory over all our enemies, Germany, Italy and treacherous Japan.

There remains, Madame, but to offer you our heartfelt and sincere good wishes for the success and happiness of yourself and your illustrious husband, and for the prompt and complete liberation of your heroic motherland—immortal China!

Mr. GLEN: Madame Chiang Kai-shek, I would seek to convey what has been made so manifest by this audience during your address—the deep sense of gratitude that you have evoked by your message, and the privilege which is ours to have heard not only the voice of China, but the voice of freedom, expressed by you in most eloquent terms and phrased in graceful English, comparable with the best in our literature. I speak not for both Houses of Parliament alone, but for all Canada, when I express the profound admiration of its citizens for Chung Hua Min Kou, in our language literally meaning "Chinese People's Country," the lovely name of the new China. And may I be permitted to say, you have captivated all our hearts.

Your country has furnished great gifts to the world and when the time comes, as it surely will, when those evil people shall be driven from your land, China will once again take pride in its ancient culture and appease its hunger and thirst for the new learning in the new schools and colleges which, even in the midst of universal destruction, your people have built.

May I respectfully request, Madame, that you will, as opportunity offers, convey to your noble and heroic husband, Generalissimo Chiang Kai-shek, Canada's abiding sense of obligation to him and to his valiant people. Canada's war is in the Orient as well as in Europe. Our armed forces are now fighting with your armed forces against Japan, and neither Canada nor China will lay down arms until they exact the unconditional surrender of that country.

It is for the good of all mankind that your and our races and peoples should understand and share friendship. May God in His infinite wisdom sustain and preserve you, and on that glorious day when this war shall cease, Canada will gladly join with your people in their long awaited triumph and will joyously repeat with you: Forever China!

Madame, on behalf of Canada I say: We thank you.

The National Anthem having been sung, the gathering dispersed with three cheers for Madame Chiang Kai-shek.

DIVORCE BILLS

SECOND READINGS

On the motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following bills were severally read the second time:

Bill C4, an Act for the relief of Jean Sylvia Murley.

Bill D4, an Act for the relief of Gertrude Mantha Hore.

Bill E4, an Act for the relief of Claire MacLaren Hunter Barlow.

Bill F4, an Act for the relief of Mary Constance Helena Keys Bates.

Bill G4, an Act for the relief of Margaret Anne Richards Johnstone.

THE SUPPLY OF POTATOES

ANSWER TO INQUIRY

Hon. J. H. KING: Honourable senators, before moving adjournment of the House I should like to make a statement in response to the inquiry of my honourable friend from Saskatchewan North (Hon. Mr. Horner), regarding the movement of potatoes from that province to Eastern Canada. I have some information that I think should be placed on record and made available to honourable members. On the 2nd of June this year a circular to inspectors was issued by the Assistant Director, Marketing Service, Department of Agriculture, reading as follows:

The Foods Administration of the Wartime Prices and Trade Board have requested, as an emergency measure, that we permit the shipment and sale in Eastern Canada of some 100 carlots of potatoes from Saskatchewan, which quantity would be considerably reduced if graded out to the requirements of Canada No. 2 grade, mainly for reasons of (a) the minimum size requirement and (b) the "similar varietal characteristics" requirement.

We have agreed that until June 30 these potatoes may be shipped interprovincially under the obsolete grade mark "Canada No. 3," which provides as follows:

"Canada No. 2" shall consist of potatoes which do not conform to any of the foregoing grades, but the minimum diameter shall not be less than 1½ inches.

The tolerance clause reads that "not more than 5 per cent by weight of any lot may be below the prescribed size . . . and not more than 1 per cent by weight of the entire lot may have the flesh affected by soft rot."

Inspection and certification is not required (at clause 1 of the Inspection Regulations under the Fruit, Vegetables and Honey Act) for potatoes grown in Saskatchewan and to be shipped to any other province.

Inspectors in Manitoba, Ontario and Quebec are hereby authorized:

(a) to take no exception to Saskatchewan potatoes marketed under the grade mark "Canada No. 3";

(b) to inspect to the above grade requirements in event of any request for destination inspection of such potatoes.

I have a further memorandum, relating to subsidizing by the Wartime Prices and Trade Board of part of the transportation costs, which I should also like to read:

In order to facilitate the movement to Eastern Canada of scattered surplus stocks of potatoes in the hands of farmers in Saskatchewan and Manitoba, the Wartime Prices and Trade Board has approved of a temporary policy of subsidizing part of the transportation costs involved.

Only shippers of potatoes who have been authorized by the Prices and Supply representative at Regina or Winnipeg to ship specified quantities of potatoes to specified destinations in Eastern Canada in carload lots may apply for this subsidy to the Commodity Prices Stabilization Corporation Limited, Ottawa, Ontario. Such application must be made by way of invoices in triplicate, signed by the applicant and addressed to the said Corporation, setting forth full particulars of the amount claimed.

The amount of assistance per 75 lb. bag of Canada No. 1 potatoes shall be the lesser of—

(1) 28 cents or

(2) the amount by which the lawful maximum price as described in Order No. 236 at the Eastern Canadian destination is in respect of deliveries prior to June 1, 1943, less than $2.23, or in respect of deliveries on or after June 1, 1943, less than $2.33.

Applications must be supported by an exact copy of the shipper's invoice to the consignee, which must be signed by the consignee acknowledging receipt of the shipment, and stating the date and place of delivery. These documents will be retained by the Corporation for its records.

It will be seen that the department has been subsidizing the shipment of potatoes from Saskatchewan to Eastern Canada, to relieve the shortage in this part of the country.

ADJOURNMENT

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it do stand adjourned until Tuesday, June 29, at 8 o'clock in the evening.

The motion was agreed to.

The Senate adjourned until Tuesday, June 29, at 8 p.m.

THE SENATE

Tuesday, June 29, 1943.

The Senate met at 8 p.m., the Acting Speaker (Hon. C. W. Robinson) in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ASELTINE, Acting Chairman of the Committee on Divorce, presented the following Bills, which were severally read the first time:

Bill L4, an Act for the relief of Ethel Wendman Lebenstein.

Bill M4, an Act for the relief of John Preble Macintosh.

Bill N4, an Act for the relief of Sonia Libenstein Kolber.

Bill O4, an Act for the relief of Gilberte Piché Ouimet.

Bill P4, an Act for the relief of Irene Maud Pardellian Wright.

Bill Q4, an Act for the relief of May Gertrude Russell McCarthy.

Bill R4, an Act for the relief of Geraldine Charlotte Wrangel.

The Hon. the ACTING SPEAKER: When shall these Bills be read a second time?

Hon. Mr. ASELTINE: Next sitting.

POSTPONEMENT OF REDISTRIBUTION

NOTICE OF RESOLUTION

Hon. J. H. KING: Honourable senators, you are all aware that a Redistribution Bill would under ordinary circumstances be introduced into Parliament this year, following the last census; but, as the Prime Minister has indicated in another place, it would probably be unwise to proceed with such a bill at this time. In order to secure the right to delay the measure, it is necessary that the British North America Act be amended. This requires a resolution of both Houses of Parliament. I therefore beg leave to give notice of the following resolution:

That, whereas provisions of the British North America Act require that, on the completion of each decennial census, the representation of the provinces in the House of Commons shall be readjusted;

And whereas such readjustment involves in fact the determination of the number of members to represent each province and the number of electoral divisions within each province and the delimitation of such electoral divisions;

And whereas Canada has been at war since September 10, 1939, and hostilities may continue for an indefinite period;

And whereas the census of 1941 was taken during the progress of hostilities;

And whereas the effect of enlistment in the armed forces of Canada and of employment in the production of munitions of war has been to remove large numbers of the population from their homes to serve in and with such armed forces either in other parts of Canada or overseas or to reside temporarily in other parts of Canada;

And whereas experience has shown that such readjustment may give rise to sharp differences of opinion as to the appropriate delimitation of electoral divisions, which differences it is most desirable to avoid while Canada continues at war;

And whereas in these circumstances it does not now seem desirable that readjustment of representation on the basis of the census of 1941 should have to be made during the continuance of the hostilities in which Canada is now engaged,

A humble address be presented to His Majesty the King in the following words:—

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Senate of Canada in Parliament assembled, humbly approach Your Majesty, praying that You may graciously be pleased to cause a measure to be laid before the Parliament of the United Kingdom to be expressed as follows:

An Act to provide for the readjustment of the representation of the provinces in the House of Commons of Canada consequent on the decennial census taken in the year One thousand nine hundred and forty-one.

Whereas the Senate and House of Commons of Canada in Parliament assembled have submitted an address to His Majesty praying that His Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for the enactment of the provisions hereinafter set forth;

Be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. Nothwithstanding anything in the British North America Acts, 1867 to 1940, it shall not be necessary that the representation of the provinces in the House of Commons be readjusted, in consequence of the completion of the decennial census taken in the year One thousand nine hundred and forty-one, until the first session of the Parliament of Canada commencing after the cessation of hostilities between Canada and the German Reich, the Kingdom of Italy and the Empire of Japan.

2. This Act may be cited as the British North America Act, 1943, and the British North America Acts, 1867 to 1940, the British North America Act, 1907, and this Act may be cited together as the British North America Acts, 1867 to 1943.

DIVORCE BILLS

THIRD READINGS

On the motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following Bills were read the third time, and passed, on division:

Bill C4, an Act for the relief of Jean Sylvia Murley.

Bill D4, an Act for the relief of Gertrude Mantha Hore.

Bill E4, an Act for the relief of Claire MacLaren Hunter Barlow.

Bill F4, an Act for the relief of Mary Constance Helena Keys Bates.

Bill G4, an Act for the relief of Margaret Anne Richards Johnstone.

SECOND READINGS

On the motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following Bills were severally read the second time:

Bill H4, an Act for the relief of John Whitehead Casement.

Bill I4, an Act for the relief of Elaine Alice McCormick Desrosiers.

Bill J4, an Act for the relief of Marion Mathilda Heversage Jost Hooper.

Bill K4, an Act for the relief of Phyllis Beatrice Barnett Woodham.

BUSINESS OF THE SENATE

Hon. J. H. KING: Honourable senators, our expectation that we should have some work to do at this sitting has not been realized; but, honourable members being present, we will take advantage of the opportunity to hold a meeting of the Standing Committee on Finance to-morrow morning in order to obtain further information regarding the War Appropriation Bill. Up to the present we have heard from Mr. Abbott, Under-Secretary of the Department of Finance, and his officials, and also from the Department of National Defence. It is proposed that to-morrow we should hear from the Hon. Mr. Power, Minister of Defence for Air, and his officials, and Hon. Mr. Macdonald and the officials of the Naval Service. Further, if the members of the committee find it convenient, I think the committee should sit to-morrow afternoon, after the House rises, and hear Hon. Mr. Howe, the Minister of Munitions and Supply. I am going to suggest also that if we continue on Thursday morning, we could, I believe, hear from the representatives of the Departments of Agriculture and Labour. If we carry on in that way we shall by the end of the week have fairly well covered the committee's work on the War Appropriation Bill.

I would move that the Senate do now adjourn.

Hon. Mr. ASELTINE: Is it the intention to sit on the first of July?

Hon. Mr. KING: The House of Commons is to sit on the first of July, but I do not think we shall be in session.

Hon. Mr. MacARTHUR: Could the honourable leader of the Government give us some information as to whether the adjournment will be a long one or just until next Tuesday?

Hon. Mr. KING: I am not prepared to speak definitely to-night, but in view of the resolution of which I have given notice, and of the necessity for fairly prompt action, I think we probably should meet on Tuesday of next week. I will advise you definitely to-morrow.

Hon. Mr. HORNER: May I ask, then, are we likely to adjourn to-morrow?

Hon. Mr. KING: We shall adjourn to-morrow afternoon.

Hon. Mr. HAIG: We shall not sit on Thursday?

Hon. Mr. KING: No.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, June 30, 1943.

The Senate met at 3 p.m., the Acting Speaker (Hon. C. W. Robinson) in the Chair.

Prayers and routine proceedings.

NATIONAL HARBOURS BOARD

INQUIRY FOR RETURN

On the Orders of the Day:

Hon. W. E. FOSTER: Honourable senators, before the Orders of the Day are called I should like to ask the honourable leader of the Government to inquire as to when we may expect the report of the National Harbours Board to be laid on the Table of this House. I think that last year, although I obtained a copy, the report did not make any appearance here. The board, which is a very important one and performs important functions, was appointed in 1936 in a rather experimental way. With the report one would have an opportunity to find out from the figures presented whether or not the board has made progress and accomplished the purposes for which it was appointed. Therefore I should like inquiry to be made with respect to the report.

Hon. Mr. KING: I shall make inquiry of the Minister and endeavour to have the report tabled within the next few days.

GRAIN STORAGE IN PRAIRIE PROVINCES

DISCUSSION

On the Orders of the Day:

Hon. W. M. ASELTINE: Honourable senators, before the Orders of the Day are called I should like to bring to the attention of the Senate a very important matter. I have discussed this briefly with the honourable leader of the House (Hon. Mr. King), who stated there was no objection to bringing it up at this time, as we are probably faced with another short adjournment. I have a question or two to ask of the Government, and these questions have to do with the matter of grain storage in the Prairie Provinces. I do not expect the honourable leader to answer the questions at this time, but perhaps at a little later date, as soon as possible, he will make a statement with regard to this important matter. I intended to bring it up before our last adjournment, but I thought it better to see first what the crops in Western Canada were like.

On my last trip west I found that in spite of the great wheat acreage reduction, a magnificent crop was growing. The district from east of Winnipeg right through to the city of Saskatoon and farther west is as green and nice as I have ever seen it. There is some crop damage in Manitoba, due to excess moisture, but generally speaking the conditions are very good, and I am looking for a wheat crop of between three and four hundred million bushels. Now, something should be done so that that crop will be saved. The honourable senator from Vancouver (Hon. Mr. McRae), who sits in front of me, stated when he was last here that on his last trip to New York he found, in talking to people who seemed to know, that there was going to be a great need for wheat before the war was over.

In addition to the wheat crop there is a magnificent crop of flax growing. Now, flax is a difficult crop to store. You cannot store it outside on the ground, or in open bins, or under wheat or oat sheaves. I do not believe the Wheat Board will be able to take the whole crop at once, and therefore some provision will have to be made for storing the surplus. The present storage position is just this. We all know that the Wheat Board released a quota of fifteen bushels per basic acre not long ago. Farmers who live close to the elevators were able to get out their whole fifteen bushels, but thousands of farmers could get out only seven, eight or ten bushels, because the elevators and annexes were full. On one of my farms where there is a basic acreage of 400 acres I have been able to take out only seven bushels to the acre. This means that for the remaining eight bushels to the acre, or 3,200 bushels, there is not the slightest prospect of storage facilities. I do not know where we can store the present crop when it matures, unless we get lumber to build additional bins. A few years ago, when we had a bumper wheat crop, the elevator companies in the Prairie Provinces built annexes to take care of the surplus. Those annexes have proved very useful, but to-day they, as well as the elevators, are full. If the Government would authorize the elevator companies to build more annexes, those would be a partial solution of the storage problem. On the occasion to which I have referred, the elevator companies were allowed to write off the cost of the annexes over a period of two years. The building of additional annexes depends, of course, on an adequate supply of lumber.

I should like to put these two questions to the honourable leader opposite. First, has the Government laid down any policy with regard to allowing the elevator companies to build more annexes? Second, has the Government made any arrangement for the release to the farmers of the Prairie Provinces of lumber with which to build additional granaries and bins for storing their wheat and flax? Just before I left home to come here a local lumberman advised me that three million feet of lumber had been released for the purpose.

Hon. Mr. KING: Three million feet for what area?

Hon. Mr. ASELTINE: I understood that was for Saskatchewan. Three million feet represent about one carload for each lumber yard in the Prairie Provinces. A carload would not supply sufficient lumber to build the number of granaries necessary for the storage of wheat in the Rosetown area alone, and would be similarly inadequate to meet other local requirements throughout the province of Saskatchewan. I do not know much about the elevator business, but several senators are familiar with it and no doubt can tell us what preparations the big elevator companies are making for the storage of this year's crop. If the honourable leader opposite (Hon. Mr. King) could, when we meet again, furnish satisfactory answers to my two questions he would help to relieve the anxiety of the farmers of Western Canada.

Hon. J. H. KING: Honourable members, the matter which the honourable gentleman from West Central Saskatchewan (Hon. Mr. Aseltine) has brought to our notice is of great importance. I know that even last year the Government was much concerned about grain storage facilities, and no doubt the question will become more acute this year. I am sure we share my honourable friend's hope that there will be a generous wheat crop and that it will be properly stored. I would not undertake at this time to reply to his questions, but I will bring them to the attention of the Ministers concerned, and I expect to be in a position at our next meeting to give him the information he desires.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following bills were severally read the third time, and passed, on division:

Bill H4, an Act for the relief of John Whitehead Casement.

Bill I4, an Act for the relief of Elaine Alice McCormick Desrosiers.

Bill J4, an Act for the relief of Marion Mathilda Heversage Jost Hooper.

Bill K4, an Act for the relief of Phyllis Beatrice Barnett Woodham.

SECOND READINGS

On motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following bills were severally read the second time:

Bill L4, an Act for the relief of Ethel Wendman Lebenstein.

Bill M4, an Act for the relief of John Preble Macintosh.

Bill N4, an Act for the relief of Sonia Libenstein Kolber.

Bill O4, an Act for the relief of Gilberte Piché Ouimet.

Bill P4, an Act for the relief of Irene Maud Pardellian Wright.

Bill Q4, an Act for the relief of May Gertrude Russell McCarthy.

Bill R4, an Act for the relief of Geraldine Charlotte Wrangel.

FIRST READINGS

Hon. Mr. ASELTINE, for the Chairman of the Committee on Divorce, presented the following bills, which were severally read the first time:

Bill S4, an Act for the relief of Anne Marie Garon Brown.

Bill T4, an Act for the relief of Theodore Panos.

ADJOURNMENT—BUSINESS OF THE SENATE

DISCUSSION

Hon. J. H. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, July 6, at eight o'clock in the evening.

Hon. J. T. HAIG: Honourable senators, before the motion is adopted I should like to say a few words. I am not going to object to the proposed adjournment, but I really think it could have been for a week longer. Judging from the spirit in the House of Commons, I do not think the War Appropriation Bill will reach us very soon; and our debate on that measure should not take much time here, for we have no control over finances. Besides, there are other matters which could be dealt with in the Commons while we proceeded with the War Appropriation Bill.

Though I am not going to urge the leader of the Government to extend the adjournment, I had hoped that we might sit to-morrow and debate the resolution on the British North America Act, respecting which some of us have some observations to make, and we might then adjourn until the 13th. This, I think, would have been better. I realize as a senator that I am appointed to serve Canada as a whole, but I would point out that because of business pressure, the income tax and the shortage of help, resulting from the absence of those who are on war service, it is somewhat difficult to carry on. Many of us who have business to look after at home question whether we should have come down here at this time. To be quite candid, I think we could have remained away for a longer period. When I am at home I am frequently asked by my friends, "Why are you not at Ottawa doing your duty?" and, though I do not like to admit it, I have to tell them I have no duty to perform while the House of Commons debates some question for six or eight weeks. It is not fair to recall the members from the Western Provinces or the Maritimes when there is nothing to be done. The intended adjournment is not so bad for the members from Ontario and Quebec, for they can leave Ottawa to-night and be home to-morrow morning. I cannot do that, but have to remain here.

With all respect to the honourable leader of the House, who has been very kind to me, I would suggest that by next year our rules should be so amended that if there are to be such long debates in the other House we need not spend six months here in doing what should be well done in three months. I presume we have no right to criticize what is done by members in the other House; that is none of our business; but I would point out that neither the British Parliament nor the United States Congress takes as long to do its business as we take with ours. I do not know who is to blame. If our war effort were being conducted on the same basis, my great-grandchildren would have to help bring the war to a conclusion.

As I say, I am not criticizing the honourable leader of the Government. All I wish to do is to raise the question of the general underlying principle. Next session, I think, we should sit at least four or five days a week until we clean up the work before us; then we might adjourn until the House of Commons gets through with further business, even if this takes six or eight weeks of debate. In that way, I think, we should be making a better contribution to our country than by remaining here with little or nothing to do.

I admit that our Government leader has to consult the Government—and we have never questioned his right to have us called back if there is an emergency. But I hope that next session there will be a little more consultation,

and, if I may say so, a little less of the viewpoint of the Government. I do not think the Government has any right to suggest what this House should or should not do. We should calculate what is to be done, and should act accordingly.

I shall be here on Tuesday. I admit that I have been absent at times when this House was sitting, but, as I say, with the short staffs it is a struggle to carry on. I hope that next winter a little more consideration will be given to the convenience of the forty-eight members of this House—one-half of its total membership—who live in the distant parts of Canada. This is desirable, especially during war-time, when we can be useful in our own communities. I do not believe the public have any desire to criticize our work. Once men and women understand the purpose and object of the Senate in the system of Confederation there is no longer any question in their minds. We all know what we are here for. We are here not to represent popular public opinion, but, to a degree, to resist popular public opinion; and I think in the long run our record will stand inspection. It is for these reasons I suggest that next session some such policy as I have outlined be followed.

Hon. J. H. KING: Honourable senators, the question raised by my honourable friend is not a new one; it has been before this body frequently. So far as the work of this session is concerned, an effort has been made, not only by myself, but also by my honourable friend opposite (Hon. Mr. Ballantyne), to meet the convenience of the members. We have endeavoured to arrange the adjournments so that honourable members would not be called back unless there was business to be attended to. I think yesterday was the only time we met when there was not important business to be done, and on the whole that is not a bad record. We have been in session about six months. The matters coming before Parliament have largely concerned the war. As the honourable senator from Saltcoats (Hon. Mr. Calder) so well said the other day, this is not an ordinary session of Parliament.

We are now reaching the end of the session, and in all probability there will be an early adjournment of the House of Commons. This being so, I am sure it is the desire of the Senate to be in session and ready to discharge its duties as soon as legislation comes from the other House.

It is thought advisable that we should meet next Tuesday evening. My honourable friend has suggested that we might move to-day the resolution of which I gave notice last night. That resolution deals with the redistribution of electoral divisions throughout Canada, and is therefore primarily a matter for the House of Commons; but under our Constitution it is necessary that a resolution of this kind come from both Houses of Parliament, and that is why I put it on the record last night. I think that, properly, it should be debated in the Commons first. For all we know, some amendments may be made to the resolution in that Chamber, and I think it is advisable for us to wait until the matter has been dealt with there. I know it is the desire of the Prime Minister and of the Government that the resolution be put through at an early date, because it must be sent to Westminster as the basis for a bill to be introduced into the British Parliament.

As to the War Appropriation Bill, I do not think the Prime Minister, or the leader of the Opposition, or the leader of any other party, could say when debate will cease. So we as a group in this Chamber will have to be guided by what we can learn and conclude from our own observations as to the time when we should meet. It is more or less a guess. But, as I have said, we are approaching the end of the session, and I think it would be the desire of honourable senators that if there is business next week we should be here on Tuesday evening to attend to it. The motion, which calls for our adjourning until Tuesday evening, expresses the best judgment I can give in the matter.

Hon. CREELMAN MacARTHUR: Honourable senators, we saw in the papers some weeks ago considerable reference to the Farmers' Creditors Arrangement Act, and it was stated that Manitoba wanted to come in under that Act and be on a parity with Saskatchewan and Alberta in this respect. Honourable members will recall how strongly the former leader of the other side in this House, the Right Hon. Arthur Meighen, was opposed to that Act on principle. I felt the same way about it. However, we conceded that in the circumstances existing some years ago the Act might give Alberta and Saskatchewan a chance to get along a little better than they could without it. But, as I say, that was some years ago. Now we hear about the bumper wheat crop in the West.

Hon. Mr. BALLANTYNE: The potato crop too.

Hon. Mr. MacARTHUR: Yes. Right Hon. Mr. Meighen pointed out that wheat farming is different from other businesses, because it is so uncertain. If you have one year's good crop in four years in the West you are perfectly satisfied, and you can make money. Anyway, the farmer debtors and their creditors

could get together without all this machinery and expenditure. Manitoba is the easternmost of the Western Provinces, and if it is brought in under the Act, the first thing you know, some people will be wanting to have the Act extend down to the Maritimes again. That is the danger, if you open the door. We looked upon the Act as a temporary measure, something to tide the farmers over a difficult period, and thought that by this time it would have died a natural death. If it is going to be revived for Manitoba, there will be another discussion, not only in this House, but in the Commons as well. I was talking to several members of that House and they are pretty well divided on the proposal. Of course a lot of them will speak in favour of it, because they will be speaking for their constituencies, and that will mean votes. But we are more independent here, and we shall discuss this thing more from the point of view of its merits. So if the proposed extension is not killed in another place, it will very likely be knocked out here. That is my opinion.

My reason for referring to this now is to say that I do not see why a bill has not been sent over here before this time, if one is coming at all. If we had received that, we should have had something to do. At least, we should have had some interesting discussions. I want to be present when it comes up, but I am not going to hurt myself to get here again. I am not going to discard my railway pass and make Sunday flights and spend a lot of money to be here by a certain time. A good many senators are fed up with this kind of thing, and I am perhaps more fed up with it than anyone else. I am getting heartily sick of it all.

The motion was agreed to.

COMMITTEE ON FINANCE

Hon. Mr. KING: Honourable senators, the honourable gentleman who sits to my right (Hon. Mr. Foster) has suggested that I remind the House that the Standing Committee on Finance is meeting immediately after our adjournment this afternoon.

The Senate adjourned until Tuesday, July 6, at 8 p.m.

THE SENATE

Tuesday, July 6, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

Hon. Mr. MacARTHUR.

POSTPONEMENT OF REDISTRIBUTION

RESOLUTION

Hon. J. H. KING rose to move:

That, whereas provisions of the British North America Act require that, on the completion of each decennial census, the representation of the provinces in the House of Commons shall be readjusted;

And whereas such readjustment involves in fact the determination of the number of members to represent each province and the number of electoral divisions within each province and the delimitation of such electoral divisions;

And whereas Canada has been at war since September 10, 1939, and hostilities may continue for an indefinite period;

And whereas the census of 1941 was taken during the progress of hostilities;

And whereas the effect of enlistment in the armed forces of Canada and of employment in the production of munitions of war has been to remove large numbers of the population from their homes to serve in and with such armed forces either in other parts of Canada or overseas or to reside temporarily in other parts of Canada;

And whereas experience has shown that such readjustment may give rise to sharp differences of opinion as to the appropriate delimitation of electoral divisions, which differences it is most desirable to avoid while Canada continues at war;

And whereas in these circumstances it does not now seem desirable that readjustment of representation on the basis of the census of 1941 should have to be made during the continuance of the hostilities in which Canada is now engaged,

A humble address be presented to His Majesty the King in the following words:

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Senate of Canada in Parliament assembled, humbly approach Your Majesty, praying that You may graciously be pleased to cause a measure to be laid before the Parliament of the United Kingdom to be expressed as follows:

An Act to provide for the readjustment of the representation of the provinces in the House of Commons of Canada consequent on the decennial census taken in the year One thousand nine hundred and forty-one.

Whereas the Senate and House of Commons of Canada in Parliament assembled have submitted an address to His Majesty praying that His Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for the enactment of the provisions hereinafter set forth;

Be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. Notwithstanding anything in the British North America Acts, 1867 to 1940, it shall not be necessary that the representation of the provinces in the House of Commons be readjusted, in consequence of the completion of

the decennial census taken in the year One thousand nine hundred and forty-one, until the first session of the Parliament of Canada commencing after the cessation of hostilities between Canada and the German Reich, the Kingdom of Italy and the Empire of Japan.

2. This Act may be cited as the British North America Act, 1943, and the British North America Acts, 1867 to 1940, the British North America Act, 1907, and this Act may be cited together as the British North America Acts, 1867 to 1943.

He said: Honourable senators, this resolution is self-explanatory, for it gives the reason why it is thought advisable that at this time the Parliament of Canada should approach His Majesty the King, praying that he may be graciously pleased to cause a measure to be laid before the Parliament of the United Kingdom providing for an amendment to the British North America Act. This follows the procedure laid down in the Statute of Westminster, 1931.

In order that honourable members may be reminded of this procedure, I propose to place on Hansard the reference to the Statute of Westminster which yesterday the Hon. Minister of Justice gave to the other House. He quoted the following from the preamble of that statute:

. . . it is in accord with the established constitutional position that no law hereafter made by the Parliament of the United Kingdom shall extend to any of the Dominions as part of the law of that Dominion otherwise than at the request and with the consent of that Dominion.

That is the reason for asking that this humble address be presented to His Majesty at this time. The Hon. Minister of Justice next cited the enacting portion of the Statute of Westminster:

No Act of Parliament of the United Kingdom passed after the commencement of this Act shall extend or be deemed to extend to a Dominion as part of the law of that Dominion unless it is expressly declared in that Act that that Dominion has requested, and consented to, the enactment thereof.

Then he called attention to section 7, subsection 1, which reads as follows:

Nothing in this Act shall be deemed to apply to the repeal, amendment or alteration of the British North America Acts, 1867 to 1930, or any order, rule or regulation made thereunder.

In other words, under the Statute of Westminster the Parliament of the United Kingdom does not legislate in regard to matters of concern to the Dominion except by our consent and at our request. It follows that in order to secure an amendment to the British North America Act it is necessary for the Parliament of Canada to make a specific request as set out in this resolution.

There have been three amendments to the British North America Act in the last twenty-five years. In 1916 the Government of Sir Robert Borden had the Act amended so that the term of Parliament might be extended; again, in 1930, the Act was amended so that the natural resources might be transferred to certain provinces; then, as you will remember, in 1940, in connection with unemployment insurance, an amendment was required in order that the provincial-Dominion relationship might be ironed out.

As I have stated, the resolution before us sets out quite clearly the why and the wherefore of the present proposal. It is understood that after each decennial census, and before the next general election, there must be a redistribution of the representation in the House of Commons. Under the set-up at the time of Confederation Quebec was given sixty-five seats, and that number was the basis of calculation for the representation of the other provinces. There have been certain changes in that regard, to which I need not refer to-night. When the last census was taken, in 1941, Canada had been two years at war; many of our men and women had gone into the armed forces and been moved away from their homes or places of residence, not only to other parts of Canada, but also to other parts of the world. In addition great numbers of people migrated from the rural districts to the urban centres in order that they might give their services to Canada in munition plants or engage in other war services. This means that during the last three to four years there has been a great disturbance of population. If a Redistribution Bill were brought in at this time the province of Saskatchewan, for instance, would lose four seats, the province of Manitoba would lose three, and I have no doubt that other provinces throughout Canada would be affected.

Redistribution is always a contentious matter in the House of Commons. Fortunately it comes only after each census. We know that even in peace-time it takes many days and much labour to settle this very controversial question. In view of the great change in population brought about by the war, the Government has thought it unwise to proceed at this time with a redistribution measure, and yesterday a resolution brought before the House of Commons for the purpose of postponing such a measure was discussed and passed with the support of all parties. This resolution must be passed by both Houses, and, inasmuch as we in this Chamber are not personally or directly interested in the matter of the elected representation in Parliament, it seems to me that we could very well concur at this time in the decision already made in the elected Chamber.

Perhaps ordinarily this would be an occasion for a very profitable and useful debate in the Senate on the matter of the British North America Act, its application to us and our relationship to the British Crown. But we are at war to-day, and the House of Commons, having in its judgment deemed it wise not to proceed with redistribution, has asked that a resolution be sent to His Majesty requesting him to arrange to have introduced in the Parliament of the United Kingdom a Bill allowing us to forgo redistribution at this time.

Personally, I cannot see that any great advantage would be gained by the extension of my remarks. The proposition is a simple one, which comes to us from the elective Chamber, and I think that in all probability—in fact, I am satisfied—it will be concurred in by this Chamber.

I should add that a time factor is involved. Parliament is nearing the close of this session. That is, an adjournment should take place within a reasonable number of days. This resolution will have to be sent to England, and a bill will have to be presented to the British House of Commons and to the Lords. So I would ask that we proceed as rapidly as possible and not delay what really, so far as those directly interested in redistribution are concerned, is an urgent matter.

I have no further remarks to make. I take pleasure in moving concurrence in this resolution.

Hon. C. C. BALLANTYNE: Honourable senators, my only object in rising is to ask whether the honourable leader (Hon. Mr. King) would be good enough to lay on the Table of this Chamber the protests and other correspondence that have passed between the Quebec and Ottawa governments in regard to this resolution and the petition to His Majesty that a bill be presented to the Imperial Parliament to make the change that the honourable leader has outlined in considerable detail. All I know about the Quebec situation is what I have read in the Press. I understand that the Quebec Government passed a unanimous petition to the Federal Government opposing this resolution and the petition to His Majesty, and that the Prime Minister of Quebec said that on behalf of his Government he had lodged a protest. I think it might be well for the honourable leader to lay the correspondence on the Table.

Hon. Mr. KING: In reply to my honourable friend, may I say that I shall be glad to make inquiry. He will understand that tabling of correspondence of that character would require the consent of the governments concerned. I shall bring the matter to the attention of the Government, and if correspondence is available I shall be glad to bring it down.

Hon. C. P. BEAUBIEN: Honourable senators, I crave the attention of this House for only a few minutes. I should have very much preferred to keep my seat. However, in my humble opinion, this is a very serious motion. I know it comes to us under very plausible colours. I do not deny that. No doubt there is merit in the purpose in view. That I do not discuss. However, if one reflects, the conclusion imposes itself that this is one of the most important measures that can be adopted by the Senate.

The purpose of this resolution is to obtain an amendment to the British North America Act. This in itself is a very serious matter. Everybody knows that the Constitution of our country is a contract sanctioned by a law of the British Parliament. It is none the less a contract. That contract was made in the first instance on the basis of the representation of each province in a Federal Parliament. Without it, I think I can affirm positively, there would be no confederation at all. I know that the province of Quebec gave its consent, and rightly so, as it was a minority, on the express condition that its representation in the Federal Parliament should be such as was determined at that time, and that it should never vary except with the express consent of the province. That, it seems to me, would appear logical to everybody. If we had to negotiate to-day the Confederation of 1867, we would do no less. Everybody in this House understands what might have happened if such rigid articles fixing the rights of the province of Quebec had not existed.

Now, what are we doing? We are amending the Constitution of the country. That is serious. But far more dangerous is the fact that we are making an amendment that affects the representation of the different provinces as agreed upon by the Fathers of Confederation.

Hon. Mr. KING: Only delaying.

Hon. Mr. HOWARD: Only deferring.

Hon. Mr. KING: That is all.

Hon. C. P. BEAUBIEN: I am coming to that. But what I am saying now is that we are amending the British North America Act. If elections took place to-day, the relative influence of the provinces in Parliament might be very seriously modified. That, in my opinion, is a very wrong proceeding, and a very dangerous one to accept.

Now, the Parliament of Canada has not before it the consent of the provinces to the proposed amendment. I understand, though I do not know, that, on the contrary, the Government of the province of Quebec has expressed refusal to accept it. Honourable senators, everybody must admit that the province of Quebec would be more clearly and seriously affected by the amendment than any other province in the country. But let that go by the board. I do not want to labour the argument; I lay it before you. The first duty of the Senate is to protect the Constitution, and its second duty is to protect the minority. I rise now in the name of the French minority of the Dominion, and I ask that, as you are in duty bound, you will protect that minority.

My honourable friend has said that the only effect of this amendment is to postpone a redistribution. I am not going to insist upon this point. We may or we may not have an election. I do not know. That is in the lap of the gods and of the Government. Let that question go. What I fear is that we are now creating a precedent.

Honourable senators, in the practice and interpretation of our parliamentary law we follow very closely in the footsteps of Great Britain. The practice of that country, unlike ours, is not based on a written constitution. Yet we follow that practice so closely that the powers of this House have been seriously affected by one precedent, and perhaps by others. We have the right, undeniably, to amend any money measure in this House. We had opinions by Geoffrion, Tilley and Lafleur—three more brilliant lawyers could not be found in the country—and we had an excellent speech on the subject by the late lamented Senator Ross, and they all admitted that according to our Constitution we had the right to amend money measures. Will anybody here deny that that right has gone by the board? Where is the senator in this House who would rise and ask for an amendment to a money measure? Since I have been in this House—that means a great many years, no fewer than twenty-eight—I have seen not only no proposal to that effect, but not even any allusion to it. That power is gone, by desuetude, and will never return to this House.

For the purpose of having our Constitution amended in the matter of electoral representation we are now taking a step which, though probably only a temporary measure, relates to the most important part of the Constitution from the point of view of minorities. If there is one thing more than another that we, representing minorities, must defend, it is undoubtedly their electoral representation. Interference with this particular may seriously affect the influence of one province or of several provinces in determining the adoption or rejection of legislation. Electoral representation goes to the very selection of the Government, and this selection in turn may in certain circumstances decide whether there is to be a declaration of war or of peace.

Therefore nothing can be of more serious import to the Dominion than this resolution. I am not offering any factious obstruction. I understand why the Government is asking for this resolution, and I have a great deal of sympathy for the reasons urged in its support. Large numbers of people have been moved by the great, powerful hand of war and of necessity, and moved not always for their own profit or benefit. Members of Parliament have been powerless to protect themselves or their constituents against these movements. I sympathize with those who have been affected by these movements, and I would not rise now had it not been that we in this House are in duty bound to see that the purpose of this resolution shall not constitute a precedent. I believe that if the Senate puts its authority behind a declaration to this effect, we shall be fairly safe against the proposed amendment of the Constitution being cited in the future as a precedent. I trust that this House will agree with me that it should do so, for such a declaration would not impede the passage of the resolution. Members of the Government themselves say that the proposed amendment is an exceptional step compelled by the war. Then why should we not declare that the proposed amendment of the British North America Act shall not create a precedent that might be cited, not only against Quebec, but against any of her sister provinces?—for they are all equally interested in this safeguard. We never know what the future holds in store for us in whatever province we may live, and I submit that the people of every province are equally interested in seeing that a contract made by our forefathers be fully respected and not exposed in the future to any amendment advocated on the strength of this resolution, which, as we have been informed, and as we appreciate, is brought forward under very exceptional conditions. Although I do not approve of this proposed resolution, I understand the reason why it is put forward, and on the grounds I have stated I would urge the honourable leader of this House to embody in the resolution a reservation that will make it clear to everybody, and particularly to the minority that I represent in the province of Quebec, that we

in the Parliament of Canada will keep faith with them; that their rights shall not be menaced—

Hon. DONALD MacLENNAN: May I ask a question?

Hon. C. P. BEAUBIEN: I am about to finish, if my honourable friend will be patient for another two seconds.

Hon. Mr. MacLENNAN: I need to be.

Hon. C. P. BEAUBIEN: —that their rights shall not in the future be exposed to encroachment, but shall be fully preserved. Now I am ready to answer my honourable friend, if I can.

Hon. Mr. MacLENNAN: How does the resolution affect Quebec more than any other province of the Dominion?

Hon. C. P. BEAUBIEN: It affects every minority in the country; and we in the province of Quebec, though perhaps my honourable friend does not know it, represent the most important minority in the country.

Hon. Mr. MacLENNAN: Minority? I do not understand why the honourable senator calls Quebec a minority. A minority of what? I thought that according to the results of the last election they were in the majority.

Hon. C. P. BEAUBIEN: Is that a question or a double-barrelled retort? Of course, my honourable friend knows his history well enough to put a different interpretation on my words. If he does not, I can show him in the Library a few books of history which should convince him that the province of Quebec, populated by the French race, has always been, before as well as since Confederation, a minority in this country. It is not only a question of language; it is also a question of law and of religion; and nothing could mark a minority more clearly. After consultation perhaps my honourable friend will have another question to put to me, and I shall endeavour to answer it to the best of my ability.

Hon. Mr. MacLENNAN: Honourable senators, as I understand this resolution, it does not seem to me that minorities in the Dominion will be any worse off next month than they are now. What in the world is protecting Quebec at the present moment, and what has protected her in the last ten years? The honourable senator knows the answer, but it would appear from his remarks that if this resolution is passed something extraordinary will happen to Quebec. As the honourable leader of the House truly implied a short time ago, there is nothing to be afraid of as a result of the amendment to the British North America Act to be effected by the passing of this resolution. Statutes are subject to amendment at any time. I have often heard members of Parliament say, "This amendment will destroy the principle of the Act." I infer from what the honourable senator has said that he believes this resolution will destroy the principle of the British North America Act. The British North America Act created the principle, and if that Act is amended, the amendment may create a new principle which may be just as important as the original one. There is nothing sacrosanct about a statute. As I said before, a statute is liable to be amended at any time. It is the business of the Senate to see to it that no legislation be enacted that would be inimical to any part of the Dominion; but I fail to see that the proposed amendment could be, and if I thought it would be I for one would not vote for it. I would reiterate that, as the honourable leader said, the effect of the resolution is simply to defer the passage of a redistribution bill for possibly a year or maybe two years. What in the world is going to happen in the meantime to the prejudice of any part of this Dominion? I fail to see any danger, and I really cannot understand the reason for the honourable gentleman's utterance, declaimed in so dramatic a manner. The purpose of this resolution is to effect a simple amendment of the British North America Act in regard to redistribution, and no amount of verbal pyrotechnics can make it anything else.

Hon. JOHN T. HAIG: Honourable members, as a senator from one of the provinces affected by this proposed resolution, I think in fairness to the Government I should say that its purpose is both reasonable and necessary, and I congratulate the Government on the proposal, not only because of its fairness to the two provinces, the number of whose electors has been reduced by war conditions, but also because I think it is beyond the ken of man to say what would happen if at this time a redistribution bill were introduced in the House of Commons, for I know from experience in the Legislature of Manitoba that redistribution will stir up more feeling than any other subject of legislation.

I appreciate the position of the honourable senator from Montarville (Hon. C. P. Beaubien), but I must say quite candidly that there is a wide difference of opinion as to whether Confederation is a contract in itself or simply the confirming of a contract. I do not intend to discuss the matter now further than to say

that his contention that Confederation is a contract should not be accepted as conclusive. In short, I challenge his statement without debating it. I have grave doubts that Confederation is a contract.

Hon. Mr. LEGER: It is a convention.

Hon. Mr. HAIG: It may be a convention. But as my honourable friend on the other side said, the legislation speaks for itself. It was approved by the Parliament of Canada and acted on.

When, however, the honourable senator from Montarville says that this Senate was established by the British North America Act for certain purposes, he is undoubtedly on solid ground. The first purpose of the Senate is to protect the Constitution. Its second purpose is to protect minorites, whether of language, religion, finance, or anything else. There is no doubt about that. In fact, we are to go further than that; we are to prevent hasty legislation, passed by the elected body, about which the electors might not be very enthusiastic after they had had time to cool off. That is one of our prime duties. Sir John A. Macdonald emphasized that—and I think that distinguished statesman had more than a little vision and common sense. He said there might come a day when the popular body would want to deal with property rights and in so doing would take away the rights of certain people, and he expressed the opinion that the Senate would be very useful in preventing or deferring such action. You will remember that about 1934 the province of Alberta elected a certain party to power. The apparent reason for so doing was that it was going to manipulate money in a way that would be beneficial to the people of the province; but those who lived as close to that province as we in Manitoba do knew that the real cause for the election of that party was the dissatisfaction of the people with things as they were, and the belief that, no matter who were elected, conditions could not be worse. They voted to get rid of a situation. But if such a wave were to pass over the Dominion, and the Government elected were to introduce legislation similar to that introduced in Alberta, we as a Senate, I think, should have a right to hold up the legislation and let the Government go back to the people on the issue. If the people confirmed what had been done, of course we should have to defer to their wishes.

Let me illustrate what I mean. In 1935 this country was confronted with a grave railway problem. The Government railway was piling up huge deficits and the other railway was experiencing many difficulties. In October of that year there was an election, and among other planks in the Liberal platform there was a promise that if the Liberals were returned to power they would do something towards solving the problem. They were returned, and in 1936, in accordance with their pledge, they introduced legislation into this Parliament. At that time a majority of the members of the Senate sat on this side of the House. Some of them thought this legislation should be rejected. I was not one of them, and I supported the Government. Why? Because the question had been properly and completely submitted to the public, who had formed a judgment on it, and in my opinion we had no right to reject their view. What we are here for is to protect the people, and, if necessary, to reject hasty legislation.

Any practising lawyer in this country who has appeared before our Banking and Commerce Committee will tell you that it is one of the finest committees he has ever addressed; that in it there is little of politics, but much of an endeavour to produce the best legislation possible on the subject under consideration.

I agree with the honourable senator from Montarville (Hon. C. P. Beaubien) that the Senate had the power to amend money bills. He says, however, we have lost that power. In that I do not agree. We have not exercised the power, perhaps, but I do not think we have lost it. But, as I say, since 1939 very little legislation has come before us. The truth is that of late neither House has had very much. Take this session for instance. How much legislation has come to us from the other Chamber? Though it is none of my business and it is not for me to say anything about it, for nine weeks the members of that Chamber have been considering one bill and discussing how the moneys provided by it are to be spent. But we are not supposed to go into that kind of thing.

Now, I have a suggestion to make to this House. After the war we shall pass through the greatest period of reconstruction this world has ever known. I doubt if in this country we shall go as far as the optimists hope we shall, but I think we shall go farther than the pessimists expect. What I have to suggest comes strictly under the amendment of the British North America Act. It is that at the beginning of next session we should appoint a committee of, say, forty members—ten each from the Maritimes, Quebec, Ontario and the Western Provinces—to discuss what amendments are needed in the British North America Act

or any of its principles to make our efforts at reconstruction effective. Take for instance the problems of health insurance, social reconstruction, the re-employment of soldiers and the re-employment of industrial workers. All these have to be handled by the Dominion. The premier of the province of Manitoba, a very able man on financial matters, has said quite clearly to the people who are going to reconstruct the world after the war that Manitoba has not sufficient earning power to take part in that reconstruction. If the burden is put on the provinces, there are only two that can bear it; the other seven cannot put up their share. What happened as a result of unemployment relief? Almost every city in Canada was nearly ruined by it; and every province except the two larger provinces; and even they were affected. The Dominion alone could take a position on that question.

I suggest that a committee be formed to consider this question and say, if we want to put health insurance or an employment scheme into effect, what amendments to the British North America Act are needed in order to do so. After we have reached our conclusion, let us invite the governments or the people of all the provinces to come here and make representations. You may say that what would be done would be of no legal effect. Maybe not, but it would have a great effect in clarifying the ideas of the people in this country on these issues. There is no use in saying that every man who comes back from the war is going to be given a job, and then leaving the burden on the provinces. Manitoba for one could not assume any such responsibility; neither could the Maritimes, nor British Columbia, nor the other two Western provinces. The only provinces that could do so would be the two central provinces.

I want to say to the honourable senator from Montarville (Hon. C. P. Beaubien) that although he may think the people of his province represent a minority, they do not. The people of his province and those of Ontario represent a majority; we of the Western Provinces and of the Maritimes are the minority. While politicians may talk about minorities, and say the French-speaking people are a minority in Canada, it is mostly in their imaginations that the minority exists. They are not a minority when it comes to money. Therefore I say that we, as part of the Parliament of Canada, should investigate this problem. There would be no political repercussions from the provinces if we proposed that unemployment, for instance, should be dealt with by the Dominion. I do not know where I should look to find a

body of men and women who would deal more fairly with the question than the members of this House.

This question must be solved before we can put any of our idealistic legislation into effect. Not one of the provinces of Alberta, Saskatchewan, British Columbia or the Maritime Provinces could carry out any of the schemes which have been proposed before the various reconstruction committees of Parliament this session. We have in this Chamber representatives from every walk in life. We have business men—successful business men—we have women, professional men and farmers, and I am persuaded that if we gave consideration to this question we should make a real contribution to the political thought of this country.

Hon. Mr. SAUVE: Is there any amendment to the motion?

Hon. Mr. HAIG: Not yet. As I come from the province of Manitoba, it is hardly to be expected that I would propose an amendment. I should hardly be foolish enough to do that.

Hon. Mr. LACASSE: May I interject that we are more interested in knowing what to do at this session.

Hon. Mr. HAIG: I would inform my honourable friend that this session is nearly over. I expect that we shall finish at the latest by the 24th of this month. I think the political discussions in the other House have been long enough, and if the people of this country are not tired of them, they ought to be.

I come back once more to my proposal. I ask honourable members to consider it between now and next session. If the men and women in this House are of one mind, there will be no political repercussions from such action. There cannot be. The members of the committee will be chosen by divisions; each division represented in this House will be represented on the committee; therefore there should be no unfairness to Ontario or Quebec, and only fairness to the Western Provinces and the Maritimes.

I am going to support the resolution before the House. I think the Government has acted wisely. I believe that in the other House representatives from every province voted for the legislation. The Western Provinces are small so far as population is concerned, but they have made a great contribution to the war effort. I presume the same can be said of the Maritime Provinces. In Manitoba we have very little war industry. Not only did

a great many of our people go into the armed services, but a great many others moved to Ontario and Quebec to become industrial workers. Large numbers of these people may come back. On the other hand, we may have permanently lost that population. I do not know. If it is lost to us, we shall have to suffer accordingly. In voting for this resolution, I am not doing so to hurt any minority. So far as I am concerned, if in the future we have before us any measure that appears to me to be unfair to Quebec or any other part of Canada, I shall be the last one to vote for it, because we shall never get a united Canada if we pass unfair legislation. But I think that this resolution is fair, and we ought to support it.

Hon. ANTOINE J. LEGER: Honourable senators, I may say at the outset that I wish to make only a very few remarks with regard to this resolution. Unlike the two last preceding speakers, I come from a province that would not be affected by the proposed amendment, for New Brunswick now has the minimum representation to which it is entitled under the British North America Act, and that would not be changed.

The resolution states that

> . . . the effect of enlistment in the armed forces of Canada and of employment in the production of munitions of war has been to remove large numbers of the population from their homes to serve in and with such armed forces either in other parts of Canada or overseas or to reside temporarily in other parts of Canada.

Now, I cannot follow the reasoning of the honourable senator who last preceded me (Hon. Mr. Haig). I do not see how the requested amendment could possibly protect his province, because if hostilities should cease to-morrow the redistribution, according to this resolution, would still be made on the basis of a war census, that is on the census of 1941.

Hon. A. L. BEAUBIEN: But, in the meantime,—

Hon. Mr. LEGER: In the meantime it might prevent arguments which the people of Canada do not wish to have at the present time. But those arguments will have to be faced.

Hon. A. L. BEAUBIEN: But after the war ends, the people will return to their respective provinces.

Hon. Mr. LEGER: But the redistribution would still be made on the basis of the 1941 census. The point I make is that, in order to cure the defects which we want to cure, the redistribution should be made on the basis of a new census, taken when conditions have become normal, and also that we should fix a date when this proposed amendment would cease to be operative. The Bill that we want the Imperial Parliament to pass provides that redistribution shall not be necessary "until the first session of Parliament of Canada commencing after the cessation of hostilities." Does that mean that if hostilities did not cease for twenty years there would be no new redistribution in all that time, and that elections would continue to be held on the basis of the census of 1931?

Some Hon. SENATORS: 1941.

Hon. Mr. LEGER: No; the census of 1931. I am not suggesting that will happen, but it is permissible under this proposed amendment, and it could happen. That is, if the Government did not have the courage to hold an election under the census of 1941, it could happen.

These are things which, it seems to me, should have been taken care of in the resolution. In the first place, if we want to correct a defect which arises because of the census of 1941, it seems to me that we should provide there shall be a new census as the basis of the next redistribution. My second point is that we should fix a definite date when the proposed amendment would cease to be operative, and not have such an indefinite time limit as "the cessation of hostilities between Canada and the German Reich, the Kingdom of Italy and the Empire of Japan," which hostilities might last—though I hope they will not—for a number of years.

Hon. JAMES MURDOCK: Honourable senators, I was very much interested in the references made by my honourable friend opposite (Hon. C. P. Beaubien) to minorities. I am entirely in sympathy with protecting the rights of minorities, and I should like to ask him if he thinks it would be protecting minorities to give effect to the 1941 census, which, as we hear through the Press, would reduce Saskatchewan's representation in the House of Commons from 21 to 17 members, while his province would still have its 65 members. Would that, I wonder, be protecting minorities?

Then there is this point. My dear friend is interested in minorities now. Is it not too bad that he and others who also are interested in minorities have not for a number of years taken a similar position on another matter? If they had, we should not have found dirty stuff coming from ninety-eight divorce cases from the province of Quebec into this Senate

of Canada. The minority in the province of Quebec would have been given a square deal to handle their own cases and wash their dirty linen in their own province. If now, in this matter before us, my honourable friend is so interested in minorities—and I know there are a lot like him—let him view the picture from the other angle.

Hon. C. P. BEAUBIEN: I could give an answer to my honourable friend.

Hon. Mr. KING: Honourable senators, might I suggest that it would be well, perhaps, if we confined our remarks more closely to the resolution.

Hon. Mr. MURDOCK: I was not any more out of line than my honourable friend from Winnipeg (Hon. Mr. Haig).

Hon. Mr. KING: I am not objecting.

Hon. C. P. BEAUBIEN: Honourable senators, in making an answer I will deal with the point we are discussing. My honourable friend from Parkdale (Hon. Mr. Murdock) does not want me to discuss divorce. We have already done that.

Hon. Mr. MURDOCK: Tell us about Saskatchewan.

Hon. C. P. BEAUBIEN: I will explain the stand I have taken, which is a very simple one, in regard to this particular resolution. The agreement made at Confederation was this, that the province of Quebec should always have 65 seats in the House of Commons, and that the quotient obtained by dividing its population by that number, 65, would apply in every other province as the average number of persons entitled to be represented by one member of Parliament. That was the agreement. All I want is to have that agreement maintained. But it happens that the agreement is not maintained now. Some provinces have a certain number of members of Parliament which, according to that quotient, they should not have. That is the whole position.

The burden of my argument was simply that this amendment to the Constitution should not constitute a precedent. That was the whole gist of my point. It seems a very reasonable point to take.

Hon. Mr. MURDOCK: Oh, well, let us vote for it, anyway.

Hon. S. A. HAYDEN: Honourable senators, may I say just a word or two by way of explanation as to why I intend to support this resolution? It seems to me that in order to preserve a sense of proportion it would be wise to consider just what the issue is. Actually, if redistribution were carried out at this time under the provisions of the British North America Act, seven seats would be involved. Saskatchewan would lose four seats, and Manitoba would lose three. According to the provisions and requirements of the British North America Act, there would be no change in the other provinces.

Now, so far as I am concerned, the position is simply this, that having swallowed a number of large things in the way of restrictions of our legislative powers, I am certainly prepared to swallow this very small one, whose only effect is that we suspend for the duration the provision in the British North America Act requiring a redistribution at this time, based on the 1941 census. The resolution will not make a very great difference, but I think it does indicate, if anything, a desire to preserve the position of minorities, certainly in Saskatchewan and Manitoba, until a better and more reasonable time for the discussion which would inevitably result from a redistribution measure just now. As I said earlier, having swallowed so many great things, I will not object to this small one. For instance, we having, under the War Measures Act, more or less abrogated our legislative functions; having in effect suspended, for the duration, provincial powers with respect to properties and civil rights; and, in the interest of the successful prosecution of the war and maintenance of unity, having even permitted amendments to be made to our Criminal Code by persons who are not members of Parliament, then I for one find no difficulty whatever in accepting a resolution which simply suspends for the duration of the war, but does not abrogate, the provisions of certain sections of the British North America Act.

Hon. Sir THOMAS CHAPAIS (Translation): Honourable senators, I exceedingly regret to inflict on the majority of the members of this House the French language, which predominates in the province of Quebec. I do not intend to deal at any great length with the serious matter that is now before us; I should rather say the very serious matter. Indeed, as my honourable friend from Montarville (Hon. Mr. Beaubien) has said, it is one of the most serious questions which we have had to consider since the beginning of this session.

I wish to go on record as being opposed to the proposal which has been submitted to us this evening by the honourable leader of the Senate, on behalf of the Government which he represents in this House.

The question that is raised by the resolution laid before us is that we should go to London with a request for an Imperial enactment for the settlement of a matter which to me seems quite simple. Such action is fraught with particular seriousness, and I should like, in the few words I have to say, to impress that fact upon all my honourable colleagues.

The matter involved is the representation on the basis of population. Honourable members of the Senate, you know as well as I do that this question was for a number of years the stumbling-block of parliamentary government in Canada. I refer to the period which preceded Confederation, that is to say, the period of union between Upper and Lower Canada. During that period, and for about fifteen years at least, the two provinces had been united by a more or less legitimate marriage, to which the parties themselves had scarcely given their consent, as we had to put up with the Imperial legislation foisted on us by that Constitution, and we went along side by side until 1867. During that very interesting period of our political life we began to lay the foundations upon which Canada was subsequently to be established. Aside from questions concerning railroads, canals, tariffs, etc., there was this terrible question of representation on the basis of population. Why terrible? Because, in 1840, when the Imperial Parliament gave us the Constitution which I mentioned a while ago, it was decreed that Lower Canada and Upper Canada should have the same number of representatives in the Legislature.

Now, when the union had been brought about, the Province of Quebec had 200,000 more inhabitants than the Province of Ontario—Upper Canada at the time. Such an arrangement was evidently unfair to the province of Lower Canada. At that time representation was certainly not determined on the basis of population. But what happened? British immigrants gradually peopled the solitude of the upper province, and its population increased rapidly. This population gained ground very quickly, and there came a time when the difference of 200,000 inhabitants formerly in favour of Lower Canada was transferred to Upper Canada, and the population of the upper province by far outnumbered that of the lower province. Then the question of representation on the basis of population was brought up.

For years Lower Canada had suffered from this lack of proportion; it had suffered and could do nothing about it. When the population of the upper province exceeded that of the lower province, however, the question of representation on the basis of population was immediately raised. A man whose name remains graven in Canadian history, a man who had his failings, but also his good points, George Brown, took up this question of representation on the basis of population and made it a foremost issue. He mounted that cheval de bataille, and for years fought with unparalleled tenacity so that this doctrine of representation on the basis of population might triumph. My province, which had suffered unfair treatment, and its political representatives of the time, opposed this movement initiated by Upper Canada. For years there was what might be termed a relentless battle, and for years governments fell, one after another, overthrown precisely because they hurled themselves against this stumbling-block of representation on the basis of population. There came a time when the Constitution of 1840 could no longer operate; when the inability of all parties to form a stable government gave rise to an insoluble problem. People felt that the Constitution should be changed. They said: "For heaven's sake let us try to come to some understanding; instead of preserving this stormy union between Lower and Upper Canada let us try to have a Confederation. Let us ask Nova Scotia, Prince Edward Island and New Brunswick to join us and form a great country." At the time it was even suggested to give this country the very glorious name of Kingdom of Canada; but in the end we were satisfied with the more humble name of Dominion of Canada.

Now, this is what I should like to recall to the honourable members of the Senate.

What happened? The question of representation on the basis of population had first to be settled. The constituents of 1864, assembled in the ancient city of Quebec, agreed on a compromise. A while ago it was asked whether the Constitution which governs us is the result of a contract. Good heavens, I have no authority whatsoever to render a decision on such a question, but I refer to the opinion of those who drew up the Confederation, of those who have been called the "Fathers of the Confederation of 1867." What did they say? Look up the Debates on Confederation, which you will find in the Parliamentary Library: you will see that the illustrious statesman Sir John Macdonald, George Brown the Ontario leader, McGee, one of Canada's greatest orators—all these men state, one after the other, that the Constitution which had been drawn up was really a contract. McGee said: "What we have there,

on the Clerk's table, is a contract." And the purpose of this contract was to establish the Dominion of Canada. How should this system operate, however, with regard to parliamentary representation? Honourable senators, you know it as well as I do. The agreement was the following: "We will use the province of Quebec as a basis, or better still, as a pivot. It shall always have the same number of representatives—65; we will then divide the number of its actual population by 65, and the quotient shall become the unit of representation for the entire Dominion of Canada. That shall be the basis of our parliamentary system. That is how our electoral regime will operate. On the completion of each decennial census, the required calculations shall be made, the population of the province of Quebec shall be divided by 65, and the product, the quotient, shall constitute the unit of representation for all the provinces of Canada." Was this not a fair and reasonable solution? What was the result? It was that after almost every census a redistribution had to be effected. You will recall that on the completion of each census there were changes in the representation of the provinces, but Quebec retained 65 members. There was one decennial year, however, when the province of Ontario lost three or four seats; I believe it was after the 1921 census.

Hon. Mr. HUGESSEN: 1921.

Hon. Sir THOMAS CHAPAIS: The province of Ontario, after the decennial census, lost three or four representatives. Naturally, it submitted, more or less unwillingly, but it did submit. At other times other provinces lost some of their representatives. That state of things was normal. But why change it this year? Because there has been a large movement of population, because people from the rural districts have thronged towards the cities, because people have enlisted or secured work in factories. But, honourable senators, things will always be so. There was a period when the Western Provinces were in their infancy; then there was a flood of immigration; these provinces developed by leaps and bounds, they prospered and increased in population. That will happen again. You must have been struck by what was said a while ago. If this resolution should be adopted—and it will be—what will happen? Is it claimed that we shall be left as we are for two, three, or four years? We all beseech the Almighty that this war may be over as soon as possible. We hope it will end in 1944, but it might end in 1945, or later, and are we to remain in this uncertain temporary condition all this time? In the face of movements of population in the past, the Constitution was not suspended. After the great flow of immigration we did not put a stop to redistribution. Is this measure a remedy? If the war is ended two years from now, and if we should then decide it is time for redistribution, on what basis will it be done? On the 1941 census. We shall take the 1941 statistics and effect redistribution accordingly. And then where shall we be? All these movements caused by enlistments, by the swollen number of workers in war plants, etc., are reflected in the 1941 census. This 1941 census will remain the basis for any future readjustment. I therefore ask what is the use of all this. Some provinces will lose a few seats. I am sorry for that, but it has already happened in Ontario without the Constitution being amended on that account. These same conditions will often recur and the wheel will keep on revolving; the system inaugurated in 1864 will keep on functioning normally and the Canadian Constitution will not be needlessly amended.

Honourable senators, I only wished to call the attention of the House to this aspect of the matter. I consider this measure as being useless and harmful, and I shall vote against the resolution now before the House.

Hon. Mr. KING: Honourable senators,—

The Hon. the SPEAKER: I would draw the attention of honourable members to the fact that if the honourable leader now speaks he will conclude the debate.

Hon. Mr. SAUVE: I move adjournment of the debate.

Hon. Mr. KING: Honourable senators, I hope my honourable friend will not insist on his motion, for I think we should dispose of the resolution to-night. Its subject-matter, so far as we are concerned, is more or less academic, since those directly interested, the elected members of Parliament, have already passed the resolution. Unless there is some very good reason, I would ask my honourable friend not to press his motion.

Hon. Mr. BALLANTYNE: Honourable members, I do not agree with the honourable leader opposite (Hon. Mr. King). If any honourable senator, whether on this or the other side of the House, wishes to continue the debate, there is no such great urgency that he should not be allowed to do so. After all this is a free Parliament, and a day or two more devoted to a discussion of the resolution will not make very much difference one way or the other. I certainly would be

opposed to shutting off debate; on the contrary, I would allow every member to express his opinions freely.

Hon. Mr. KING: I think my honourable friend misapprehends what I said. I merely suggested to the honourable member from Rigaud (Hon. Mr. Sauvé) that he withdraw his motion unless he really desired to adjourn the debate. In view of the urgency of the resolution, I would ask the honourable gentleman not to press his motion, but if he is in earnest, of course I must give way.

Hon. Mr. SAUVE: It is not so much a question of time as of reaching a thorough understanding of the point raised by the resolution. I think it is very important that the leader of the Government and other members of the Senate should read the speech of our venerable friend from Grandville (Hon. Sir Thomas Chapais) before continuing the debate.

Hon. Mr. KING: It is early yet.

Hon. Mr. SAUVE: I move the adjournment of the debate.

The motion was agreed to.

DIVORCE BILLS

FIRST READINGS

Hon. Mr. ROBINSON, Chairman of the Committee on Divorce, presented the following bills, which were severally read the first time:

Bill U4, an Act for the relief of Glendon Malcolm Robert MacCallum.

Bill V4, an Act for the relief of Pierre Henri Honoré Paré.

Bill W4, an Act for the relief of Ruth Usher Garson.

THIRD READINGS

On motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following bills were severally read the third time, and passed, on division:

Bill L4, an Act for the relief of Ethel Wendman Lebenstein.

Bill M4, an Act for the relief of John Preble Macintosh.

Bill N4, an Act for the relief of Sonia Libenstein Kolber.

Bill O4, an Act for the relief of Gilbert Piché Ouimet.

Bill P4, an Act for the relief of Irene Maud Pardellian Wright.

Bill Q4, an Act for the relief of May Gertrude Russell McCarthy.

Bill R4, an Act for the relief of Geraldine Charlotte Wrangel.

SECOND READINGS

On motion of Hon. Mr. Aseltine, for the Chairman of the Committee on Divorce, the following bills were read the second time:

Bill S4, an Act for the relief of Anne Marie Garon Brown.

Bill T4, an Act for the relief of Theodore Panos.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, July 7, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

THIRD READINGS

On motion of Hon. Mr. Robinson, Chairman of the Committee on Divorce, the following bills were read the third time, and passed, on division:

Bill S4, an Act for the relief of Anne Marie Garon Brown.

Bill T4, an Act for the relief of Theodore Panos.

FIRST READING

Hon. Mr. ROBINSON presented Bill X2, an Act for the relief of Beatrice Belodubrofsky Schiller, which was read the first time.

SECOND READING

The Hon. the SPEAKER: When shall Bill X2 be read a second time?

Hon. Mr. ROBINSON: As we are nearing the end of the session, I would move, with the unanimous consent of the House, that the Bill be now read a second time.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall Bill X2 be read a third time?

Hon. Mr. ROBINSON: With leave of the House, I move that the Bill be now read a third time.

The motion was agreed to, and the Bill was read the third time, and passed, on division.

SECOND AND THIRD READINGS

On motion of Hon. Mr. Robinson, the following bills were read the second and third times, and passed, on division:

Bill U4, an Act for the relief of Glendon Malcolm Robert MacCallum.

Bill V4, an Act for the relief of Pierre Henri Honoré Paré.

Bill W4, an Act for the relief of Ruth Usher Garson.

POSTPONEMENT OF REDISTRIBUTION

RESOLUTION ADOPTED

The Senate resumed from yesterday the debate on the motion of Hon. Mr. King, seconded by Hon. Mr. Hugessen:

That whereas provisions of the British North America Act require that, on the completion of each decennial census, the representation of the provinces in the House of Commons shall be readjusted;

And whereas such readjustment involves in fact the determination of the number of members to represent each province and the number of electoral divisions within each province and the delimitation of such electoral divisions;

And whereas Canada has been at war since September 10, 1939, and hostilities may continue for an indefinite period;

And whereas the census of 1941 was taken during the progress of hostilities;

And whereas the effect of enlistment in the armed forces of Canada and of employment in the production of munitions of war has been to remove large numbers of the population from their homes to serve in and with such armed forces either in other parts of Canada or overseas or to reside temporarily in other parts of Canada;

And whereas experience has shown that such readjustment may give rise to sharp differences of opinion as to the appropriate delimitation of electoral divisions, which differences it is most desirable to avoid while Canada continues at war;

And whereas in these circumstances it does not now seem desirable that readjustment of representation on the basis of the census of 1941 should have to be made during the continuance of the hostilities in which Canada is now engaged,

A humble address be presented to His Majesty the King in the following words:

To the King's Most Excellent Majesty:
Most Gracious Sovereign:

We, Your Majesty's most dutiful and loyal subjects, the Senate of Canada in Parliament assembled, humbly approach Your Majesty, praying that You may graciously be pleased to cause a measure to be laid before the Parliament of the United Kingdom to be expressed as follows:

An Act to provide for the readjustment of the representation of the provinces in the House of Commons of Canada consequent on the decennial census taken in the year One thousand nine hundred and forty-one.

Whereas the Senate and House of Commons of Canada in Parliament assembled have submitted an address to His Majesty praying that His Majesty may graciously be pleased to cause a Bill to be laid before the Parliament of the United Kingdom for the enactment of the provisions hereinafter set forth;

Be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. Notwithstanding anything in the British North America Acts, 1867 to 1940, it shall not be necessary that the representation of the provinces in the House of Commons be readjusted, in consequence of the completion of the decennial census taken in the year One thousand nine hundred and forty-one, until the first session of the Parliament of Canada commencing after the cessation of hostilities between Canada and the German Reich, the Kingdom of Italy and the Empire of Japan.

2. This Act may be cited as the British North America Act, 1943, and the British North America Acts, 1867 to 1940, the British North America Act, 1907, and this Act may be cited together as the British North America Acts, 1867 to 1943.

Hon. ARTHUR SAUVE: Honourable senators, I shall read the first two paragraphs of the resolution.

That whereas provisions of the British North America Act require that, on the completion of each decennial census, the representation of the provinces in the House of Commons shall be readjusted;

And whereas such readjustment involves in fact the determination of the number of members to represent each province and the number of electoral divisions within each province and the delimitation of such electoral divisions—

For my part, there is no objection to these paragraphs. Then, honourable senators, it is a question of respecting the law of Confederation. It is the census—in the present case, that of 1941—which determines the representation in the House of Commons, with Quebec providing the quotient. Should an election be held this year, or two years from now, the census of 1941 and the Quebec quotient must be the basis of the representation, unless

later on there is a further amendment to the Act to change this manner of determining the representation—and this is what I and many of my compatriots fear. The door having been opened, anything is possible. It is not purely a question of determining whether the British North America Act is a pact, a convention, a treaty, a contract or a compromise, but rather of respecting the provisions thereof with reference to the federal representation, which provisions might affect the rights and position of the minorities. In that regard, I have been unable to accept the old-fashioned and strange argument of my honourable friend from Winnipeg (Hon. Mr. Haig), who is an able lawyer. It has always been the opinion of the best minds in Canada that our Constitution could not or should not be amended without the consent of the provinces.

I repeat that a change or modification in the manner of determining the federal representation might injure the minorities. In support of this assertion may I cite a few extracts from the report made to the honourable the Speaker of the Senate of Canada in the session of 1939, pursuant to resolution of the Senate, by the then Parliamentary Counsel? From page 130 of Annex No. 4 I read the opinion of a former Minister of Justice, Hon. Ernest Lapointe:

> In order that adequate safeguard should be provided it was proposed that in the event of ordinary amendments being contemplated the provincial legislatures should be consulted, and a majority consent of the provinces obtained, while in the event of vital and fundamental amendments being sought involving such questions as provincial rights, the rights of minorities, or rights generally affecting race, language, and creed, the unanimous consent of the provinces should be obtained.

At page 132 there are some extracts from Keith's Constitutional Law of the British Dominions, edition of 1933. Part of this material is as follows:

> In the extreme form it has been claimed apparently by Mr. Ferguson, when Premier of Ontario, that no change of importance can be made without provincial consent; apparently any great province, possibly any province, by withholding assent could block change. This view is based on the idea that the federal bond is the result of a compact or treaty, a term which admittedly was often used in the debates in the Canadian Legislature when that body in 1865 approved the agreement achieved with the Maritime Provinces in 1864. To this view it is objected that in fact the Quebec agreement was never accepted by the legislatures of Nova Scotia and New Brunswick, and that in fact in certain matters the Constitution prepared in 1864 was modified under Imperial auspices before enacted in 1867, while as regards the other provinces, especially those created by the Dominion, Manitoba, Saskatchewan and Alberta, any idea of a compact is absurd. The most effective answer to this contention is the fact that in 1907, when an Imperial Act was passed to vary the then existing state of provincial subsidies from the federation, it was based on the assent of all the provinces, for, while British Columbia demanded better terms, its Premier did not refuse finally to agree to the Act being passed. It is useless to ignore the importance of this precedent, whether it was wise to create it or not.

Let me quote from a memorandum prepared by the then Premier of Ontario, Hon. Howard Ferguson:

> On the same subject, Sir E. P. Taché, Chairman of the Conference, said: "The majority of the people believe if their rights and privileges are left to the local legislatures they will be safe in the liberties guaranteed to them and ratified by solemn treaties, even if we do not come to an understanding on the subject of Confederation."
>
> The first declaration of the conference was in the following terms: "The best interests and present and future prosperity of British North America will be promoted by a federal union, provided such union can be effected on principles just to the provinces."
>
> Additional emphasis was given to this declaration in the second resolution by the statement that the proposed federation would provide a system "best adapted, under existing circumstances, to protect the diversified interests of the several provinces and secure efficiency, harmony, and permanency in the working of the union."

At page 138 I find the following:

> The Minister of Justice denied the provinces any voice in the matter on the ground that it did not in any way concern them; although it was urged upon him by the Attorney-General of Ontario, in a letter dated July 10, 1924, that "in the opinion of the law officers of the province of Ontario an amendment to the British North America Act, in the words of your resolution, might be interpreted as forming a basis of encroachment upon matters of legislation unquestionably given to the province by the British North America Act."
>
> On this occasion the Attorney-General of Ontario also ventured the following protest on the broader issue involved: "I do not need to remind you that the British North America Act was a product of representatives from all the provinces as such, and not as representatives to a Dominion Parliament. The Government of this province is of opinion that the Dominion Parliament should not act in the matter of obtaining constitutional changes without the sanction of the provinces to its proposals to the Imperial Government."

I direct attention to the following, which is taken from a speech by Hon. Mr. Ferguson as reported in the Toronto Globe of July 14, 1924:

> Confederation was the result of certain compromises between the provinces entering into it.

It amounts to an agreement, and my view is that there should not be any amendment without the consent of the provinces, and no request should be made of the British Parliament without first ascertaining whether or not the provinces would consent.

At page 143 will be found this citation:

. . . it was of tactical importance to Macdonald to be able to assert that the Quebec scheme was the true foundation of the Act of Confederation.

By "Quebec scheme" the author, of course, was referring to the Quebec agreement.

It has often been said that the Confederation Act is an entente, a convention, a pact between the provinces of Canada. Confederation was possible only by the will and authority of the provinces. We should respect the spirit and purpose of our Constitution, so often interpreted, explained and observed by the Fathers of Confederation.

My honourable friend from Grandville (Hon. Sir Thomas Chapais), in eloquent terms and masterly manner, established the historical viewpoint of Confederation and the futility as well as the danger of this violation of the Constitution. The honourable senator from Montarville (Hon. Mr. Beaubien) showed the particular danger of this violation to the chief minority, represented by the province of Quebec, and to those branches of the country whose sentiments were expressed by the honourable senator from L'Acadie (Hon. Mr. Léger). We have Confederation with the support of this minority. He who knows intelligently the history of the period cannot deny my assertion, and cannot afford to neglect or despise the exceptional importance of this minority, its legitimate fears; and the conditions of its constitutional guarantee. The minority represented by Hon. Mr. Galt in the 1865 debates was also heard, and demanded guarantees to the same extent as the French Canadian minority. The French Canadian minority settled in Lower Canada had sacred rights which were recognized by legislative enactments and conquest treaties and which were safeguarded and defined more specifically in the Constitution. This minority also requested Confederation. One of the main guarantees of the preservation of its rights is founded in the assurance that no amendment to the Constitution shall be effective without the consent of the provinces which signed the agreement, the Act of Confederation.

In the present case, not only is the Government without the support of the provinces, but the important province whose quota is used as a standard for the representation of the other provinces voiced its strong opposition through the unanimous consent of its Legislature. I ask: Was the protest of its Prime Minister, Hon. Mr. Godbout, taken into consideration? The Quebec Premier is a great friend of the Ottawa Government. He is a Liberal chief who gave his full support to the Ottawa Government, even if his popularity should suffer from it. He has always shown a sense of deep gratitude towards the Government. However, he deems the measure now submitted to us to be such a serious menace to his province that he is opposing it with a resounding protest, and his protest is supported by all the political groups in the Quebec Legislature. How can his friends in this Chamber reject or neglect his protest? If, as I must believe, the Premier of Quebec is sincere, what would he think of their refusal to support him? Why did the Federal Government disregard his protest? Why has it ignored this opposition to the proposed resolution when it does not possess the right to amend the Constitution without first securing the support of the Quebec Legislature and the other provincial legislatures of the country? So far as the Senate is concerned, that is the constitutional objection which we must respect and support. To amend the Constitution with the consent of the provinces, as voiced through their respective legislatures—that is right. The evolution of the country may necessitate certain amendments. My opposition does not affect the rights of the provinces to their representation in the House of Commons, which is based upon their population according to the 1941 census as governed by the quota of the province of Quebec.

As has been said in this Chamber, during or after the war the 1941 census will determine the representation of the provinces in the Federal Parliament, unless the Government has campaign anticipations or intentions which it keeps secret. But the Government's election plans do not concern the Senate. The first duty of the Senate is to insist on observance of the main condition authorizing amendments to the Constitution. Therefore, since the Government has not secured the unanimous consent of the provinces, its measure cannot be accepted by the Senate, which is the protector of the Constitution.

May I add that the Government measure was not supported by unanimous consent of the federal representation of each province? Consequently this measure is not in accordance with the spirit and best interpretation of the British North America Act.

Hon. P. R. Du TREMBLAY: Honourable senators, this resolution is very important. It proposes an amendment of the British North

America Act to delay redistribution. Its effect is to suspend the adjustment of the representation of the provinces in the House of Commons until the first session of the Parliament of Canada commencing after the cessation of hostilities between this country and the German Reich, the Kingdom of Italy and the Empire of Japan. The reasons given for such postponement are contained in brief in the resolution. It is important that they should be read. It states that the census of 1941 was taken during the progress of hostilities and that enlistments in the armed forces and employment in the production of munitions of war have removed a large number of the population from their homes to serve overseas or to reside in other parts of Canada; that the readjustment or redistribution of electoral divisions under the circumstances may give rise to sharp differences of opinion, which it is most desirable to avoid while Canada continues to be at war. If these statements are accurate and true, and I believe that to a great extent they are, it is fair and just to adopt this measure. I do not think that in the present circumstances any Canadian or group of Canadians should desire to gain an advantage over any sister province. Nobody should desire to deprive any province of the share of representation to which it is properly entitled under normal conditions. Should any province be penalized by being deprived of its proper number of representatives because many thousands of its citizens thought it right to do their duty toward their King and country? I would not hesitate to say that it would not be fair and generous to take such a stand towards a member of Confederation. It would not be a correct gesture.

There is to my mind another reason for delaying redistribution to a more appropriate time, and it may be a more important reason than any of those stated. It is that to-day the provinces have not a fair and adequate representation under the present provisions of the British North America Act. The whole question of the representation of the provinces in this Parliament should be completely studied and an amendment to the Act should be adopted which would provide for every province being fairly and equally represented on the basis of its population. I agree that this time is not the proper time to study this question from all its angles. To do so now would spread disunity when what is needed above all is unity. The proper time would be after the war. Then this question could be fully debated in a quieter and more favourable atmosphere. Each province should be represented according to its population. This should be the golden rule.

The postponement of redistribution of representation gives us the opportunity to study this question and to make the necessary amendment to put all provinces on a fair and equal basis. Some honourable senators spoke yesterday of the representation of the province of Quebec. Some insist that we should not change the Constitution nor delay the redistribution. Personally, I am not satisfied with the representation of the province of Quebec. I think it should have more representatives. If the representation of the province were placed on the basis of its population, that province would have five or six more members. The population of the province of Quebec, according to the 1941 census, is 28·96 per cent —nearly 29 per cent of the population of Canada. If you take 29 per cent of the 245 members now sitting in the House of Commons, you will see that Quebec would be entitled to about 71 members; at 28·96 per cent, to be exact, it would have 70 members instead of 65.

It is not fair that Manitoba, Saskatchewan, or Quebec, should have a unit of representation of 51,213 when some other provinces have a much lower unit. In Ontario, for instance, 17 of the members have a unit of 27,000. All these matters should be looked into at the proper time, in such a committee as was suggested by the honourable member from Winnipeg, where representations could be heard from the provinces. We must establish a rule of fair play, and personally I am pleased with this postponement, as at the proper time it may be the means of rendering justice to all.

Hon. Mr. HAIG: May I ask the honourable gentleman a question? Is he taking into consideration the amendment to the Act giving the Maritime Provinces a different quota of representation from that of the other provinces of Canada?

Hon. Mr. Du TREMBLAY: Oh, yes. We should take all that into consideration.

Hon. Mr. BALLANTYNE: The honourable leader of the Government last evening promised that he would give an answer as to whether he would table the correspondence between the Ottawa and the Quebec governments.

Hon. Mr. KING: I am sorry to have to inform my honourable friend that I am not in a position to table the documents at the present time. I made inquiries this morning and hoped to be able to advise my honourable friend definitely. If they are not available now, I hope they will be available later and will meet the purpose of my honourable

friend. As I stated last night, both governments must be consenting parties to the tabling of documents of that kind. They are not yet in my hands to be tabled.

Honourable senators, I have just a few words to say in closing the debate.

Hon. F. B. BLACK: Honourable senators, I presume that if the honourable leader of the House speaks now, further debate will be cut off.

The Hon. the SPEAKER: Yes.

Hon. Mr. BLACK: I am not particularly interested in the constitutional aspect of this question, except in so far as what we are doing may constitute a precedent. I do not see how this appeal to the Crown is going to relieve the situation or change the representation of any province in Canada if the redistribution when made is based upon the 1941 census. Redistribution will be postponed for one, two or three years, possibly, but, after all, unless the present Government or the Government that succeeds it takes another census immediately after the war, the situation will be exactly the same then as it is now with respect to Manitoba and Saskatchewan. This being so, it is not plain to me why we have to go to the Crown. I do not want to say that this is a political expedient—it may or may not be—but why do we have to go to the Crown if we are not to have another census before we have redistribution? Perhaps the leader of the House can answer that question. If he can, I shall be glad to have the explanation.

Hon. Mr. BALLANTYNE: Before the honourable leader rises, may I say that his answer to my request for the tabling of the correspondence between the Quebec and Ottawa governments is neither clear nor satisfactory to me. I understood the leader to say that he did not have the correspondence under his hand at the moment, but might have it later. When my honourable friend concludes his remarks, the debate which is now in progress will be closed, and no one else can speak to the question. Will not the Minister now either give us the definite answer that he will produce the correspondence, or else let us know that he cannot do it?

Hon. Mr. KING: If I may proceed, and if this is the closing of the debate, I will first reply to my honourable friend. The correspondence, of course, is not in my hands. I asked for it this morning and called attention to my honourable friend's request of last night, and I had hoped to have the documents and present them this afternoon. But up to the present time they have not come to me. I personally see no reason why they should not be tabled, and I think they will be, in good time.

Hon. Mr. BALLANTNYE: Too late.

Hon. Mr. KING: They may be too late for an argument, but I think we shall cover that before I sit down.

Hon. Mr. SAUVE: Where is the correspondence?

Hon. Mr. KING: I suppose it would be in the hands of the Ministers who corresponded with the various departments of the provincial Government. Apparently my honourable friend's idea is that there was correspondence between only the Government of Quebec and the Federal Government. Well, other provinces are probably as much interested in this question as is Quebec, and there may be other correspondence.

Hon. Mr. SAUVE: It would be easy to find the letter from the Prime Minister of Quebec.

Hon. Mr. KING: Yes. You may have it, as far as I am concerned.

Hon. Mr. BALLANTYNE: I find it especially difficult to understand why my honourable friend is not in a position to table the correspondence now, since I notified him a week ago that I intended to ask the question.

Hon. Mr. KING: My honourable friend realizes that correspondence between governments cannot be laid on the Table except with the concurrence of the governments concerned. The Government of Canada is, of course, represented by the Prime Minister. Mr. King is most meticulous about public business, and if there are documents which in his judgment can properly be tabled, they will be tabled. Honourable senators may be assured of that.

Hon. Mr. SAUVE: This year?

Hon. Mr. KING: At present I have no knowledge that there are documents of that character.

Hon. Mr. BLACK: Pardon me, honourable senators, but I do not like to see the honourable leader closing the debate until certain questions are answered.

Hon. Mr. KING: I am not closing the debate.

Hon. Mr. BLACK: Then it is understood that other honourable members may continue the debate after the leader speaks?

Hon. Mr. KING: No. If any honourable member wishes to speak, I will wait.

Hon. Mr. BLACK: Am I to get an answer to the question I put to the honourable leader? Another question I should like to ask him is: Have all the provinces of Canada been consulted with regard to this appeal to the Crown for a change in the Constitution?

Hon. Mr. KING: No, I should not think so.

Hon. Mr. BLACK: Then, in my opinion, the procedure is entirely unconstitutional. The Government should consult every province before attempting to have the slightest change made in the Constitution of this country. Until all the provinces give their consent to this proposed amendment, we are not acting within the spirit of the Constitution, the British North America Act.

Hon. Mr. KING: That is my honourable friend's opinion.

Hon. Mr. BLACK: That is my opinion, and I think it is the opinion of most people in Canada who have studied the constitutional question. I do not know whether any other members on this side want to continue the debate. I now have an answer from the honourable leader that the Government did not consult all the provinces with regard to this resolution.

Hon. Mr. KING: I do not know, but I should not think so.

Hon. Mr. BLACK: Unless we are going to have a new census after the war, I cannot see why this amendment is being made. If I get a satisfactory explanation of that, I shall not express any further objection, except in casting my vote.

Hon. GUSTAVE LACASSE: Honourable senators, I do not want to add very much to what has already been said about this resolution, but, since I expect there will be a division, I deem it my duty to state why I am going to vote the way I intend to. I shall vote for the resolution, for reasons more or less identical with those expressed last night by my honourable friend from Toronto (Hon. Mr. Hayden). That means that I shall vote for it without any enthusiasm. And I shall vote for the resolution without any enthusiasm because I was greatly impressed by at least two speeches delivered in this House last night with reference to the sacred contract, or convention, or pact, or whatever astute and learned lawyers may call it, of Confederation. This is a constitutional issue, because it deals with our Constitution, which was agreed to by universal consent of the provinces of Canada. We were treated last night to a very informative and interesting speech by my honourable friend from Grandville (Hon. Sir Thomas Chapais), describing the genesis of our Constitution. Of all the speeches that have been made in this debate, his impressed me most deeply, and I am sure all my English-speaking friends here will be deeply impressed, too, when they have the advantage of reading his remarks in their own language. It is unfortunate that the English translation is not yet available to them.

The second reason why I shall vote for this resolution without enthusiasm—I emphasize that—is that it does not meet with the general consensus of opinion in Canada, particularly in so far as the provincial governments are concerned. I should vote for it with much more eagerness if the governments of all the provinces had expressed themselves in favour of it. Not only have they failed to do this, but one province has expressed its strong opposition to it; a province whose status in Confederation is most important, if only for the fact that its population is taken as a basis for distributing the electoral constituencies in Canada.

My third reason for lack of enthusiasm is my fear that if a few more amendments are made to the British North America Act at shorter and shorter intervals, our Constitution is bound to become in a relatively short time a pale copy of what it was originally. I think that in future we should be very careful before making other amendments. It was stated yesterday by the honourable leader of the House (Hon. Mr. King) that this is, if I remember him correctly, the fourth amendment to the British North America Act in the last quarter-century. That means there has been an amendment every five or six years, on the average. Rather than keep on at that rate, honourable senators, I believe it would be well to follow the advice of the honourable senator from Winnipeg (Hon. Mr. Haig) and appoint a standing committee to look after amendments to the Constitution in future.

In spite of all this I intend, as I have said, to vote for the resolution. Some honourable members might consider my vote to be inconsistent with my remarks. To them I will say that I do not see how the sinister consequences feared by some people will follow the adoption of this amendment to the British North America Act. That aspect of the case has been, to my mind, grossly exaggerated. This is just a measure of a temporary nature, brought about by the extraordinary circumstances of the present time. I am supporting the resolution on that understanding, and I emphasize, as other

honourable members have done before me, the importance of seeing to it that the resolution shall not be regarded in the future as a precedent. I feel very strongly on that point.

Another reason why I shall support the resolution is that the Chamber principally interested in it has already assented to it by a large majority. Since the parties who are most interested have seen their way clear to adopt this resolution, however extraordinary it may seem, I do not see why we should not follow suit and sanction the stand they have taken.

There is one more reason—and this may be the paramount one—for my support of the resolution. I have enough confidence in the Government, in those upon whom rests the heavy responsibility of administering the affairs of Canada to-day, to back them up on this score.

All that I have said, honourable senators, is conditional on the war not lasting ten years or more. We know that in the past one war lasted a hundred years. A day or two ago I read that Italy is making preparations to keep fighting for thirty years, but so far as I can see, that is a pretty high ambition. I do not think the war will last as long as that, but it might last long enough to give some people an opportunity to use this resolution in a wrong way.

Hon. Mr. ASELTINE: If it lasts as long as that, we shall have another census.

Hon. Mr. LACASSE: As to the census, some day it might be decided to ask for another amendment to the Constitution, to provide that a census shall be taken every five years, or every fifteen years. It all depends on the circumstances, and whether what we are doing to-day is taken as a precedent, much as we may try to prevent that. That is why I am so careful to emphasize that this proposed amendment is of a temporary nature only.

That is all I have to say, honourable senators, I hope I have made myself clear, because I do not think anyone should vote lightly on this issue. Every honourable member should take his own responsibility, not only for to-day, but also for the days to come. For whatever words we utter in this House to-day and whatever move we make will constitute another link in the history of Canada. Therefore, we should be very careful as to the views we express and the action we take.

Hon. J. H. KING: Honourable senators, I do not propose to repeat the arguments I advanced last night in support of the resolution.

The honourable leader opposite (Hon. Mr. Ballantyne) has asked for production of the correspondence between the Government of Quebec and the Federal Government. We are, I suppose, all aware, through reports in the Press and references made in another place and here, that recently the Legislature of Quebec passed a resolution protesting against this proposed amendment of the Constitution. As to the correspondence on the subject between the two governments, I can assure the House that it will be tabled if the governments concerned agree and if, to use a current expression, "it is in the public interest."

My honourable friend from Montarville (Hon. Mr. Beaubien), in the excellent speech he made last night, presented the viewpoint of himself and others from his province, and also of certain senators from some of the other provinces. I need scarcely assure him that no Government ever proposes an amendment to the British North America Act until after very careful deliberation. As I intimated yesterday, during the last twenty-five years there have been three amendments to the Constitution. A brief review of those amendments will, I think, have some bearing on the legal opinions which were cited yesterday in regard to the necessity of consulting the provinces in such cases.

The amendment of 1916 was for the purpose of extending the life of the then Parliament. The provinces were not consulted at that time, for the reason that the subject-matter was within the purview of the Parliament of Canada, the British North America Act having divided the administrative field between the provinces and the Dominion. Surely it was intended that, although members of the House of Commons came from the various electoral districts in the provinces, once they arrived in Ottawa and took the oath, their responsibilities were not merely provincial or local; they became Dominion-wide. Therefore the amendment sought in 1916 was absolutely within the jurisdiction of the Parliament of Canada, and consequently the provinces were not consulted.

But in the case of the amendment of 1930 the provinces were consulted, and at a Dominion-provincial conference it was agreed that the vast unorganized areas in the Northwest should be turned over to the provinces of Alberta and Saskatchewan.

The provinces were also consulted in regard to the amendment relating to unemployment insurance, for obviously this is one of the subject-matters within the provincial field.

But surely it will not be seriously contended that the Parliament of Canada, set up to manage the affairs of the nation, must ask the provinces for permission to amend the British North America Act in order to postpone redistribution.

Hon. Mr. BLACK: I do not want to interrupt the honourable leader, but it seems to me the two cases he has cited, the extension of the life of a Parliament and the postponing of redistribution, are not at all parallel.

Hon. Mr. KING: It is a matter of degree, and the first is the greater.

Hon. Mr. BLACK: Every province is interested in a redistribution of seats. Therefore in my opinion the provinces should be consulted, particularly those provinces which are likely to lose some seats on redistribution.

Hon. Mr. KING: The people of the provinces are interested, but not the provincial governments, and the people are represented in the House of Commons by their elected members. Those elected representatives have passed this resolution, and the Senate, which is not an elective Chamber, is now asked to act with the other House in the joint resolution which is now before us.

Some of my honourable friends opposite, among them the honourable gentleman from Montarville (Hon. Mr. Beaubien), have suggested that the adoption of this resolution will create a dangerous precedent. I think they will admit that the amendment of 1916 has not established a precedent. I would say to my honourable friend who has just spoken (Hon. Mr. Black) that to ask the Parliament of Canada to extend its life for another year or two years would in my view be incurring a greater degree of responsibility than to ask that redistribution be deferred for the present. I submit that what is now proposed cannot be used as a precedent, for undoubtedly Parliament will from time to time seek further amendments only as they become necessary to meet certain conditions.

Hon. C. P. BEAUBIEN: My honourable friend says that this resolution could not be used as a precedent. I would ask him: What was he doing just two minutes ago? He was citing a precedent.

Hon. Mr. KING: Not a precedent; a fact.

Hon. C. P. BEAUBIEN: He said that by the amendment of 1916 the life of Parliament was extended at the sole request of the House of Commons.

Hon. Mr. KING: That is right.

Hon. C. P. BEAUBIEN: That is to say, without consulting the provinces. He made that very clear.

Hon. Mr. KING: That is right.

Hon. C. P. BEAUBIEN: And on that basis he pleads for the adoption of the present resolution.

Hon. Mr. KING: Oh, no.

Hon. C. P. BEAUBIEN: If that is not using a precedent, I do not know what constitutes a precedent.

Hon. Mr. KING: No. I am coupling one fact with another. It may be that within five or ten years some condition will arise requiring an amendment to our Constitution. When that time comes, the Government of the day, irrespective of precedent or of anything that has happened before, must take the responsibility of asking for an amendment to the Constitution. No Government could give the undertaking asked for by my honourable friend, that the step now to be taken shall not be treated as a precedent. The Government of the day must assume full responsibility for what it does, but once its action has been endorsed by the House of Commons, then the members of that House, and not the members of the provincial legislatures, become responsible for the course taken.

I think there is a tendency to exaggerate the consequences of the proposed amendment of the British North America Act. Have any serious consequences ensued from the three amendments which I have mentioned? On the contrary, would it not have been humiliating if the Parliament of Canada had told the provinces of Alberta and Saskatchewan, "It is not within our jurisdiction and therefore it is impossible for us to amend the Constitution to enable us to give you your land"? That would have been the situation if my honourable friend's argument were to prevail. In regard to unemployment insurance, if the Government of the day had not taken the responsibility, with the concurrence of the provinces, and obtained the required amendment, this country to-day would be without unemployment insurance legislation. I believe honourable members will agree with me that from time to time occasions are bound to arise which will necessitate a review of the Constitution by whatever Government may be in power.

I appreciate the speech of my honourable friend from Grandville (Hon. Sir Thomas Chapais), but I do not agree entirely with it; indeed, I think he has over-extended his argument. He is one of the senior members of this

Chamber, with a long and distinguished political career, and we all respect his wisdom and learning. Yesterday he gave us an authoritative review of the manner in which Confederation was set up, and, although I have not yet had an opportunity to read his speech, I gather that he expressed the fear entertained by my honourable friend from Montarville (Hon. Mr. Beaubien), that what is now proposed may create a dangerous precedent. I submit that such fears are groundless. I have not the slightest doubt that our parliamentary institution will long continue in full vigour, notwithstanding the adoption of this resolution. As is well known, the step now being taken is rendered necessary by reason of the fact that several members of the House of Commons are not in their seats, but are serving in His Majesty's forces, and that electors who would have been tabulated within their constituencies when the 1941 census was taken were absent either on military duty or at work in war factories.

It has been suggested that the resolution should be amended to provide for redistribution at a certain date, perhaps after another census. This suggestion is impossible of adoption. Nobody in this Parliament or outside can tell when the war will cease. As I see it, we shall have to utilize the census of 1931. The redistribution of 1933, following the 1931 census, was made by the Bennett Government. It is acknowledged that it is an advantage to the party in power to have an opportunity to deal with the redistribution of seats, because its members are always in a majority on the redistribution committee. Fortunately, of late years the pressure of public opinion has discouraged the gerrymandering of seats which in earlier times was resorted to. In the last redistribution, riding boundaries had to be changed because of increase or decrease in population, a block of territory having to be taken off here and a block put on there. This change of boundaries was reflected in the next election.

If redistribution could be carried out at present, and if this Government were looking for an advantage, it would, like most governments, jump at such an opportunity; but I think the Government realizes that it would be unfair and unwise to put through a redistribution measure at this time, and consequently it has asked that the matter be delayed for the time being. As the members of the elected body have almost unanimously endorsed the resolution—I think honourable senators are thoroughly conversant with their recorded vote—I hope this House will adopt the measure unanimously, as it did with all three of the previous resolutions coming to this House.

Hon. Mr. KING.

Hon. C. P. BEAUBIEN: Would the honourable gentleman permit me one question for the purpose of clarifying the atmosphere, at all events as far as I am concerned? Do I understand from him that, in his judgment, he cannot make a declaration to the effect that the passing of this resolution at the present time shall not constitute a precedent?

Hon. Mr. KING: A precedent for what?

Hon. Mr. BEAUBIEN: My honourable friend is quite right in asking that. Nobody can bind and direct the future, if I may put it that way; but it is quite possible that, if my honourable friend would make a declaration of the kind I have mentioned, the vote on this question would be unanimous. That declaration would have great weight in preventing future members of Parliament from saying that a resolution passed at a certain date, and another at such and such a date, constituted precedents. If I for my part wanted to see the resolution passed, I do not see how I could support it without the reservation.

Hon. Mr. KING: My honourable friend is not quite fair. He knows that any statement the Government or I might make would not be worth anything. It would have to be a statement of the Parliament of Canada, and that statement will not be made. I will not try to smooth over anything by making a statement that would be valueless to the people of Canada. It would not be my right to try to induce them to believe there would be no further amendments to the British North America Act. It would be very silly for me to make such a statement.

The motion was agreed to on the following division:

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Honourable Senators

Aseltine	Harmer
Aylesworth (Sir Allen)	Hayden
Ballantyne	Horner
Beaubien (St. Jean Baptiste)	Hugessen
Blais	Hushion
Buchanan	King
Davies	Lacasse
Duffus	Lambert
Du Tremblay	Little
Fallis	Macdonald (Richmond-West Cape Breton)
Haig	MacLennan
Marcotte	Robinson
McIntyre	St. Père
McRae	Sinclair
Molloy	Smith (Victoria-Carleton)
Murdock	Stevenson
Prévost	Sutherland
Quinn	Tanner
Riley	White—39.
Robertson	

NON-CONTENTS

Honourable Senators

Bourque	Paquet
Chapais	Robicheau
(Sir Thomas)	Sauvé—6.
Moraud	

Hon. C. P. BEAUBIEN: I was paired with the honourable senator from Wellington (Hon. Mr. Howard). Had I voted, I should have voted against the resolution.

Hon. Mr. MARSHALL: I was paired with the honourable senator from Red Deer (Hon. Mr. Michener). If I had voted, I should have voted for the resolution.

Hon. Mr. LEGER: I was paired with the honourable senator from Lunenburg (Hon. Mr. Duff). Had I voted, I should have voted against the resolution.

Hon. Mr. BLACK: Honourable senators, I was paired with the honourable senator from Westmorland (Hon. Mr. Copp). Had I voted, I should have voted for the resolution.

DIVORCE STATISTICS, 1943

Hon. C. W. ROBINSON: Honourable senators, it is usual at this stage of the session to present on behalf of the Committee on Divorce a short summary of the work of the committee.

For the present session 106 petitions for Bills of Divorce were actually presented in the Senate and dealt with by the Committee on Divorce, as follows:

Unopposed cases heard and recommended	86
Opposed cases heard and recommended	8
Opposed case heard and rejected	1
Application withdrawn	1
Applications not proceeded with	10
	106

Of the petitions recommended, 29 were by husbands and 65 by wives.

Of the petitions recommended, 92 were from residents of the province of Quebec, and two from the province of Prince Edward Island.

An analysis of the occupations followed by the applicants is as follows: bank clerk, barrister, clerks, designer of millinery, domestic servant, draughtsman, electrician, farmers, hairdresser, hotel proprietor, labourer, lumber agent, manager, manufacturer, mechanics, merchants, motorman, oil refinery operator, operator, painter, papermaker, railway employee, salesman, saleswomen, seamstress, secretaries, sergeant detectives, sheet metal worker, shipper, stenographers, stockbroker, superintendent, tailor, teacher, teletype operator, trucker, waiter, workman.

The committee held twenty-four meetings.

In twenty-seven cases the committee recommended that part of the parliamentary fees be remitted. There has been some discussion about that at different times. The parliamentary fee is $210, and the cost of getting a divorce through Parliament is, I suppose, double what it ordinarily is in the courts; so when part of the fee is remitted it is not a very big concession, after all.

Assuming that all the bills of divorce recommended by the committee and now in various stages before Parliament receive the Royal Assent, the comparison of the number of divorces and annulments of marriage granted by the Parliament of Canada in the last ten years is as follows:

1934	38
1935	30
1936	40
1937	46
1938	85
1939	50
1940	62
1940-41	49
1942	73
1943	94

The Divorce Committee has worked very hard in handling these cases, sitting here many days when the Senate was adjourned, and it would be a great relief if some court could be made available to the petitioners. Honourable members who come from the province of Quebec seem to think it would not be right to open up the courts of that province to these people. I am sorry they take that view, because, although we have a very good committee, I think the cases would be better tried in the courts. We do the best we can, but it seems that these cases are matters of law and should be dealt with in the courts.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. ROBINSON: I wish to goodness that honourable members from the province of Quebec would yield a little, so that we could get them to agree on this.

ADJOURNMENT—BUSINESS OF THE SENATE

DISCUSSION

Hon. Mr. KING: Honourable senators, I move that when the Senate adjourns to-day it stand adjourned until Tuesday, July 13, at 8 o'clock in the evening.

Hon. Mr. HAIG: Honourable senators, may I ask the honourable leader whether there is any possibility of changing that date to the 20th? Will there be any work for us to do on the 13th?

Hon. Mr. KING: Yes, I think so; as far as I know.

Hon. Mr. HAIG: I consulted some members of the House of Commons to-day, and they think it will be the end of next week before they are through with the War Appropriation Bill. I do not like to keep talking about this matter, but it is extremely hard for those of us who come from a long distance to stay around here doing nothing for five days in order to be on hand when there is to be a sitting for a day or two. We have a grievance, a real grievance. If the Government of the day does not want to give us work to do in the early stages of the session, we ought to take the necessary adjournments until work is ready for us.

I do not see any possibility of a long discussion here on the War Appropriation Bill, and since the session is not likely to close before the 24th, at the earliest, I think the honourable leader should consider adjourning until the 20th.

Hon. Mr. KING: My honourable friend would not want to take the responsibility for having us adjourn until the 20th, now that the session is nearing its close. The most important bill for this year is now being dealt with in the other House and has to come before us. In addition, there are a number of other bills in the ordinary run of Government business. As we are expecting Parliament to adjourn on the 24th, I would not take the responsibility of suggesting that the Senate adjourn now until the 20th. I think that would be very unwise.

Hon. Mr. BALLANTYNE: Would the honourable leader indicate to this Chamber what legislation is still to come before us?

Hon. Mr. KING: The most important is, of course, the War Appropriation Bill. The debate on the resolution has been going on for some weeks, and I think is almost concluded. I should look for the Bill to come to us next week. Besides that Bill, to-day's Order Paper for the other House contains these items:

Second reading, Bill 71, an Act to amend the Federal District Commission Act.

Second reading, Bill 74, an Act to amend the Canada Evidence Act.

Second reading, Bill 77, an Act respecting the appointment of auditors for National Railways.

Second reading, Bill 78, the British Columbia Indian Reserves Mineral Resources Act.

In Committee of the Whole: A resolution for the introduction of a measure to amend the Unemployment Insurance Act, to facilitate its operation and to extend its provisions to employees in receipt of remuneration up to $2,400 a year, instead of to those receiving only up to $2,000 a year, as at present.

In Committee of the Whole: A resolution to bring in a measure to authorize the Canadian National Railway Company to issue securities not exceeding $6,046,300 in principal amount to provide the moneys necessary to meet capital expenditures made or capital indebtedness incurred during the calendar year 1943, etc.

Second reading, Bill 107, an Act to amend the Criminal Code.

In Committee of the Whole: A resolution to bring in a measure to amend the Exchequer Court Act.

Second reading, Bill 108, an Act to amend the Department of National Revenue Act.

Second reading, Bill 119, an Act respecting a certain tax convention and protocol between Canada and the United States of America, signed at Washington, in the United States of America, on the 4th day of March, 1942.

And perhaps some measures of which we have no knowledge to-day will be introduced before the session ends.

Hon. Mr. HAIG: Honourable senators, with permission of the House I should like to rise again on this matter. The bills just referred to by the honourable leader cannot get here until the War Appropriation Bill is passed by the other Chamber. The intention over there, I understand, is that that piece of legislation must come first. And, as I have stated, the best estimate I can get from honourable members of that House is that they will not be finished with the War Appropriation Bill until the end of next week.

Hon. Mr. KING: There is no reason why my honourable friend should think he can make a better guess as to that than I, or anybody else, can. Beginning to-morrow, the other House is meeting in the morning and holding three sittings a day.

Hon. Mr. HAIG: Morning sittings may not begin until Monday.

Hon. Mr. KING: They may not, but the proposal is to have them begin to-morrow. We know from experience that things can move along very rapidly in the Commons. I would not take the responsibility of adjourning the Senate until the 20th.

The Hon. the SPEAKER: Honourable senators, the motion is that when the Senate adjourns to-day it stand adjourned until Tuesday next, July 13, at 8 o'clock in the evening. Is it your pleasure to adopt the motion?

Some Hon. SENATORS: Carried.

Hon. Mr. HAIG: No.

The Hon. the SPEAKER: Carried, on division.

The Senate adjourned until Tuesday, July 13, at 8 p.m.

THE SENATE

Tuesday, July 13, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

MONTREAL PUBLIC ABATTOIRS

MOTION—DEBATE ADJOURNED

Hon. ARTHUR SAUVE rose to move:

Whereas serious complaints have been addressed to the Government, Parliament and Press concerning certain commercial operations or proceedings of the Montreal public abattoirs;

Whereas, if these complaints were well founded, they would constitute a great injustice and an intolerable abuse;

In the opinion of this House it is expedient that the Government consider the advisability of setting up, if it has not been made, an investigation into the said operations and proceedings, under the direction of a commission competently representing the Government, the producer and the dealer.

The said commission should prepare, in the shortest possible time, a complete report of its investigation and submit it to the Government and Parliament.

He said: Honourable senators, the weather is so warm that, although the official correspondence in regard to this matter is very cool, I shall be quite brief. I move this motion because the honourable leader of the Government promised that if in conformity with the rules I could find means to get the information I was seeking, there would be no disposition to withhold anything which might properly be placed before this House. As a matter of fact, relying upon my broad parliamentary experience, I formulated questions to show the outstanding points upon which the Government should seek information in order to give a frank, precise and heartening answer concerning the commercial operations of that important market, the public abattoirs of the metropolis of Canada.

Among other facts, the following criticisms were publicly made. Farmers or producers complain that at the Montreal public stockyards dishonest speculators operate in such a way as to avoid paying the seller the amount which is rightfully due him. In a certain case $18 was said to have been deducted for eight hogs duly graded. When the farmer received his money, a few days after his return home, he protested to the Government official, who made many calculations and examined the weight slips, but was unsuccessful in explaining the difference about which the seller was complaining. Finally, the official offered $5 in settlement, but the farmer refused, saying: "I want what is owed to me; if you do not owe me anything, I do not want your money; if my amount, based upon my coupons, is correct, pay me."

The sellers usually complain that they cannot obtain the protection they want. The grader lives among speculators who stay at the abattoirs, and he does not give the required protection and justice. The Liberal member for Chambly-Rouville denounced this unfairness and requested, as I previously did, that a capable and honest representative of the sellers should check the grading and the weighing.

Did the Government take the means to learn the exact conditions at the Montreal abattoirs? Did it have the complainants called before one or more representatives duly authorized to make full inquiry? Did it endeavour to learn the truth concerning particularly the claim of Farmer Albert Godin and others?

In Godin's case, Mr. Alfred Savoie, the senior foods officer for the representative of the Wartime Prices and Trade Board, called the farmer, examined his slips, and finally told him that he would give his opinion after studying the affair; but nothing more was heard from Mr. Savoie. The farmer wrote him again, and received no answer. I myself also wrote him, and did not receive any answer. The correspondence produced proves this. In a letter which is on file, Mr. Alfred Savoie wrote his chief concerning this Godin case and stated that an analysis of the weights given shows clearly the possibility that an error was made, not in the weight of the animals when they were weighed dead, but rather in the case of their live weight. After explaining, Mr. Savoie says:

However, I must add that the weighing of hogs done at the abattoirs when the animals are alive is performed in such a manner that the farmer can check this weighing himself. When the weighing is done upon carcasses, it is effected under the direction and control of authorized officers from the Department of Agriculture, and consequently, in both cases, the farmer is protected as much as possible.

Mr. Savoie does not tell the whole truth. Might not a peculiar meaning attach to the phrase, "as much as possible"? Many producers have complained about the incompetence or neglect of the official in charge at Montreal abattoirs. It was on these complaints that the Liberal member for Chambly-Rouville based his request that the producers should be represented at the weighing and grading of their hogs. He said:

The Government should appoint bacon hog producers as representatives of the farming community, who would be stationed at the slaughter houses, where they would check the weight of those bacon hogs, thereby protecting the farmer's interests. I do not mean that the abattoir owners rob the farmers, but I do say that the latter must accept the arbitrary decision of interested people. Were the Government to hold an inquiry in this matter, perhaps they would find that even in the cattle trade, and in the abattoirs, there may be trust operators against whom the farmers should be protected.

When a farmer, through a trucker or a hog dealer, sends one hundred or one hundred and fifty hogs to the Montreal market, there is no one in a position to decide how many of them fill the conditions required by the Government to warrant the payment of the bonus. The hogs are not weighed in the presence of the farmers or the truckers at the abattoir. They are told to return a week later and learn what amount they are entitled to, how many animals command a premium, and how many are subject to a cut. When the farmer or his representative returns the following week, he finds that perhaps sixty out of one hundred hogs did not entitle him to the bonus, but were subjected to such a cut that no profit could be derived from raising them. This condition should be remedied at once.

What is the answer of the Government to the representations of the member for Chambly-Rouville?

Furthermore, on December 2, 1942, that is, last year, I submitted similar representations to Mr. W. A. Peterson, Superintendent of Animal Production, and to Mr. L. C. Robitaille, Chief of the Agricultural Production Services in Montreal. Here is my letter to them:

Dear Sir,

I wish to tell you that I have heard serious complaints from agricultural producers in my district, one of which is as follows: A farmer takes eight choice hogs to the Montreal abattoir,

Weight—live: 1,750 lbs.
Price—live: $12.60—$220.50
Price—dead: 1,228 lbs. at $16.45,

and receives only $202.

What is the meaning of this difference? Why a decrease of $3? I must tell you that, among the eight hogs, two were graded "select," and the six others "bacons."

The farmers claim that they have no means of checking or verifying the weight. They must take the word of people they do not know: dealers, weighers, etc. They receive a statement from the weigher two or three days after arriving home, and they must abide by it without argument. Is it true? If it is true, I claim with them that the seller should have a representative present when the cattle are weighed or graded at the abattoir. This would avoid fraud and misunderstanding.

Hoping that you will give your answer shortly, I am, etc.

Arthur Sauvé.

St. Eustache, 2nd of December, 1942.

Where is Mr. Peterson's answer? Where is the information he gave the Government? I do not see anything in the file. I am not talking about Mr. Baird, a technician, who does not touch on the points raised.

Did the Government draw the attention of its officers to the seriousness of the statements and denunciation by the member for Chambly-Rouville, who has been twenty years in public life? He is a lawyer who knows the value of words and of evidence. Did the Government ask for an explanation from its weigher and grader? Did it ask him to explain his conduct? Did it confront him with Farmer Godin?

Is it true, yes or no, that an official would offer to pay a farmer for his willingness to withdraw his claim? Did the Government carefully inquire into the truth of this assertion? Did the Government see that the farmer, Godin, was questioned by one of its representatives other than the weigher or grader who was said to be involved? Did it investigate the charges? Did it appoint an investigator?

I understand that the correspondence produced upon an order of the Senate does not go beyond the bounds of the motion, and that it is narrowly restricted, in part, to technical answers which are in strict conformity with the regulations, laws, Orders in Council and memoranda; but it appears that there is no evidence of any steps being taken by the Government to examine earnestly the individual cases which are the objects of serious complaints.

Complaints from producers are not very numerous upon this file if one compares them to those which are heard among the public. Certain farmers who are voicing complaints fear that their criticisms of the officials will bring upon them new difficulties when they go to the markets. Threats are directed against them, and they fear that they will be put upon the black list. I am told that the Farmers' Catholic Union of the province of Quebec is planning a serious investigation into the complaints which have been voiced, in order to find out the exact conditions existing. Better late than never! I hope that this organization will fulfil one of the most noble duties for

which it was created, and that it will report as soon as possible to the Government and to the public.

If the leader of the Government were in a position to state without any doubt that this investigation would now receive all the necessary help, and full and impartial assistance from the Government, I should be willing, with the consent of the House, to withdraw my motion. I do not intend to play politics. I understand that some officials are more guilty than the Government, which in this period of turmoil is handicapped by difficulties in keeping control. But the Government is responsible for the action of its employees, and if, when informed of their incompetence and negligence, it neglects or refuses to take action, it becomes just as guilty as they are, or even more guilty.

I proceeded by correspondence, which gave no satisfacory result; so I have used the tribunal of the Senate to submit complaints on matters of public interest—complaints and charges of fraud committed at the markets of the public abattoirs in Montreal. These charges, founded upon specific cases, are all the more important because, according to assertions made to me by senators from Ontario and the Western Provinces, they are becoming general in every part of the country. There is a devastating black market, which is the worst saboteur of the Allied Nations. In certain cases the Government investigated and dealt with the offenders severely, but it is plain that in this case the Government organization is very far from being satisfactory, and that the application of many of its measures is, at best, clumsy and insufficient, or practically non-existent, or productive of ill results.

It is the duty of every good Canadian to help the Government to put a stop to abuses, fraud and robbery. For my part, I wish before all to put a stop to these complaints and to intolerable wrongs. I claim that farmers, producers, dealers and consumers are entitled to justice, and that those who participate in the black market or rackets in Montreal or elsewhere are traitors of the worst kind and dangerous saboteurs of our most earnest war effort. There should be no privileged persons. Some particularly bold representatives of a certain group, who should appreciate our efforts to protect their brothers from persecution by our enemies, ought to attempt to stamp out the main causes of our complaints and of the contempt in which we hold their peculiarity of action. If we must be unrelenting towards the enemy to the point of shedding our blood and giving our wealth in order to nullify his threats, let us be still more unrelenting towards those who, taking advantage of the difficulties and distress brought about by our enemies overseas, attempt to plunder us at home, rob us of our property, and undermine our morale. This is the enemy the Senate should fight when it falls within our power to do so.

Hon. R. B. HORNER: Honourable senators, in support of the honourable senator who has just taken his seat, I should like to state something of my own practical experience. I might point out that my somewhat radical proposal that the Government should take over all stock-yards in Canada was the result of my personal knowledge of the manner in which farmers and some dealers are being robbed on the markets to-day.

The honourable senator from Rigaud (Hon. Mr. Sauvé) has touched upon a very important point. It is true that some men who know they have been dealt with unjustly are afraid to complain, for fear of what may happen when they come back with their next carload of stock, because the present operators of these markets are absolutely a law unto themselves; or it may be that some of the victims hope that in the future they may possibly work their way into the privileged class.

It is not a question of grade. We have heard a great deal about the charge of a dollar a head for every animal; a horse, for instance. I would ask any member of the Government or any honourable senator to visit the stock-yards and see what occurs there, and what those crowbars or hickory octagon canes do to live stock. The honourable senator from Parkdale (Hon. Mr. Murdock) secured for me an answer to some of the charges I made to the Minister of Agriculture. I believe the honourable senator is sincere, but I do not believe he ever shipped a carload of cattle in his life, or took time to watch what goes on at the stock-yards. I still maintain that horses bought in Western Canada for $75 apiece are sold to farmers in Eastern Canada for from $150 to $200 apiece, or thereabouts.

Commission men are operating in Montreal. They charge a commission of five dollars, and collect eighty cents a day for feed. They are also the owners of horses. They have buyers out who buy as cheap as they can. Then prospective purchasers are told, "I will sell you a horse from this fellow, but you will have to pay pretty well for him." Commission merchants should not purchase the commodity which they are selling on commission; nevertheless, by means of subterfuge this kind of business is being carried on in connection with horses in the cattle market. The commission men are not satisfied with their commissions, but by the use of fictitious names they are buying for themselves and selling at a higher price.

It was a new experience for me, when the honourable senator from Rigaud brought up this question before, to hear his Honour the Speaker rule that no further discussion could take place. I was rather surprised, because to my mind there is nothing of greater importance in this country to-day than this very question. I tried to bring this to the attention of the Minister before our committee, and I said I should like to ascertain the actual prices paid at the packing plants. True, we have been given a figure, but I happen to know what took place in the case of a neighbour of mine. That is why I made the remark that those who need the most get the least. This young fellow refused a buyer's offer for a carload of sheep, a double-decked car, and took them into the market at Winnipeg. It is probable that word went ahead from the buyer: "Here is a green fellow coming down. Nip him." Later when I saw this young chap I said, "How did you get along?" He said, "I lost some $150; the market was down." I said, "It went up the next day, when there were no sheep offered," and he said, "Yes." That is what goes on. On the day when large numbers of cattle are marketed prices are low; the next day they are high. The packer may quote you a price, but probably he does not buy an animal. Therefore I say it is important that the Government investigate and see that proper control is exercised. So far as I have seen, there is none at all. I have visited three or four live-stock markets and have watched the procedure for days, and I think I know what I am talking about when I say that skulduggery of the worst kind is practised. I would not have suggested that the Government take over all these stock-yards if I had not known of the practice and given up hope that it would be rectified. I would ask any honourable senator who can spare the time to visit the stock-yards and watch what is going on, because something should be done to protect the man who is being robbed. I want to support the honourable senator from Rigaud (Hon. Mr. Sauvé), who I think is absolutely right. I have no doubt in the world that people who have registered these complaints have just cause for complaining.

We were asked to produce hogs a little heavier. Well, if a hog dresses three pounds over 180 pounds, you are cut $2. Who is there to see the carcass weighed? Is there a Government man to inspect that? What happens in so many cases is that we are disappointed with results because our hogs have graded a pound or two too much, and that brings the animals down from the select bacon price range to the heavier hog price range.

Some suggestion was made that it was rather surprising how the packers were able to sell at the prices they do, in view of what they pay for the live stock. Well, it is no mystery to me, for although they claim to pay up to 13 cents, the bulk of the live stock is bought at 10 cents.

I feel it is a duty and privilege for me to support the honourable senator from Rigaud (Hon. Mr. Sauvé) in his complaint.

Hon. A. D. McRAE: Honourable senators, a good many honourable members are more qualified than I am to speak on this matter, but it is one that has given me some concern for many years. I am firmly of the opinion that some action must be taken to protect producers of live stock in this country.

Hon. Mr. CALDER: Hear, hear.

Hon. Mr. McRAE: I am somewhat familiar with the situation of which my honourable friend from Rigaud (Hon. Mr. Sauvé) complains. By and large, I am entirely in favour of the present hog grading system, which has resulted in our producing Wiltshire sides and bacon as good as are produced in Britain.

I am an occasional shipper to the market. The hog is graded on the rail after it is killed. It is, as I understand, impossible otherwise to grade a hog properly, because the distinction between the different grades is so slight that you can hardly notice it when the hogs are on the hoof. Just to illustrate that, I will refer to a personal experience. Two years ago at the Vancouver Exhibition I exhibited twelve head in the feeding class. The University of British Columbia, which feeds its hogs according to the most efficient standard, had eight head in the same class, and they were graded ahead of mine in the show ring. I said to the University's representative: "I ship my hogs to the same abattoir as you do. It will be instructive to see how they grade out on the rail." Well, the Government grader on the rail classified nine of my hogs, I think, as select, and three as B-1. But only two of the University hogs were placed in the select class, the remainder being graded as B-1.

I am quite in favour of the high standard that we have obtained in this country.

Hon. Mr. HAIG: Will the honourable senator let me ask him a question? Who does the grading in the abattoir?

Hon. Mr. McRAE: A Government inspector. We producers are thoroughly familiar with the quality of our own animals, and we are

not always satisfied with the grading we get on the rail. It seems that the grading is sometimes too severe. But the report does not come back until four or five days, or perhaps a week, after the grading; so there is no chance for a re-hearing. I do not see how this can be changed. Of course, if the inspector is too severe in his grading, and you find his decisions are not correct, he can be changed. But the hogs are handled so rapidly—in twenty-four hours they are in cold storage—that it is not clear to me just how we can protect the individual shipper.

This question which has been brought up by the honourable senator from Rigaud (Hon. Mr. Sauvé) has to do with a much broader subject than hogs alone. It applies to all live stock produced in Canada. In my province three large abattoirs handle nearly all the live stock. Under our city by-laws the individual killer has been pretty well eliminated; so nearly all the business finds its way into the hands of the three big abattoirs. As there is no common yard in which the live stock is sold, the producer ships his animals to whichever of the three abattoirs he may prefer. There is no competition in that part of the business. The co-operation between our Canadian abattoirs is undoubtedly very close. In fact, I think the abattoirs are one of the bigs trusts that we have in this country. In my opinion, if you take the business by and large over the year, there is virtually no competition. There may be a little on the part of one abattoir to-day, and perhaps on the part of another abattoir to-morrow, but even that little does not exist out in the country.

Considerable stock is raised up in what we call the Cariboo country. A producer up there may be anywhere from 100 to 120 miles from the rail head, and it takes him probably a couple of weeks to bring his live stock down that distance. Once he does get his animals at the rail head, he cannot take them back home; so he must sell them. I am stating this on the best authority, from what has been told me by a man who knows the situation. On sale day there is a large collection of live stock, and three buyers appear. One buyer comes along and looks at a rancher's cattle. Suppose the prevailing price is five cents a pound, as it was a few years ago. The buyer says, "I will give you four and three-quarter cents." As the rancher is convinced that he ought to get five cents a pound for his stock, he approaches a second buyer. This man, who is fully aware of what offer has already been made for the cattle, quotes perhaps $4.65 a hundred pounds. That being unacceptable, the third buyer is approached, and he makes the same offer. So the rancher goes back to the original buyer, who now says: "I have had a further look at your cattle, and find that some of them are not up to grade. I shall have to go over them again." So he goes over them again and then says, "I will give you $4.50 for the rejects and $4.75 for the others. That is the best I can do."

Hon. Mr. HORNER: That is the game.

Hon. Mr. McRAE: There is not a bit of competition in that business. In fact, it is really as though there were but one buyer. Without doubt, the farmer carries the bag. So I am entirely in sympathy with the honourable senator from Rigaud (Hon. Mr. Sauvé) in the complaints he has made.

I do not like Government ownership, but something has to be done with our abattoirs. In case some honourable members may think I am speaking too strongly, let me refer to what happened the first year after our federal pork board began to operate. We got along very well for almost a year, but at the end of that period we found ourselves with a surplus, if my memory serves me rightly, of 33,000,000 pounds of pork, nearly all represented by importations from the Chicago market, where hogs were selling at about $4.50 on the hoof, when we were getting $9 for the finished product here. It is estimated that one or other of our three packers got away with a million dollars. In order to meet the situation, the Government had to reduce the price of pork for about a year. The hog raisers took the loss, of course, and this set back our pork programme also for about a year.

I think I am within the fact when I say that one of the men on the pork board was a representative of one of the packers who brought in this pork from Chicago. That has never been aired in this House before. The importing of this bacon from Chicago and selling of it to consumers in this country at the considerably higher price prevailing here was certainly not a patriotic move on the part of a Canadian packer.

I mention these things to show that the whole business is a pretty difficult one for the farmers of this country. I see the honourable senator from High River (Hon. Mr. Riley) opposite me. He is very much better qualified to deal with this subject than I am, and if he would indicate a desire to speak I should sit down at once.

I only want to add, in conclusion, that the very important subject opened up by the honourable senator from Rigaud must be dealt with at some time, and the sooner the better. Properly operated abattoirs are essential to the successful raising of stock in Canada. Whether we can regulate the abattoirs under anti-trust

law or not, I do not know, but we ought to see to it that the live-stock producer can get a fair return for the produce he sells.

On motion of Hon. Mr. King, the debate was adjourned.

GRAIN STORAGE IN PRAIRIE PROVINCES

REPLY TO INQUIRY

On the Orders of the Day:

Hon. J. H. KING: Honourable senators, on June 30 the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) made an inquiry regarding the supply of lumber for building elevators and granaries for the storage of wheat. I have the following answer:

Arrangements have been made whereby all but a very small percentage of the production of lumber in the provinces of Manitoba, Saskatchewan, Alberta and in the northern and southern interior of British Columbia is to be made available for use in this area for war purposes and essential civilian demands, of which agriculture is considered of major importance. Arrangements have also been made whereby substantial deliveries of lumber produced in the coastal area of British Columbia have been and are made available to the Prairie Provinces.

POSTPONEMENT OF REDISTRIBUTION

CORRESPONDENCE TABLED

Hon. Mr. KING: During the debate last week on the resolution for an amendment to the Constitution in order to postpone redistribution, the honourable leader opposite (Hon. Mr. Ballantyne) asked for production of the correspondence between the Hon. Premier of Quebec and the Right Hon. Prime Minister of Canada. At that time I was not able to comply with his request, as I had learned that the correspondence was not complete. I now table it.

Hon. Mr. BALLANTYNE: Thank you very much.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, July 14, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

Hon. Mr. McRAE.

COMMITTEE ON ECONOMIC RE-ESTABLISHMENT AND SOCIAL SECURITY

REPORT ADOPTED

Hon. NORMAN P. LAMBERT presented and moved concurrence in the third report of the Special Committee on Economic Re-Establishment and Social Security.

He said: Honourable senators, in moving concurrence in this report I should like to point out that adoption of our second report gave authorization to the committee to hold sittings during periods when the Senate is adjourned. It is expected that a sitting of the committee will be called late in September or early in October, to confer with a group of members from the United States Senate and House of Representatives, as arranged for in recent negotiations with representatives of those bodies. Definite dates will be announced later.

The motion was agreed to.

NAVAL, ARMY AND AIR ADMINISTRATION BUILDINGS ON CARTIER SQUARE

NOTICE OF INQUIRIES

Hon. C. E. TANNER rose to give notice:

That he will inquire of the Government in respect to the naval administration building consisting of three storeys of wood construction above basement of concrete, situated on Elgin street, at Laurier avenue, in the city of Ottawa, what are provided as safeguards against fire, particularly:

1. Outside fire escapes of wood or metal?
2. Inside fire escapes from each floor, and what they consist of?
3. Stairways, their dimensions, and whether of wood or metal?
4. Number of fire hose attachments on each floor?
5. Number of chemical fire extinguishers on each floor of building?
6. Number of fire watchers on duty day and night, respectfully?
7. What arrangement or agreement, if any, exists with the City of Ottawa for city fire service?
8. If there is a sprinkler system, is it installed so as to be effective on the outer wooden walls of the building?

He said: I have a similar inquiry in respect to the army administration building, which is immediately at the rear of the naval building; also one in respect to the air service administration building, which is close up to the army building, and faces on Lisgar street.

I may explain that I am making these separate inquiries because I should like to get answers at an early date. Since three

branches of the fighting services are covered, if I included the three buildings in one inquiry, it would be shuffled around from department to department and very likely months would elapse before the information would be forthcoming. I had an experience of that kind last session, and I do not want another. In June of last year I put similar inquiries on the Order Paper. I got an answer in February of this year, and by then it was six or seven months behind the times.

I am asking about these buildings because, while in Ottawa, I reside across the street from some of them, and I am under the impression that they have created in a residential district of the city a tremendous fire hazard. Two of these large wooden buildings cover the whole of Cartier Square, and the other building, facing on Lisgar street, comes close up to the other two. They are all wooden structures, two of them consisting of three stories and the other of two stories. If a fire ever started there, the Lord knows what would happen in that residential district. Furthermore, there is the safety of the people who work there to be considered. I do not know how many there are, but there must be some thousands employed in those buildings. Finally, the country has a tremendous investment in those three buildings. My information is that they have cost the country, exclusive of the furnishings, between two and three million dollars. This is another reason why they should be thoroughly safeguarded from fire.

MONTREAL PUBLIC ABATTOIRS

MOTION—DEBATE CONTINUED

The Senate resumed from yesterday the debate on the motion of Hon. Mr. Sauvé:

That whereas serious complaints have been addressed to the Government, Parliament and Press concerning certain commercial operations or proceedings of the Montreal public abattoirs;

Whereas, if these complaints were well founded, they would constitute a great injustice and an intolerable abuse;

In the opinion of this House it is expedient that the Government consider the advisability of setting up, if it has not been made, an investigation into the said operations and proceedings, under the direction of a commission competently representing the Government, the producer and the dealer.

The said commission should prepare, in the shortest possible time, a complete report of its investigation and submit it to the Government and Parliament.

Hon. J. H. KING: Honourable senators, when I moved the adjournment of the debate last night, since the scope of the proposed inquiry had been enlarged by the remarks of the honourable senator from Saskatchewan North (Hon. Mr. Horner) and the honourable the senior senator from Vancouver (Hon. Mr. McRae), I intended carrying the debate over until next week before making my reply. But my honourable friend from South Bruce (Hon. Mr. Donnelly) has intimated that he has a few remarks to make. I should like, therefore, to clear the way for him, at the same time reserving my right to speak next week.

Hon. J. J. DONNELLY: Honourable members of the Senate, it was not my intention to take part in this discussion, but this morning it occurred to me that there was one matter in connection with the production of beef in Canada that I should like to bring to the attention of the Senate, and through it before the members of the Wartime Prices and Trade Board. I mentioned this to the honourable leader, and I thank him for waiving his right and permitting me to speak at this time.

The honourable member from Rigaud (Hon. Mr. Sauvé) presented his case very well. He gave strong evidence in support of it, and, no doubt, when the Government have an opportunity to do so they will examine into it, and we shall know better about the merits of it when we hear from them.

I am in full accord with what the honourable senator from Saskatchewan (Hon. Mr. Horner) and the honourable senator from Vancouver (Hon. Mr. McRae) said in regard to the packers. They are a close corporation. We send cattle to Toronto, not exactly for marketing, as there is no competition, but for distribution among the packers. The packers, however, serve a very useful purpose: if we did not have them to organize the beef trade and find a market for our cattle, we should have great difficulty.

It occurs to me that possibly many honourable members from the cities will be somewhat confused when they hear talk about the grading of hogs. The honourable member from Vancouver last night showed us that he had a very thorough knowledge of that practice. I may say a few words along the line of our pork products. Some thirty-five or forty years ago the farmers who bred hogs aimed to get an animal with large hams and shoulders and plenty of fat; but that practice had to be modified to meet the tastes of the ensuing generation. Gradually the practice grew up of producing a long, lean hog, with a mixture of lean and fat. When we started sending bacon to the English market we found it necessary, in order to compete with the people of Denmark, who excel in the production of bacon, to be very careful about the type of animal we raised, and there was a general improvement in the type of hog pro-

duced. During the present war that improvement has been carried on to an even greater extent, for the purpose of fulfilling the requirements of the British Government in regard to bacon.

Usually a bacon hog, when finished, weighs from one hundred and eighty to two hundred and twenty pounds. It is then sent to the market, as has been explained. After the hog is killed in the packing plant the carcass is placed on an overhead track, a rail along which the carcasses are pulled very fast by means of pulleys and hooks, and it is while the carcass is going along the rail that the inspectors make their inspection. That is why we speak of rail grade. If the inspectors are capable and honest, they make, I think, a fair inspection; they may make mistakes, but if they are honest they balance up. It is important to the producer of the grade to get a hog of the size I have mentioned, which at present prices of between sixteen and seventeen cents brings him around $25. The standard grades are bacon, but the better grades are classed as selects.

The packer pays the producer a bonus of $1 a head over the regular market price for hogs that are classed as selects. That is the only bonus the packer gives for the higher grading—I am speaking principally of what is done in Ontario—but the provincial Government, in order to encourage the production of bacon, has seen fit to give what is called a hog bonus. Reports are made by the Government inspector and sent in by the producer within three months, and on the basis of these the hog bonus branch of the Ontario Department of Agriculture pays the producer $1 a head for every select hog raised, and 50 cents a head for every bacon hog. Even if the animals are of the right weight, the packer may deduct anything from one to three dollars if they are too fat or, in any other way, not of the proper type.

But, as I said a while ago, it was not so much from a desire to take part in this debate that I asked for an opportunity to speak. The farmers throughout the country are being urged to make a special effort to increase their production of foodstuffs of all kinds, including beef and bacon. Now, there is a great difference between increasing production of bacon and increasing production of beef. A stock man can buy a brood sow and have her bred twice a year, so that she will produce two litters within twelve months. Sometimes there are ten or twelve pigs in a litter, but the average is around seven or eight. At the end of one year he can have seven or eight finished bacon hogs from one sow. So it will be seen that it is a simple matter to increase production of bacon. But it is very difficult to increase production of beef. A man may buy a cow and have her bred, and at the end of the year have a calf two or three months old, but it may be another two or three years before that young animal goes to the market in the form of beef. Most of our beef is produced from steers. I make the statement that the number of steers that will go on the market to be slaughtered in Canada during the next two years is now fixed and cannot be increased. The only way to increase production of beef is to see to it that every animal is kept on the farm until fully grown and properly finished.

It might be pointed out that cows and heifers are also a source of beef. But they are in a different class. The dry cows that go on the market are animals that are not paying their way. When a cow becomes ten or eleven years old she loses her teeth, and is no longer an efficient machine for turning oats and hay into milk and for raising calves; so, not having much value then except as a source of beef, she is sent to market. As to the heifers, many of them will be required for breeding purposes, but in any event it is not possible to increase their weight properly to the same degree as with steers. A heifer, to be handled profitably, must go to the market at around 900 or 1,000 pounds. If the animal fattens too quickly, you get what is called patchy fat, and this commands a lower price on the market. The fat on a heifer of 1,200 pounds is not palatable. In this respect there is a big difference between a fat heifer and a fat steer. I am stating this, not as my own opinion, but on the authority of a buyer for the dining-cars of one of the large railways. He told me his company would not buy a heifer which dresses more than 600 pounds. He added that not only is the fat of a heifer of over 1,200 pounds unpalatable, but it has a tendency to gag anyone who eats it.

Hon. Mr. McRAE: That is correct.

Hon. Mr. DONNELLY: The reason I am dwelling on this is to emphasize the point I have already made, that the only way to increase beef production in this country is to see to it that all the steers, particularly those of beef type, are fully grown and properly finished before being marketed.

I am not speaking for the purpose of criticizing anyone, but there is in connection with the Food Corporation a situation which I am going to explain. There is no doubt as to the facts that I shall state. In 1942, about this time of year, the corporation, which is a branch of the Wartime Prices and Trade Board, started in the business of buying cattle

on the Toronto market. The stock-growers of this country were very dissatisfied: they had been barred from sending their cattle to the United States market. In the course of this debate it has been said that there is no competition among the packers. Well, formerly, if producers did not get what they considered a reasonable price for good cattle, they could load them up and send them to Buffalo. For some reason our Government saw fit to take away this privilege. I am making no criticism in connection with this; I am simply stating the fact that producers were then prevented from sending their beef cattle to the United States. When the Food Corporation began buying cattle at Toronto, they paid the drovers eleven, twelve, twelve and a half, or, in some cases, thirteen cents a pound, and resold the animals to the packers for two cents less. Again, I am not finding fault with what was done, although I think it is worthy of consideration. What the corporation was doing did not become general knowledge for a week or ten days, and in that time our cattle drovers, who are very shrewd people, saw an opportunity to make some money. They bought up cattle—I am speaking now of Western Ontario—at the old price, took them to Toronto and sold them to the corporation at an advanced price that yielded a profit of $20 to $25 a head.

When this got rumoured around, the live-stock producers became very sore about it. They still are sore about it to-day. They have lost confidence in the corporation and, to some extent, in the Prices Board.

There is another point. In the early part of July last year I saw not only carloads, but trainloads, of half-finished cattle being shipped to the market, because the producers could make a good profit on them at that time, at the prices being paid by the corporation, and were afraid of what would happen later on. As a result, thousands of acres of grass were left for the remainder of the season with virtually no cattle grazing on them. That had a very serious effect on the production of beef. To make clear what I mean, I need only give a simple illustration. Suppose a steer, not properly finished, weighs 1,100 pounds at the middle of July. The average increase in weight of a healthy steer of that type when out on the pasture is at least two pounds a day. So every such animal that was allowed to remain on grass from the middle of July to the middle of October, a period of about ninety days, would have gained two hundred pounds in weight. It is easy to see how the total production of beef would have been very much increased had the animals not been sold in the summer.

Not only was the beef production considerably lower than it should have been, but there was a definite falling off in the quality. One reason for that was the announcement by the Prices Board that the ceiling price of meat would gradually drop every month until the fall, and beef producers were trying to take advantage of the high price while they could. In the circumstances they were not concerned so much about the quality as they were about making a profit.

All this has had a very bad effect. One result is that the cattle-raisers of this country have not to-day the confidence in the Food Corporation and the Prices Board that they should have. Our stock-growers must have more confidence in these bodies before we can make a success of producing beef in this country, and it is the duty of everybody interested to try to see that good relations are re-established.

While the situation is not so bad to-day as it was a year ago, only last week I saw many half-finished cattle being loaded for the Toronto market, where there was an advance in the price. What I said about the cattle that were shipped too early last year is true also of these—that if they were permitted to stay on grass until October they would then weigh two hundred pounds more and be of better quality.

Hon. Mr. McRAE: May I ask the honourable senator a question? Is it not a fact that on the 1st of August the price of beef is to be reduced?

Hon. Mr. DONNELLY: The reduction will become effective on the 16th of August. It is because of the general belief among cattle-dealers of this country that the Food Corporation is going to lower the price of beef on the 16th of August, that so many half-finished cattle are being shipped to market now, as was done last year. The fact is that the ceiling price will not be reduced. It is the floor price that will be reduced on the 16th of August. But the ordinary cattle-producers throughout the country hear there is to be a reduction, and they do not bother to inquire into the particulars as to whether it is the ceiling price or the floor price that is to be lowered. Their attitude is that they should ship their cattle now, before there is any reduction, and be sure of getting the present price.

The floor price will be reduced every month until a certain time. The Prices Board argued in support of its action that it is cheaper to produce beef from grass than from grain. This is not a sound argument. The board apparently forgets that a steer

has to be from twenty-four to thirty months old before it is fit to go to market, and must be fed in the stable for two winters on grain to do well on grass in the summer months.

But even if the argument were sound, we are more concerned about results. My contention is that in order to stop this rushing of half-finished cattle on the market, the Prices Board should make no reduction in the floor price and should increase the ceiling price. Then the beef producers would be glad to hold their cattle until the fall, and the total production of beef would be much greater.

The Food Corporation, the Department of Agriculture, and the Prices Board cannot of their own action make any material increase in the production of beef in this country. They can only secure results by getting the goodwill and co-operation of the people who raise our beef to see that the cattle are properly finished before they go on the market. I think I explained that there is no possibility of increasing the number that will be slaughtered for the next two years.

The farmers, as I have said, are not very well satisfied. They are perhaps wrong in thinking the situation is as bad as they picture it. As I have tried to explain, it is not the ceiling price that is being lowered, but the floor price. But the farmers throughout the country are under the impression that the packers take advantage of that situation to drop the price of cattle.

There is something else that our cattle-raisers feel is a grievance. Yesterday's papers showed that on the Toronto market the better class of steers were quoted at from $13.50 to $13.25 per hundred. That is a drop from the week before. On the same day in Buffalo, for a similar class of cattle, the quotation was from $15.70 to $15.75—at least $3 a hundred more. Our cattle men know they are shut out of the American market, but they believe that part of the meat produced from cattle slaughtered in Buffalo will go to Europe to feed the soldiers of the United Nations, and part of the beef from the cattle slaughtered in this country will also go to the same place. Our farmers reason that the American farmers will get $3 more, live weight, for their cattle which end up in the same market and for the same purpose as do our cattle.

As I said a short while ago, I should like the Minister, if he thinks there is any merit in the case, to use his influence to bring it to the notice of the Prices Board and to suggest that there be no reduction in the price of beef from now on to the fall. If that course were taken, our people would keep their cattle on the grass, and, as there is an abundance of grass, there would be a great increase in the total production of beef in this country. That is the only way to bring about an increase in production, and also an improvement in the quality of the beef.

Hon. Mr. McRAE: Am I right in thinking that the floor price is the price to the consumer, or at least the wholesale price?

Hon. Mr. DONNELLY: It is the wholesale price to the trade.

Hon. Mr. McRAE: The net result, as I understand it, is that when the floor price is reduced, that reduction passes all the way back to the producer, and in the end is a reduction on the price to him.

Hon. Mr. DONNELLY: That is the effect. I may say that the statement I have made about ceiling and floor prices I obtained from the Food Corporation; so there is no question about its correctness.

On motion of Hon. Mr. Sinclair, the debate was adjourned.

ADJOURNMENT

DISCUSSION

Hon. Mr. KING: Honourable senators, I move that when the House adjourns to-day it stand adjourned until Tuesday, July 20, at 8 p.m.

Hon. Mr. HAIG: Honourable members, I had not intended to raise the objection which I raised when we last adjourned, but I should like to ask the Minister what business will be ready for our consideration next Tuesday?

Hon. Mr. KING: "Hope springs eternal."

Hon. Mr. HAIG: But the opposition in the other House control the hope.

Hon. Mr. KING: I think they are hopeful.

Hon. Mr. HAIG: Mine may be the only protesting voice, but I am still objecting to short adjournments.

Hon. Mr. KING: Objection registered.

Hon. Mr. HAIG: Apparently I am getting no support, but I intend to continue to raise objection. The honourable leader opposite seems to think that because the Government supporters and the official Opposition in the other House hope that the session will be concluded by a certain date, the matter is settled. But I submit such is not the case. It is the back-benchers who determine when the session shall end. To-day we have in the House of Commons what I may term a split opposition. I had some experience of what this means while I was in the Legislature

of Manitoba from 1920 to 1935: debates were twice as long as when there were two parties only. I think that in fairness to members who live a long way from the capital our adjournments should not be so short. To put it mildly, it has been rather tiresome to have had to stay in Ottawa since June 29 for the purpose of doing merely two days' work in this Chamber. Now we are again to adjourn, this time until the 20th. Next session we ought to have a promise from the honourable leader of the House (Hon. Mr. King) that consideration will be given to the views I am expressing. I have been told by members much senior to myself in this Chamber that objections similar to mine have been raised before, but without result. This may not afford me encouragement to persist, but I shall continue to raise my voice in protest until the improvement I am contending for is brought about. It may be a mean thing to do, but I may as well state now that next session I intend to cite figures to show just what has been done this session between adjournments. I do not think it is fair to ask business men to stay here week after week with nothing to do, simply because the House of Commons will not give the Senate any work. At the present time the Government might well have initiated in this House much of the legislation now on the Commons Order Paper, such bills, for example, as those to amend the Criminal Code and the Farmers' Creditors Arrangement Act. Those bills could be dealt with in this House, and, if not acceptable when they reach the other House, could be amended there. I repeat, it is unfair to ask members of this Chamber to remain here from week to week with nothing to do, and again I protest against short adjournments.

I should like to ask the Minister whether he has any idea as to when the session will be concluded.

Hon. Mr. COPP: Not this week.

Hon. Mr. KING: My honourable friend has had sufficient experience in this Chamber to know that he is not voicing any new grievance. Soon after Confederation the Senate had to complain of the lack of legislative business. As I said the other day, and as has been said by other members, this is not an ordinary session of Parliament. The country being at war, the whole legislative programme this session has had to do with war measures, and naturally such measures must first come before the elected members of Parliament. As for the time the other House has taken to conduct its business, it is neither within my province nor that of my honourable friend to criticize. We are, I believe, nearing the end of the session.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. KING: Members of the Commons have had the War Appropriation Bill under discussion for many weeks, and as they are holding three sittings a day and intend, I believe, to sit next Saturday, we have good reason to believe that the War Appropriation Bill and other bills will be ready for our consideration when we meet next Tuesday.

We shall adjourn, with the reservation, of course, that if His Honour the Speaker should deem it necessary to summon us back at an earlier date he may do so.

Hon. Mr. EULER: Honourable senators, I might make a suggestion, though perhaps I am out of order. In view of what the honourable senator from Winnipeg (Hon. Mr. Haig) has said, with which I agree to a certain extent, would it not be possible, when there is uncertainty as to whether or not there will be any business before us next week, to authorize the Speaker to notify us as soon as the leader of the House advises him that there is actually legislation for us to deal with? We did that last year. The summoning of members could be done at very small expense.

Hon. Mr. KING: The Speaker has that power now.

Hon. Mr. EULER: Then I do not see why we could not follow that course. It would certainly avoid our coming here to no purpose.

Hon. Mr. ASELTINE: That would not help those members who live four days' train journey from here.

Hon. Mr. EULER: But because such a plan would not help some senators is no reason why it should not be adopted to help others.

Hon. Mr. KING: It would be a rather loose way of running the business of the Senate.

Hon. Mr. CALDER: What legislation is likely to come before us in addition to the two measures mentioned by the honourable senator from Winnipeg? Is there any important legislation that we shall have to deal with before the end of the session?

Hon. Mr. KING: There are a number of bills on the Order Paper of the other House for second reading, and I understand it is the intention to proceed with them on Saturday. The other day I mentioned four or five such measures.

You cannot conduct the Senate on the assumption of the leader saying, "We will adjourn until the Speaker calls us." The Senate in some quarters is not in particularly good odour now, and that would be a ridiculous position.

Hon. Mr. HAIG: No more ridiculous than at present.

Hon. Mr. KING: I do not think the country has suffered from the occasional scarcity of work we have had in the Senate. There have been two occasions only when we have not had much business before us. It is all very well for men with important business connections to desire that this Chamber should adjourn to suit their convenience, but that is not the primary consideration. Appointment to this Chamber involves certain duties. In consultation with my honourable friend opposite (Hon. Mr. Ballantyne), I have tried as far as possible to meet the convenience of senators generally. Of course, it is troublesome for my honourable friend from Winnipeg (Hon. Mr. Haig) to have to stay here for a few days, but many of us have had to remain here throughout the session in order to be on hand when business reached us from the other House; and I believe that business has been dealt with in a fairly satisfactory manner. I cannot see any advantage, at all events at this stage of the session, in raising the objection raised by my honourable friend. We are nearing the end of the session and there will be business to transact, and I should not like to take the responsibility as Government leader in this Chamber of saying that we should adjourn to-day to re-assemble at the call of the Speaker. I do not think my honourable friend (Hon. Mr. Euler) would seriously press that suggestion if he thought it over.

Hon. Mr. EULER: I do not want to speak again; I know we are all out of order—

Hon. Mr. KING: Then why continue?

Hon. Mr. EULER: I am not the only offender, if I may say so to my honourable leader. But what he has said has not moved me in the slightest. I still believe that what I suggest would be eminently practicable—and it has been done on other occasions.

Hon. Mr. KING: No.

Hon. Mr. EULER: I beg pardon.

Hon. Mr. KING: A date has always been fixed, subject to recall by His Honour the Speaker.

Hon. Mr. EULER: That is what I am suggesting. I understand that the honourable leader has fixed a date in his motion, but that it is to be subject to the call of the Speaker.

Hon. Mr. MURDOCK: We have set a fixed date.

Hon. Mr. EULER: All right.

The Hon. the SPEAKER: Perhaps I may clarify this point. When power was given to the Speaker to recall the House before the date fixed for resuming, a specific date was set, and the members were recalled only if necessity arose.

Hon. Mr. EULER: Surely that is a distinction without a difference. I apologize to the House for speaking again, but I feel rather strongly on the matter. If the House adjourns to a fixed date, but His Honour the Speaker has power to call it earlier, what does that mean? Adjourn to a fixed date if you like, but fix it sufficiently far away to mean something; then, if there is business to be done in the meantime, the Speaker can call the House.

Hon. Mr. COPP: That leaves it in the hands of the Speaker to call the House at his wish and pleasure.

Hon. Mr. EULER: It is not at his will and pleasure. I have not changed my opinion that my suggestion would be worthy of consideration at another session.

Hon. Mr. CALDER: My understanding of the situation is briefly this: that any time during the session when the House is adjourned His Honour the Speaker has the right to recall the members if there is any reason for so doing. Early in the session the House passed a motion to that effect, and it applies to every adjournment of the House.

Hon. Mr. EULER: But that is of no value if you set a date within a few days.

Hon. Mr. CALDER: It does not make any difference what the date is. As I understand it, the object of the motion passed was to provide a means whereby the Speaker could at any time during an adjournment call the House together, if necessary, and without any separate motion to that effect—

Hon. Mr. KING: That is right.

Hon. Mr. CALDER: —or without providing for it every time.

Hon. Mr. EULER: If the motion before us passes—and I am confident it will—we shall meet on Tuesday next, and the power given the Speaker to recall the House is of use only if we adjourn to a fixed date at some distance in the future.

Hon. Mr. CALDER: Not necessarily. There might be good reason for calling the House together on Monday next.

Hon. Mr. DONNELLY: There has been quite a little discussion in regard to this adjournment. I do not know that it is good policy to have it appear in Hansard, and I suggest that it be omitted.

Hon. Mr. ROBINSON: Hear, hear.

The Hon. the SPEAKER: Is that the unanimous wish of the House?

Some Hon. SENATORS: Agreed!

Hon. Mr. HAIG: I would not consent to that at all.

Hon. Mr. KING: The discussion is of no value.

Hon. Mr. DONNELLY: The discussion is not going to improve the standing of the Senate; therefore I suggested that it should not appear in Hansard.

The Hon. the SPEAKER: I should like to point out that at present there is no occasion for terminating a long adjournment. We all know that we are in the final days of the session. At another session of Parliament it might be advantageous to discuss this question, but now it is of no immediate practical benefit.

Hon. Mr. COPP: And it is out of order.

The Hon. the SPEAKER: And it is out of order.

Hon. Mr. HAIG: When the honourable gentleman moves the adjournment to a certain date, the motion is debatable, and I am quite in order in debating it.

The Hon. the SPEAKER: That is true, but the motion before the House is not a motion to adjourn; it is a motion regarding the date to which the Senate should adjourn.

Hon. Mr. HAIG: And that is debatable.

The Hon. the SPEAKER: It has been moved by Hon. Mr. King, seconded by Hon. Mr. Copp, that when the House adjourns to-day it do stand adjourned until Tuesday evening next, the twentieth of July, at eight o'clock.

The motion was agreed to.

The Senate adjourned until Tuesday, July 20, at 8 p.m.

72542—21

THE SENATE

Tuesday, July 20, 1943.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILLS

COMMONS AMENDMENTS

A message was received from the House of Commons with Bill T2, an Act to incorporate the Felician Sisters of Winnipeg, with several amendments.

The Hon. the SPEAKER: When shall the said amendments be taken into consideration?

Hon. Mr. KING: Next sitting.

A message was received from the House of Commons with Bill X2, an Act to incorporate the Church of God, with several amendments.

The Hon. the SPEAKER: When shall the said amendments be taken into consideration?

Hon. Mr. KING: Next sitting.

FEDERAL DISTRICT COMMISSION BILL

FIRST READING

A message was received from the House of Commons with Bill 71, an Act to amend the Federal District Commission Act, 1927.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

CANADA EVIDENCE BILL

FIRST READING

A message was received from the House of Commons with Bill 74, an Act to amend the Canada Evidence Act.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

NATIONAL RAILWAYS AUDITORS BILL

FIRST READING

A message was received from the House of Commons with Bill 77, an Act respecting the appointment of Auditors for National Railways.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

BRITISH COLUMBIA INDIAN RESERVES MINERAL RESOURCES BILL

FIRST READING

A message was received from the House of Commons with Bill 78, the British Columbia Indian Reserves Mineral Resources Act.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

CRIMINAL CODE AMENDMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 107, an Act to amend the Criminal Code.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

DEPARTMENT OF NATIONAL REVENUE BILL

FIRST READING

A message was received from the House of Commons with Bill 108, an Act to amend the Department of National Revenue Act.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

CANADA-UNITED STATES OF AMERICA TAX CONVENTION BILL

FIRST READING

A message was received from the House of Commons with Bill 119, an Act respecting a certain Tax Convention and Protocol between Canada and the United States of America, signed at Washington, in the United States of America, on the 4th day of March, 1942.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

TRANSFER OF LANDS BILL

FIRST READING

A message was received from the House of Commons with Bill 133, an Act to confirm the transfer of certain lands to Ontario and Quebec.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

EXCHEQUER COURT BILL

FIRST READING

A message was received from the House of Commons with Bill 134, an Act to amend the Exchequer Court Act.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

FIRST READING

A message was received from the House of Commons with Bill 135, an Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1943, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

UNEMPLOYMENT INSURANCE BILL

FIRST READING

A message was received from the House of Commons with Bill 136, an Act to amend the Unemployment Insurance Act, 1940.

The Bill was read the first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

SOLDIER VOTE IN ONTARIO ELECTION

INQUIRY

On the Orders of the Day:

Hon. G. V. WHITE: Honourable senators, before the Orders of the Day are proceeded with, I wish to direct the attention of the

honourable leader of the Senate to an article which appeared in this morning's Press under the caption, "Reserves in camp not able to vote." It reads:

Toronto, July 19.—(CP)—Major Alex Lewis, Clerk of the Legislative Assembly, said to-night that members of Reserve Army units in M.D. No. 3 with headquarters in Kingston, who leave for camp at Connaught Ranges, near Ottawa, July 25, will not have the opportunity to vote in the August 4 Ontario general election.

Major Lewis said the situation was caused by the fact that official nomination day is fixed for July 28—three days after the reserve units have gone to camp. Ballots cannot be printed until after the official nominations and therefore it is impossible for the men to vote in advance polls.

Reserve units in M.D. No. 1, London, and M.D. No. 2, Toronto, may vote in advance polls July 31, day before they leave for their two-week camp.

Although he could give no detailed estimate of the numbers involved in the Kingston military district, Major Lewis said they comprised several units.

In view of that announcement, will the necessary steps be taken by the Government to make sure that these men of the Reserve Army are not deprived of their franchise on August 4? Recently I had the privilege of witnessing several units of the Reserve Army at one of the training centres, and I was much impressed by the manner in which the men responded to the intensive training which they are compelled to undergo. These men come from many walks of life. A large number of them served in the last war, and some are professional men and business men. They have made considerable sacrifice in becoming part of the Reserve Army and doing their share of this training, and I think it would be an injustice if they were not permitted to exercise their franchise.

Hon. Mr. KING: It would be difficult for me to give a definite answer to my honourable friend. The provincial Legislature has made provision for men overseas to vote by proxy, but I do not believe that provision would apply to men in Canada. It would seem to me, speaking off-hand, that if the Government undertook to bring back to the province by the 4th of August all Ontario men who have joined the various branches of the armed services, it would be a tremendous undertaking, because undoubtedly these men are scattered from Newfoundland to Alaska.

I shall be glad to bring my honourable friend's remarks to the attention of the Minister of Defence. I know he will be most sympathetic if a plan can be worked out whereby these men are able to exercise their franchise. But we must remember that we are at war, and these men are in the armed services. If their return to Ontario by the 4th of August would interfere with the work of the services, I am very doubtful if the Department of Defence would be inclined to consider the matter favourably. However, that is but my personal opinion. As I have already said, I shall bring my honourable friend's questions to the attention of the Minister of Defence and also of the Government.

Hon. Mr. WHITE: I should like to draw my honourable friend's attention to the fact that I was referring to the Reserve Army. These men are all in camps within the province.

Hon. Mr. KING: In the Reserve Army only?

Hon. Mr. WHITE: Yes.

Hon. Mr. KING: What about men in the other divisions who would like to exercise their franchise?

Hon. Mr. WHITE: Men who are in the active forces?

Hon. Mr. KING: Yes.

Hon. Mr. WHITE: Surely some provision is being made to enable them to vote by proxy.

Hon. Mr. KING: Not in Canada, I think.

Hon. Mr. WHITE: The first battalion of the regiment with which I have been associated for many years was doing coastal duty down in the eastern part of Canada until recently, and now it has been moved to Western Canada. Surely the men in that battalion will not be deprived of their franchise.

Hon. Mr. KING: I am not sure what provisions were made by the Ontario Legislature. I understand that there is provision for men overseas to vote by proxy, but I am not sure about this. My honourable friend would know better than I.

Hon. Mr. DONNELLY: My understanding is that provision has been made for voting by proxy by all Ontario residents who are on active service outside the province. What my honourable friend from Pembroke (Hon. Mr. White) is referring to is the Reserve Army, which is undergoing training at various camps in Ontario. The point he makes, as I understand, is that, these men being in uniform, the Government has some responsibility for seeing that they get a reasonable opportunity to vote. Of course, the voting is really a provincial matter.

ADJOURNMENT OF THE SESSION

NOTICE OF MOTION

Hon. Mr. KING: I desire to give notice that at the next sitting I shall move:

That when the Senate adjourns, on completion of current business of the session, it stand adjourned until Wednesday, January 26, 1944, at 3 o'clock in the afternoon.

Of course, in this connection honourable senators will bear in mind the reservation made in a resolution passed early in the session, whereby in case of emergency or necessity His Honour the Speaker may call members together at an earlier date.

Hon. Mr. BALLANTYNE: Could the honourable leader inform us when Parliament is likely to adjourn?

Hon. Mr. KING: I am afraid I cannot give any definite information. The Government hopes that the business of the session will be concluded this week.

Hon. Mr. BALLANTYNE: This week is a possibility?

Hon. Mr. KING: Yes.

COMMITTEE ON FINANCE

NOTICE OF MOTION

Hon. Mr. KING: I am advised by the Clerk of Committees that if next session we wish to continue the Standing Committee on Finance with its enlarged membership of twenty-five senators, I should give notice of the following motion:

That rule 78 of the Rules of the Senate be amended by striking out paragraph 17 and substituting the following therefor:—

17. The Committee on Finance, composed of twenty-five senators.

If this motion carries to-morrow, I would suggest that when the time comes for striking that committee we should bear in mind the view expressed by some senators that its membership should be still further enlarged.

MONTREAL PUBLIC ABATTOIRS

MOTION—DEBATE CONTINUED

The Senate resumed from July 14 the debate on the motion of Hon. Mr. Sauvé:

That whereas serious complaints have been addressed to the Government, Parliament and Press concerning certain commercial operations or proceedings of the Montreal public abattoirs;

Whereas, if these complaints were well founded, they would constitute a great injustice and an intolerable abuse;

In the opinion of this House it is expedient that the Government consider the advisability of setting up, if it has not been made, an investigation into the said operations and proceedings, under the direction of a commission competently representing the Government, the producer and the dealer.

The said commission should prepare, in the shortest possible time, a complete report of its investigation and submit it to the Government and Parliament.

Hon. J. E. SINCLAIR: Honourable senators, when this motion was last before us the honourable senator from Rigaud (Hon. Mr. Sauvé) mentioned one or two points that, it seems to me, require further explanation.

Had this motion come before us earlier in the session, I think the proper course would have been to refer the matter to our Committee on Agriculture, so that the officials whose names were mentioned could attend before the committee and we could also secure evidence of how the abattoirs in Montreal and other places are conducted, and what control is exercised over them by the Department of Agriculture; but at this stage we could not undertake an effective investigation. Next session we could give the matter careful consideration and hear evidence from all interested persons.

The honourable senator from Rigaud mentioned two points which I thought should be cleared up. After consultation with the honourable leader of the House (Hon. Mr. King), I asked the the Department of Agriculture to give me any information it might have from its inspectors, and also with reference to Mr. W. A. Peterson, who was described by the honourable member from Rigaud in a letter to him as administrator under the Wartime Prices and Trade Board. This officer is in the Live Stock Division of the Production Branch of the Department of Agriculture, and was loaned to the Wartime Prices and Trade Board to help it in the early stages of its organization, but on the 1st November, 1942, he returned to his duties in the department. The letter so addressed never reached him, but was answered by Mr. Baird, the man who succeeded him on the board. I think it is only fair to Mr. Peterson to make this explanation.

Hon. Mr. SAUVE: I wrote to Mr. Peterson on December 2, 1942. I received no answer from him, but heard from Mr. Baird.

Hon. Mr. SINCLAIR: I have before me a copy of the letter of December 2, 1942, to Mr. Peterson and the reply of December 8, 1942, from Mr. Baird as Assistant Director, Live Stock and Poultry Products. It was written from the Royal Bank Chambers, Ottawa, and this is the first paragraph:

I have for attention your inquiry of the 2nd instant addressed to Mr. Peterson with reference to the price received for dressed hogs as compared with the live returns.

Hon. Mr. SAUVE: Yes.

Hon. Mr. SINCLAIR: I cite that in order to show that there was no oversight by Mr. Peterson or the department in attending to the honourable senator's letter. It was given proper attention by Mr. Baird, Assistant Director of Live Stock and Poultry Products with the Wartime Prices and Trade Board, the letter having been addressed to Mr. Peterson, Administrator of Live Stock and Live Stock Products with the Wartime Prices and Trade Board.

The honourable senator from Rigaud made a serious reflection on an official in the Montreal abattoirs, to whom he referred both on April 15 and July 13 when he brought this matter before the Senate. He stated that an official had offered $5 to a farmer in settlement of a dispute in regard to the price received for hogs sent to the abattoirs, the farmer being dissatisfied with the grading. I asked the department for any particulars it might have in regard to this complaint, and I have in my hand a translation of a letter addressed by the grader, Paul Laliberté, to the supervising grader, Mr. R. K. Bennett.

I may explain that the method of the department in handling the grading of hogs at abattoirs is the same all over Canada. The supervising grader checks the grader's work as often as possible, the main purpose being to secure uniformity and to prevent any failure on the grader's part to conform with the regular practice. This is the letter:

Montreal, Dec. 29, 1942.

Mr. R. K. Bennett,
Supervising Grader,
316 Bridge Street,
Montreal.

Re Sale of 8 Hogs by Mr. A. Godin at the Eastern Market, on Nov. 17, 1942.

Dear Sir:

In reply to your request I wish to submit the facts of this case.

On November 17, 1942, Mr. A. Godin, of St. Eustache, came to the East End Market to sell 8 hogs (A. Sarrazin, trucker). After having made inquiries regarding the price Mr. Godin agreed to sell his hogs to Modern Packers for $16.45 per 100 lbs. dressed.

These hogs were killed in a lot of 42, comprising 39 straight hogs and 3 sows. The carcasses were graded as follows: 2 A's, 4 B1's and 2 Ridgelings, with a total hot weight of 1,228 lbs., and were settled for by the buyer as indicated on the attached settlement sheet and grading certificate.

When he came to the market some time later Mr. Godin pretended that there was approximately $20 coming to him. This represented the difference between the value of the hogs on a basis of live weight without taking the grade into consideration, as compared with the net amount on the settlement.

The tickets were checked in the presence of Mr. Godin and Mr. Sarrazin and I added up the individual weights on the tickets. Everything was found to be in order as shown on the grading certificate and the settlement.

Mr. Godin then met Mr. Morris Pinsky, chief buyer for Modern Packers. The latter, after having listened to Mr. Godin's story and having checked everything, stated that everything was in order and that he owed this farmer absolutely nothing. He added, however, that, considering the fact that Mr. Sarrazin was a regular shipper and that he wished to keep his goodwill, he was willing to offer him $5 out of his own pocket. Mr. Godin refused this offer, demanding that he be paid the difference as represented by the live weight, 1,750 lbs., at $12.60.

As Mr. Godin chose to sell his hogs on a basis of dressed weight, it would seem that the only point in question is whether the dressed weight of 1,228 lbs. is correct. It is evident that this is the case as proved by the following facts.

(1) The automatic scale was checked in the regular manner before the kill on Thursday, the 19th November, 1942, and I found it to be exact.

(2) It is true that it was impossible for me to clearly read the tattoo mark Y 773 on one of Mr. Godin's hogs because this had been accidentally shaved up on the killing floor. However, as all the hogs in the lot of 42 were clearly tattooed each lot checked out; this left only the lot of 8 for me to complete, and I am absolutely certain that the hog bearing no number belonged to Mr. Godin.

(3) The yield of the lots of hogs killed at the same time and in the same lot of 42 is about the average; for example, the 18 hogs from Mr. A. Emond, of Glengarry, yielded 76·2 per cent.

There is always the possibility that an error was made at the time the hogs were weighed alive.

For your information I wish to point out that the tickets are not on file because the buyer for Modern Packers who asked for these tickets in order to make a check gave them to Mr. Sarrazin, who has not brought them back.

Yours very truly,

(Sgd.) Paul Laliberté,
Grader.

I think that explains the situation. The farmer could not very well come back and claim a settlement on a live weight basis after having agreed with the trucker to sell his hogs on the dressed weight basis.

Hon. Mr. SAUVE: That was not Mr. Godin's statement.

Hon. Mr. SINCLAIR: According to this statement the $5 was offered, not by an official of the Government, but by Mr. Sarrazin, a trucker who sells hogs in this way.

Hon. Mr. SAUVE: Oh, no.

Hon. Mr. SINCLAIR: That is the explanation I have been given. If further information is required, the proper way to get it would be, I think, as I have already suggested, at the beginning of next session.

I may explain—though perhaps I have explained sufficiently—that the graders keep a very close check on the scales at the abattoirs. They are responsible for checking the scales at the beginning of every kill. If the kill is a large one, they check at intervals during the course of the kill. The scales used at all the abattoirs are automatic and punch a ticket which is given to the grader, and it is available to the owner of the stock, or the man who has purchased them; so there is not much chance for differences to occur in that regard.

It has been suggested that the producer should be represented at the taking of the weights. That is a reasonable suggestion; but in all the stock-yards and abattoirs in eastern and central Canada the producers' organizations are quite active. I am not so well posted about those of the West, and cannot speak about them. I know that in our province we have a live stock board which is a farmers' organization. It sells hogs for the members to the Moncton abattoir or in Montreal, according to the market. There is a similar board in New Brunswick, and in the province of Quebec there is a large farmers' organization known as the Co-operative Fédérée, which, I think, in 1942, sold about forty per cent of the hogs sold at the Montreal abattoir, either through the stock-yards or direct. These producers' organizations have representatives watching the business going through the stock-yards and abattoirs where they deem it necessary. Also, in Ontario there is the organization of the United Farmers of Ontario, which is co-operative. With all these organizations representing the producers, I do not see that much is to be gained by having representatives appointed in other ways to watch the weights in stock-yards or abattoirs.

A point that is worthy of consideration is this. The inspection of the weights is of benefit to both parties to the bargain. If the scales are weighing over, it is to the benefit of the packing house to have them tested; if they are weighing under, the testing is to the benefit of the other party. In other words, it is in the interest of both sides that the scales be right. I do not think there is anything that would induce either party to tamper with the scales, and I feel quite sure that reasonable precautions are taken by the Department of Agriculture, through its representatives, to see that this business is carried out in a manner which is fair to both parties.

Something has been said about the competition that takes place at the stock-yards. There may be some grounds for suspicion or dissatisfaction in that regard. But the fact is that the stock-yards are largely owned by private companies. The stock-yards at Montreal are owned largely, I think, by the railways; those in Toronto are operated by a joint stock company. The packing houses or abattoirs really have no interest in the stock-yards in the East, and I think the same is true in Winnipeg. As to those farther west, I cannot say.

Hon. Mr. HORNER: May I ask the honourable gentleman a question?

Hon. Mr. SINCLAIR: Yes.

Hon. Mr. HORNER: Does the honourable gentleman state positively that the packers are not interested in or part owners of the stock-yards?

Hon. Mr. SINCLAIR: The information I have is that the stock-yards at Montreal are owned by the railways, and at Toronto by a joint stock company. At one time it was an American company.

Hon. Mr. HORNER: They are owned by the railways, and various packing companies have a certain interest in their operation.

Hon. Mr. SINCLAIR: The railways are responsible for the operation of the yards that they own, and the commission men and speculators who operate there are licensed and bonded by the Department of Agriculture. If any irregularities occur they are immediately brought to the notice of the yard by the department, and if the Exchange—which is an organization of those interested in dealing in the yard—does not discipline the offenders, the department does.

Hon. Mr. HORNER: Oh, oh.

Hon. Mr. SINCLAIR: The honourable member may laugh, but these are the explanations I have received from the official who is in charge of the control and inspection of stock-yards.

I think it is a good thing for a discussion of this kind to occur in this House or in the other branch of Parliament, because it brings out the facts. Earlier in the session, as I have said, we could have had representatives of both sides appear before a committee and give us information.

At our last sitting the honourable senator from South Bruce (Hon. Mr. Donnelly) spoke about the setting of the price on beef and cattle products, the effect it might have, and did have, in encouraging producers to market cattle before they were properly finished, the waste of pasture, and the fact that the producers could have got more weight and more money at an even price. The information I have in that regard is as follows:

When the overall price ceiling was established in the autumn of 1941, cattle prices in relation to all other prices were not unsatisfactory for that time of year. In the spring of 1942 cattle prices began to rise rapidly in the United States and it became profitable to export cattle up to the full quota eligible to enter the United States at the reduced rate of duty.

One result of this rise in prices in the United States was to disorganize cattle marketing by influencing producers during the last month of each quarter to hold cattle back from the market in the hope of getting them into the United States at the low rate of duty as soon as the next quarter opened.

The result was a rush of cattle into the export market for a few weeks at the opening of each quarter and a holding back of cattle for the last month of each quarter.

By early summer of 1942 the total supply of beef cattle being marketed began to run short of demand. The Department of Munitions and Supply had difficulty in securing sufficient supplies to meet the current demands of the armed forces, and in the larger urban centres, especially in Eastern Canada, acute shortages began to affect the civilian trade.

In order to safeguard the requirements of the armed forces and the essential needs of the civilian population, the Government found it necessary to restrict exports and conserve Canadian supplies to meet essential Canadian needs.

The Government, however, endeavoured to assure to the Canadian producer the benefits of his normal export trade and to this end the Wartime Food Corporation Limited was created and was empowered and instructed to purchase cattle at their export value up to the number which would otherwise have been eligible for entry into the United States at the reduced rate of duty. This policy was fully announced and widely publicized to all those concerned.

The Wartime Food Corporation commenced buying at the opening of the third quarter of 1942 through agents appointed at all the principal marketing centres in Canada. During the subsequent six weeks the Corporation purchased at their full export value a number of cattle somewhat in excess of the United States quota. These cattle were resold to the Canadian trade at prices appropriate to the lawful maximum wholesale ceiling prices for beef. These operations involved Wartime Food Corporation in a financial loss of approximately $840,000, which represents a subsidy of that amount to Canadian cattle producers in lieu of the export market.

The operation of July and August, 1942, proved, however, that this method of handling the beef cattle problem was not satisfactory. It still tended to produce disorderly marketing —a holding back for some weeks before the opening of each quarter and a flood of marketings as soon as the quarter opened. The Government, therefore, after careful consideration, decided that the Canadian cattle and beef prices had to be handled in proper relationship to the overall Canadian price and stabilization policy.

The Wartime Prices and Trade Board, with full Government approval, therefore announced on October 7, 1942, that the policy inaugurated in June and carried out by the Wartime Food Corporation would not be continued, but that a definitive maximum prices structure for beef would be established and adhered to. This policy provided for an immediate increase of $1.50 per 100 pounds in wholesale beef carcass prices and further seasonal increases until a price of $19.50 was reached on May 27, 1943 (this price of $19.50 later became $20 on a defatted basis). This price was for good commercial quality, and a further premium of $1 per 100 pounds was provided for special quality (red brand).

These are the Toronto zone prices.

All these prices relate to wholesale carcass prices, but in the same statement of policy the Wartime Prices and Trade Board undertook to see that cattle prices were maintained at levels appropriate to these carcass prices.

As a matter of fact, cattle prices, ever since October, 1942, have been almost continuously somewhat above the prices considered equivalent to current maximum wholesale carcass prices. Wartime Food Corporation has, therefore, not had to intervene in the market and is now inactive.

In the statement of October 7, 1942, the Government stated that the ceiling to be reached on May 27, 1943, would be maintained indefinitely and would not be seasonally reduced. In April, 1943, the Government decided to supplement this maximum ceiling policy by providing a support to cattle prices by instituting a floor for wholesale carcass prices. This floor has been set at ¼ cent below the maximum price until August 15. It then drops by ¾ cent until September 18 and then drops a further 1¼ cents to December 20, 1943. On that date it rises by ½ cent, and three further increases occur in due course, bringing the floor back to ¼ cent below the ceiling on April 24, 1944.

These floor prices for 1943-44 correspond to the seasonal ceiling prices of 1942-43. The floor will be maintained by purchases by the Meat Board of all surplus beef at floor prices. Beef so purchased will be used to provide, first, a reasonable stockpile for the armed forces and for the domestic civilian ration, and the balance will be exported to the United Kingdom for use by the armed forces and to maintain the already meagre civilian meat ration in the United Kingdom.

The honourable senator for South Bruce (Hon. Mr. Donnelly) has argued against having a lower floor in the autumn and early winter months than in the spring and early summer. I can only say that such a policy conforms to the normal seasonal pattern of prices that has existed for many decades, and the policy has been approved by all the representative farm groups which the Government has consulted.

The honourable senator further argues that it has resulted or is likely to result in a flood of half-finished cattle being drawn onto the market to get in ahead of the drop in the floor price. To this I may reply that there is no evidence of such a trend. Current marketings are rather below normal in number, but at the same time are much above normal in average weight. During the first five months of 1942 average dressed carcass weights were 494 pounds. In the comparable five months of 1943 the average dressed weight has been 522 pounds. In other words, inspected cattle marketings for the five months of 1943 showed a drop of 10,000 in numbers, but an increase of 5,000,000 pounds in total dressed weight.

Finally, the honourable senator argued that Canadian cattle producers were entitled to the equivalent of the United States prices. That is a contention which is contrary to the whole stabilization policy of the Government. The

whole Canadian price structure has been to a large extent divorced from the United States price structure and at the same time the costs of the Canadian producer have been kept from rising in the way in which they have risen in other countries. In particular the beef cattle producer has been given more substantial and more favourable consideration in relation to his price than almost any other producing group in Canada. Current prices for beef cattle are at their highest level since the spring of 1920.

There is another word that I might add, concerning a matter that I think is worthy of our notice. It is that during the war period we have got good and whole-hearted service from the packing houses in Canada. They fill a very necessary place in processing meats, particularly hogs and cattle, for domestic consumption and overseas trade. I think it is fair to say that the larger packers—Canada Packers, probably the largest, is one of them—sat in with the board and all the smaller packing houses at the beginning of the war and placed their cards on the table, went even farther than was necessary or than they could be asked to go. They gave complete information, even as to their methods of processing their finished products. These methods, which are the property of the respective packers, were placed at the disposal of the Government and of their competitors around the board. The hearty co-operation that has been given in that regard is, I think, worthy of notice.

Hon. Mr. HORNER: May I ask the honourable senator a question? Did any producers sit in with the packers?

Hon. Mr. SINCLAIR: Oh, yes. An advisory board representing the producers sat in with the Bacon Board at the beginning, and I think still does, though I am not posted as to the practice of the last two months in that regard.

I could say more, but I do not think it is necessary to do so at this time, as I have covered all the points I wished to mention.

Hon. Mr. HORNER: May I ask the honourable gentleman, who is apparently pretty well informed, whether he can tell me what amount the packers made out of what they got above the ceiling price for the beef and pork products they sold to the armed forces? I wonder if any producers sat in when that arrangement was made, or if they had any knowledge of it.

Hon. Mr. SINCLAIR: I have no information on these points brought up by my honourable friend. But I would repeat the suggestion I made at the opening of my remarks, that these matters might be inquired into by a committee of this House.

Hon. Mr. HORNER: I agree.

Hon. Mr. SINCLAIR: All who are responsible for the policy and for carrying it out could be brought before the committee and questioned.

I did think it was necessary to say at this time what I have said, in view of statements that had been made at the two previous sittings when this matter was under discussion. While we must do what we can to straighten out the minor difficulties that confront us, now as always, it seems to me that at this time one of the most important things is to maintain, among our producers, stock-yards and packing houses, the confidence and good relations that will make for better production. We in Canada do not want to get into the kind of situation that developed in recent years in the country to the south, where the Government had to interfere, and as a result there was caused a breach that has not yet wholly healed. However, perhaps I should not refer to such happenings in other countries.

Hon. J. J. DONNELLY: Honourable senators, though I have already spoken in this debate, I should like to make a few remarks with regard to what has just been said by the honourable senator from Queen's (Hon. Mr. Sinclair).

In regard to packing houses, if he will look up my remarks he will find that I said:

> The packers, however, serve a very useful purpose: if we did not have them to organize the beef trade and find a market for our cattle, we should have great difficulty.

Hon. Mr. SINCLAIR: Quite so.

Hon. Mr. DONNELLY: In my remarks I did not intend to be critical of anything. I am quite aware of the procedure as outlined by the honourable senator, and was aware of it while I was speaking. There is this to be said, however. He mentions what happened on the Toronto market last summer, as though everybody had been well advised that the price was going up. I stated that the cattle producers were not aware of it. Had they been aware of it, they would not have sold their cattle at the lower price, as they did; and I said that the producers were very sore about that, and are still sore. I believed that to be right at the time I said it, and I believe now that it was right.

The honourable senator said that I made some criticism with regard to the spread in prices between United States markets and the Toronto market. I did not criticize. I just stated the facts and showed that they had an effect on the present state of mind of our farmers. I did not find any fault with the Government for stopping the shipment of our

cattle to the States. As I say, I simply stated what I considered to be the facts, and what I still believe were the facts. I feel that it was the duty of the Food Corporation to give more information in regard to what they proposed to do. Had such information been given, the drovers could not have made a profit of $20 and $25 a head on cattle, as they actually did. That is a matter of common knowledge to people who traded at the Toronto stock-yards at that time. I mentioned it to a member of the Food Corporation, and he did not contradict it. I believed when I was speaking, and I still believe, that if the course I suggested had been taken, the quantity of beef produced in this country would have been greatly increased and the quality much improved. After all that has been said by the honourable senator from Queen's (Hon. Mr. Sinclair), I am still of that opinion. I do not think he has answered what I said in that regard.

I stated that I had seen half-finished cattle being sent in large quantities to the Toronto market. The honourable senator mentions the increase in weight of animals sold this year, as compared with those sold last year. That is quite natural. It is very difficult to get stock nowadays, and farmers prefer to grow their cattle to a larger size than formerly. There is not the same proportion of baby beef going to market that there used to be. I presume that all honourable senators know what is meant by this term. If an animal is given all the food it can take for about twelve months, and is sent to the market when it weighs about 700 or 800 pounds, it will make good beef and, prior to the war, it would have commanded a price of three or four cents a pound higher than other beef. But that is not so to-day. There is no premium for this class now, with the result that a great many cattlemen continue to feed their animals until they weigh 1,200 or 1,400 pounds.

I repeat that I did not criticize anyone. I pointed out what I believed to be the facts, and what I still believe to be the facts. Even though the theory about feeding on grass should be sound, what we want are practical results. And we shall get more practical results, to the benefit of all concerned, if the price is maintained until the fall and our cattle-growers are thereby induced to keep their animals on grass until that time, when they will have become considerably heavier and will be in prime condition.

Hon. W. A. BUCHANAN: Honourable senators, I have followed this debate from its beginning with much interest. I think that with the exception of the mover of the motion (Hon. Mr. Sauvé), I am the only one to take part in the debate who is not in the live-stock business in some form or other. I come from a part of the country where a great deal of live stock is raised, and I frequently hear criticisms of methods that are followed in the marketing of live stock, but I am not in a position to say whether these criticisms are justified or not.

My purpose in rising is to support, as strongly as I can, the suggestion that has been made by my desk-mate (Hon. Mr. Sinclair), that next session the Senate might carry on an inquiry into live-stock marketing, and particularly with respect to some of the charges that have been made in the course of this discussion. Serious charges were made by the honourable senator from Vancouver (Hon. Mr. McRae) with regard to grading and the methods of buying followed by the packing houses. He also made the very serious charge that through a deal in the purchase of pork from Chicago, some packers split a million dollars. I feel these allegations are so serious that they should be inquired into, for the purpose of removing any impressions that might cause unrest among the producers of the country.

The honourable senator from Saskatchewan North (Hon. Mr. Horner) made some charges that, in my judgment, are fully as serious, and I think they also should be inquired into. I have said before, and I want to repeat, that in my opinion this Senate could very well devote itself to inquiries of this character, rather than refer them to judicial commissions. We have a Committee on Agriculture under the very competent chairmanship of the honourable member from South Bruce (Hon. Mr. Donnelly), who has just spoken. He is well informed on all aspects of the live-stock business, and the other members of the committee are all practical agriculturists. If it is necessary to have an investigation of this kind, we could add to that committee. Before it could be summoned officials of the Department of Agriculture and of the Wartime Prices and Trade Board, as well as officers of farmers' organizations and representatives of the packing interests and any others against whom charges are made. I am confident the inquiry would be thorough and would place before the public the actual conditions in our stock-yards and abattoirs. In that way we could contribute something towards satisfying those who are complaining, and if the packers have a good case they would be able to present it and clear the air.

Hon. DUNCAN McL. MARSHALL: Honourable senators, I was not able to be here on the two occasions when this matter was

brought up by my honourable friend from Rigaud (Hon. Mr. Sauvé), but I read the debates and was greatly interested in the fact that the discussion had broadened out and taken in almost the whole live-stock business, including marketing. My only excuse for saying anything at this time is that for more than fifty years I have been a constant marketer of cattle, having bought them in stock-yards from Toronto to Calgary, and sold them from Calgary to Merklands wharf at Glasgow. I never allow three weeks to pass by without spending a forenoon in the Toronto market. When I was in business with an advertising agency its partners wondered why I wanted to tramp around the stock-yards. I said that it made me feel as though I were back home on the farm; that I understood beasts and as a matter of fact preferred their company.

Last Monday I spent the forenoon in the Toronto stock-yards. I had a commission from a personal friend to buy half a dozen steers, and I would have bought them for the mere pleasure of doing it, but I could not see the kind of beasts to turn out on grass. To-day there is such an abundance of feed in the country that anybody who has decent cattle is grazing them himself.

I think one of the difficulties concerning packers and buyers and drovers of cattle is that before a yard becomes big enough to be run like the Toronto stock-yards a good many things happen that would not bear the light of day. Truckers and traders and scalpers get into small yards and, in their eagerness to make a dollar, lay for everybody who comes in with a beast to sell. At large stock-yards such as those in Toronto the cattle are weighed on electrically-operated scales. When I sold beasts there I never went down to see them weighed, because the weight is stamped on tickets in triplicate, and there can be no humbug about it. Every once in a while, as the scales get dirty, they are swept clean, and balanced for accuracy.

One of the difficulties which caused the trouble that my honourable friend has brought to our attention has been the changing over from grading hogs alive to grading on the rail. Some farmers strongly resented that change. I know of no place where they resented it more than in the province of Alberta, where I lived for nearly twenty years. They did not want any rail grade. They wanted their hogs graded by a Government grader of course, but graded alive. But in order to compete in the British market with the farmers of Denmark—as we had to do before the war—we must produce the highest class of Wiltshire sides, and anybody familiar with the pork business knows that that can only be done provided you have rail grade; that is, you must see the inside of the pig, particularly its back fat. Do you know, they go so far in Denmark as to measure the back fat? It must not be less than 1¼ inches nor more than 1½ inches in depth, or the grade goes down. The farmers in Denmark have the most exact system of grading, as well as the finest system of breeding pigs for Wiltshire sides, in the world.

When I went into the smoke-house in Smithfield market in the city of London and watched Canadian sides of bacon handled there, I used to see a lot of short sides, and invariably on inquiring I found they came from Alberta. This was because there were many farmers in that province who had come from the United States, where they had been used to breeding thick, fat hogs, and if a hog got beyond a certain length they thought his back would go down and he would not be any good. So they liked their hogs short, as we like our beef cattle, for the shorter they are the better they are: you can get more good cuts out of them. But the longer the back of the hog between the hams and the shoulders the better, as that is where you get your expensive cuts of bacon. Your pig in the pen must have a good, arched back, for if he has that kind of back he will have a level covering of fat—not flesh. There is a difference between flesh and fat. Flesh is the lean meat. Flesh is protein; fat is just fat. That is why the Englishman is particular about the kind of bacon he has on his breakfast table, and if you do not give him a proper percentage of protein in his bacon he will buy, not from you, but from the Dane. He cannot buy much from the poor Dane now, but before the war England was getting its largest importations of bacon from Denmark.

Hon. Mr. HORNER: Are you going to tell us how the farmers of Denmark secured that market—by the producers owning the abattoirs and by co-operation?

Hon. Mr. MARSHALL: There is no doubt the Dane did this job better than anybody else could. I might answer my honourable friend now by saying this: I have always held that rail grading should not be done until the Department of Agriculture at least controlled the abattoirs.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MARSHALL: The department should have the kind of control over the abattoirs that would be almost equivalent to owning them. I do not know how successful this would be. Goodness knows we have

some Government institutions that do not make very much money, and maybe there would be a bad time if the department went into the pork-packing business. In Denmark all but two little factories are owned by the farmers themselves, and all the money those factories make out of bacon goes back to the farmers. But then the Danes seem to be able to do what we should find very difficult: they make every farmer live up to his bargain, and if he brings in a hog that is too heavy he just has to take it back home and eat it himself.

I have had some experience of buying and selling cattle and also of stock-yards. I know something of the Danish system, although I was never in Denmark. It may surprise some of my honourable friends to know that I have a boy who spent three months in Denmark, riding about the country on his bicycle visiting pork factories. He was attending Oxford University at the time and was preparing, in connection with his course in economics, a thesis on the marketing of pigs. So you see pigs still run in the Marshall family. It used to be cattle. If you read some of Crockett's tales you would find that my forbears were the finest lifters of cattle that ever crossed the borders of the hated Sassenach. Now we have to get along with pigs and pork. I had the surprise of my life from my boy when he told me: "At Oxford I shall specialize in agricultural economics. I shall go to Denmark and make a report on the Danish bacon factories." I may say that it was a good report; at least Oxford University thought his thesis merited the degree of Bachelor of Literature.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MARSHALL: So I know something about the scrupulous fashion in which the Danes carry on this business.

With respect to the prices of beef cattle, let me say that I was very much opposed to the price-fixing as it was done, and I made my opposition known. It did not have any effect, but you always have satisfaction in telling somebody what you think. When the Wartime Prices and Trade Board fixed the wholesale prices of cattle for 1942-43 successively at $17.25, $17.75, $18.25, $18.75, $19.25, and $19.50, I told them they were all wrong. I said, "You should pay the top price all the time." "Oh," the board said, "it is easier to raise beef on grass." I said, "That is so, but it is better if you feed them a little grain along with the grass." The board said that they should have seasonal prices, but I said: "This is not a seasonal war; this blessed war goes on all the time, and we want all the beef we can get all the time it is on. We ought to pay the same price from start to finish, and see the thing through on that basis." The board have fixed the selling price of cattle now at $19.50, with 50 cents added when they are defatted.

Hon. Mr. HORNER: How about the same price all over the country?

Hon. Mr. MARSHALL: Prices are regulated as a matter of geography in freights in the large stock-yards in Calgary, Edmonton and other places.

Hon. Mr. HORNER: A great part of the beef is consumed out there in the army camps and training fields.

Hon. Mr. MARSHALL: We cannot help that. They will not starve themselves to death, and we would not ask them to.

This would not be the first investigation of our packers. My honourable friend will remember that a colleague of his, Hon. H. H. Stevens, at one time undertook to investigate the packers, and he got fired out of a Cabinet for his pains. It is dangerous to attack the packers.

Hon. Mr. HORNER: You do not propose to take any chance?

Hon. Mr. MARSHALL: I have never backed up from anybody in my life.

Hon. Mr. HORNER: Not even from a bull?

Hon. Mr. MARSHALL: Not even from this discussion either, my dear friend. I have expressed myself in six newspapers in this province exactly as I am expressing myself now, while price-fixing was going on, because I was opposed to it—I did not think it was the right way to deal with the beef problem. I am glad they are dealing with it now the way I suggested at first. They have now made a ceiling of $19.50, plus fifty cents a hundred when the fat is taken out by the packer—plus a dollar. I thought it was fifty cents, but the honourable member from Queen's (Hon. Mr. Sinclair) says it is a dollar, and he has got his information from the department.

Hon. Mr. SINCLAIR: I think the last change was to fifty cents.

Hon. Mr. MARSHALL: I got my information on the stock-yards a week ago last Monday, when I did not know this matter was going to be discussed at all. And there is fifty cents added for red brand.

The honourable senator from South Bruce (Hon. Mr. Donnelly) was quite correct in saying that there is going to be less baby beef.

And let me prophesy that baby beef is going to be cheaper. There will be a smaller difference between the price of baby beef and the price of heavy cattle; and I think that is proper in times like these, when we want most of our cattle grown up and the greatest production of beef we can get. When I was on the market a week ago Monday I saw some very nice babies sold for $13.25; then I saw two slimsy white-faced cattle that were just somewhat slippery, not more than half fat, selling for the same price. The idea was to get all the red meat out of these fellows; they had not laid on much tallow, but they were smooth and nice, and were selling at the same price as babies. That would not have happened before the war began, or before these prices were set.

A ceiling having been put on, there is now a floor. I am not worried much about the floor. I talked to two or three buyers, and all agreed that they would not do any roller-skating on the floor. You cannot bring cattle into the Toronto market now and hold them very long: someone will grab them quickly, and at a good price. While there is a floor to which the packer can come down in case a flood of cattle comes on the market at one time, I have not much fear that it will affect matters in any way. This price will prevail until next spring; what will happen after that I cannot prophesy.

Cattle are now about three cents a pound higher in Buffalo than in Toronto; but we have to remember that even in the best of times a cent and a half would have to be paid for duty.

Hon. Mr. HORNER: There is ten per cent on the money as well; $10 on every $100.

Hon. Mr. MARSHALL: Yes, but most of the cattle sold on the Buffalo market are taken there by Buffalo men who come over to Toronto and get them.

As the honourable senator from South Bruce pointed out, the bonus, handled as it was, was a mistake. The price boards found they were not getting the beef; so after they had prohibited the export they decided they must do something, and they appointed two men to judge the cattle. I must say they appointed men who knew cattle, and although I dropped into the yards a good many times I never heard a complaint while they were placing the cattle. They said, "These are fit for export, and these others are not," and on those that were fit they paid a bonus of the difference between the Buffalo market and the Toronto market, less the duty. But, as my honourable friend said, before the farmer found this out —for the farmer is a busy fellow—he very often sold to drovers. They, I suppose, are just like any other class of people—members of the Senate or of the House of Commons—and there are among them some smart fellows who take advantage of their friends if they can.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MARSHALL: So they started out to buy these cattle. When they went to the farmer, he said, "Have prices been raised?" They said, "Oh, no, no," and looked very gloomy; "the ceiling is still on, and it doesn't look as if it were going to be raised." They did not mention the bonus, but bought the cattle and took them to Toronto and made from $20 to $25 a head on them. But they very nearly got hanged for their pains, after it was all over, and because they got caught at the job they are not as popular as they were. They took some money from the farmer, and he learned of it.

Hon. Mr. HORNER: The majority of buyers I know were sent out and financed by the various packers, and they knew full well what they were doing to the farmers.

Hon. Mr. MARSHALL: I could name half a dozen buyers in Ontario who are not, and do not have to be, financed by the packers. They can get all the money they want from the banks. They are farmers as well as drovers. If the honourable senator from London (Hon. Mr. Little) were here, he could name half a dozen such men in his district. There are very few packers' buyers. The trend is away from packers' buyers.

The rail grading in the abattoirs makes for the marketing of pigs direct to the abattoir. That is why we need more regulation than we have, to cover the marketing of pigs. The practice of taking pigs to a stock-yard and housing them there and selling them is not general at the present time. We did get a somewhat sorry deal with regard to pigs at the beginning of the war. Incidentally, while speaking on this subject, I have a compliment to pay to the honourable senator from Vancouver (Hon. Mr. McRae), on the address he delivered in this Chamber the other day. I am sorry he is not in his place. Since the war began there has been nothing more important to Canadian swine breeding than the importation of stock from England. There is only one place in the world where we can get stock to mate up with ours to improve our Wiltshire sides: I refer to England and to the Yorkshire pig. The only man—and I do not except the Ministers of Agriculture in Canada or anybody else—the only man who

has had courage enough and been interested enough to bring pigs out from England since the war began is the honourable senator from Vancouver. He brought a number to his own farm. Only the other day I told our friend Charlie Noble, who is starting a pig ranch, where he is going to turn out one thousand or fifteen hundred pigs a year, if he has luck—or if the sows have luck—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MARSHALL: —that General McRae has some of the best stock that ever left England. I have been on the farms where it was bred, where pigs are pigs, and I know. The other day a bred gilt sold for three hundred and twenty guineas; guineas, mind you; not dollars. Good breeding stock in England has never before during my lifetime sold as high as it is selling now.

We should have had a substantial importation of pigs into Canada during the past year or two, because we have no other way of improving our pigs. I have fed pigs ever since I was eight years old; I was the pig-boy on our place. I have bred pigs, I have visited the best establishments in England and in Scotland, and I know a little about pigs. Scotland held the pride of place while Gogar Mains and Rosebery lived at Dalmeny; but they are both gone, and perhaps the best herd of pigs to-day is at Chivers, just a short distance out from London. We should have some of these pigs here, and I say, all honour to the man who has had the nerve—if you will let me use that expression, and I use it in the most complimentary sense—to bring pigs out from England despite all the risks of crossing the water during the last few years. He told you something about his pigs; that the judge did not grade them so well when they were alive, but when they got on the rail and he saw what was inside of them he placed them ahead of the pigs from the agricultural college. The proof of the pudding is in the eating.

You are not allowed to import pigs into Canada from the United States unless you put them into quarantine for sixty days, and the cost of handling them is so great that nobody is going to bring them over unless they are pure-bred stock. So they only come dead, and in carloads, because if they are shipped any other way the freight is too heavy. As a result, the packers started shipping in pigs. We had been in the habit of getting in pigs and cutting them up for pork, because the American pigs will not make Wiltshire sides. We had imported 1,499,000 pounds in December of 1938 and January, February and March of 1939. It is largely in those four months that they are imported. But with pigs selling in the United States for about $5.50 a hundred on the hoof and for about $9.50 here, they came in, not by carloads, but by trainloads, and in a similar period of four months pigs came in here to compete with our pigs to the extent of 29,149,000 pounds, although there was a duty of $1.50 a hundred on them. I was curious about these pigs, for I sometimes follow things up as matters of interest and amusement, in an endeavour to be of service to the country; so I made inquiries and found that there was a refund of the duty of $1.50 per hundred. This certainly astonished me.

I inquired from the Customs Department as to when this practice had started, and was told that in the summer of 1921 it was arranged to give the packers this rebate of $1.50 duty, as the pigs were brought in to replace Canadian pigs that the packers had exported. Well, you know that a drawback of duty is given only on material that is exported, not on material brought in to replace it. I raised a bit of a row about this, and I had a packer say some nasty things to me with regard to it, but they did not bother me very much. However, I got hold of some of the smaller packers. They could not bring in pigs, because they were unable to order them by the trainload; so they had to compete with the cheap pork imported from the United States by the big packers. We finally got this duty put on again, and dated from the 1st of November of that year. This comforted me a great deal, and made the smaller packers cheer a little.

But we got something more than that. We got this importation of pork stopped, as it was not needed here and was hammering down the price of Canadian pigs. But the importation was not stopped by the Bacon Board. I am afraid the Bacon Board did not do much about it, for one member of the board is an employee of the packers and another is an employee of the Canadian Pacific Railway. They are pretty much alike, and they are the two members living nearest Ottawa. The result was that they just sat back and hummed a tune while the packers brought this pork in. The situation got so bad at last that even some of the chain stores were shipping pork in. Everybody jumped in to make a bit of profit on this pork. However, the Government not only stopped this, but required the payment of duty on all the pork that had been brought in after the 1st of November. That cleaning-up of the pig business is, I think, very important, and I am glad to be able to say that I took some part in it, in calling certain things to the attention of some people who did not

know about them before. After all, no man can keep track of everything that is going on, and whenever I have stumbled on something like that I have always considered it my business to pass on the information to the proper persons, whatever Government may be in power.

Two men introduced the grading of pigs into Canada. The late Dr. Tolmie was the Minister of Agriculture who had the legislation put through, and Hon. Mr. Motherwell was the Minister who put it into force. I had the pleasure, over twenty-five or thirty years, of intimate acquaintance and friendship with both these men. Canada has never had better public servants than Dr. Tolmie, both while he was in the Health of Animals Branch and afterwards when he was Minister of Agriculture, and Mr. Motherwell, as Minister in his own province and, later, in the Dominion of Canada. These were men to whom I could go and talk. They deserve great credit for first establishing the grading of pigs. Upon grading depended our ability to remain in the British market. We either had to get better pigs and better Wiltshire sides, or we could not live in that market, for the British could import from Denmark tremendous supplies of better quality than we were producing. For several years the pigs were graded alive. This method was reasonably satisfactory. Of course, some people were not pleased about it. Everybody thinks that he has the finest pig in the fair, and that the other fellow's pig beat his only because that other fellow had sent this judge a ham ahead of time. Human nature is the same, no matter how, when and where you have to deal with it; so there are always people who will complain.

As I have said, Dr. Tolmie introduced the bill for grading, and Mr. Motherwell afterwards enforced it very effectively. Then we came down to the point where rail grading had to be introduced. I held the opinion, and I expressed it without any hesitation, as I express it here to-day, that we should have had better control over the abattoirs before rail grading was fully established. But it is fully established. All the abattoirs have to rail-grade now, and the Government is making efforts to protect the people as much as possible. The hog-growers mentioned by my honourable friend from Rigaud (Hon. Mr. Sauvé), in his motion and his address, are unknown to me, and I do not know anything more about the facts than he has stated. I have no right to question his statements, and I do not. I think the most damaging admission in that connection was that somebody did cough up five dollars. That is not very much money, but somebody felt he had to keep somebody else quiet, and I think a case in which that happens should be investigated.

I will tell you of an idea that I have held for a considerable period. This is no time to ask that it be put into effect, since it would be a physical impossibility to get the men just now, but I should like to see a trouble-shooter, if I may call him that, in every large abattoir; a man with full authority to settle disputes, one selected in some manner satisfactory both to the buyer and the seller. He may not be a producer, but it does not matter what he is, so long as he is the right man. I have one such man in mind. He has never fed a pig in his life, but I should like to see him placed in one of the big abattoirs, to put these fellows right and keep them straight. And he would do it. There were, as was said by my honourable friend from Queen's (Hon. Mr. Sinclair), a number of farmers on the Bacon Board. But these men, sitting in with a group of packers skilled in the business, could not know much about it; they could only understand it in a general kind of way.

I had something to do with packing plants, if you please. I had a packing plant left at my door-step once. When I became Minister of Agriculture for Ontario I found that the Barrie Co-operative Packers had shut down. They were not buying any more pigs—and you cannot make bacon without pigs. I got a wire from them saying their board of directors would like to see me. I said, "All right, you may see me." They named a day, and in the meantime I inquired what kind of fix they were in, as I had no knowledge of it. I found that several years previously the provincial Government had given them a loan of $25,000, on which they had made no payments of principal or interest, and it had guaranteed them for $25,000 more at a bank in Barrie. They had run out of funds and, being at the end of their tether, could not buy any more pigs.

The board of directors came to my office and made a proposition to me. It was that I guarantee them to the extent of $25,000 or $50,000, and give them a chance to make good. I said, "I will do it only on one condition, that you find a new manager, a fellow who can run your business successfully." They told me they had a good manager and that he was right there with them. I replied: "I never saw him before, and I do not care who he is or what he thinks of me, but I know from the way he is running the Barrie Packers that the packing business is not his business. His business is in some other line, and he had better find out what it is. So far as I am concerned, I will not recommend the advancement of public money while he is manager of the company. You find a man who is satisfactory to me, and I will try to get the money for you." In two or three weeks' time they came back and re-

ported they could not get a man. I had expected they would have this difficulty and had myself done a little looking around. I asked them if they would let me name the manager. They stated they would. I said: "Will you keep your hands off him when he goes in there? He will not go in otherwise." They agreed to that.

I chose a Mr. Morrison, who worked for Canada Packers for a number of years and was a particularly good salesman. One trouble with the Barrie Packers had been that, though they made good bacon, they could not sell it. I quizzed this man Morrison as to what large sales of bacon he had made in recent years. He said: "Well, the Barrie Packers, for example, go up against the wall every once in a while, and they have a fire sale of their bacon. I go up, buy it and market it." I was satisfied as to his ability, and engaged him. He went in, ran the packing plant, paid off a good share of the $25,000, and the firm was guaranteed for another $100,000 at the bank, with the interest reduced by two per cent. I remember that when I told the bank manager the interest had to be reduced by two per cent, he said he could never agree to that. I replied: "Well, there are other banks in Canada. I shall have to try one of them." Then he asked me to see him the next day, which I did, and the money was made available. The first co-operative packing plant in Barrie is a first-class success to-day.

These things are all matters of the human equation, of getting the proper man to do the job well. Had we got for the Barrie plant somebody who was not much good, he probably would have lost more money. I do not know how dangerous the packing business is for farmers to get into. The farmers in Barrie have learned a lot about it, because they put up their own hard-earned money to build the plant. It was not built on fresh air and exercise.

Hon. Mr. ASELTINE: I should like to ask the honourable senator what this has to do with the motion before the House.

Hon. Mr. MARSHALL: It has everything to do with it, for I am showing the difficulties you come against when you undertake to fight the packers. The first thing that happened after this man took charge of the Barrie plant was that the packers in Toronto sent buyers up to Barrie to buy pigs at ten cents a hundred pounds more than the market price. I will tell you of someone else who went up. The Farmers' Co-operative Company had a buyer at the stock-yards in Toronto, and he went up, as the representative of one farmer's co-operative, to try to trim the hide off another farmers' co-operative. He also paid ten cents a hundred pounds more for the pigs. Now, there was clearly something wrong. Either these fellows were paying too much at Barrie, or they were robbing the farmers from whom they bought at Toronto. We had a meeting or two about it, and finally the packers got tired of this kind of competition when they found out that our man was making a success of the plant.

Hon. Mr. HORNER: Even now your co-operative plant is perhaps fortunate in business simply because of the war.

Hon. Mr. MARSHALL: No. It was right on its feet before Hitler even thought of striking a blow.

Hon. Mr. HORNER: I know of little flour mills that were put out of business by the same methods.

Hon. Mr. MARSHALL: Maybe they did not have the right kind of manager.

Hon. Mr. HORNER: No man can make a success of selling flour at a dollar below the cost of production.

Hon. Mr. MARSHALL: That is the sort of thing you will have to fight, and it is just the sort of thing that causes the trouble mentioned in this motion. If you start in to fight those fellows, unless you can really do something to them your second state is worse than your first.

I still commend my suggestion to the powers that be, that a man should be appointed to investigate complaints against packing plants and try to find out the truth about them right then. It is no good to make inquiries a year after the trouble has happened. If a man feels he has been trimmed by the packers, give him an opportunity to go to an investigator with his complaint, which should be dealt with promptly. Then you will get somewhere.

I am afraid my honourable friends are getting tired of my little dissertation on pigs and cattle. In these matters, however, in my time, I have done a few things to the packers. Before the war the Barrie Co-operative and myself did rather well against the packers; so well that they were willing to quit. But it is not an easy job to undertake, and if you undertake it the packers will have no kindly feeling towards you. Hon. H. H. Stevens

was one of the best men who ever fought those interests in the House of Commons. I am prepared to grant that much to him.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MARSHALL: He carried on the fight so well that finally someone could not stand it any longer, and he had to drop out of the Government. To those reconstruction and re-establishment committees, who organized corporations with a capitalization of $200,000,000, $300,000,000, or $500,000,000, why, the building of a mere packing plant is not very much of a job. I might say to my honourable friend from Rigaud that I have the heartiest sympathy with his motion. I have been fighting battles of this kind not only in the pork and beef business, but also in the grain business. When no farmer could get a car to ship his wheat out of Western Canada, I took the railroads into the police court three times a week, and they had fines imposed on them to make them play fair. The little I have tried to do in politics has been in the interest of the fellow who raises a few beasts and grows a bit of grain, and I stand ready in this Chamber to do anything that may come my way to assist in any investigation of abuses. But I believe that an investigation would accomplish a good deal more if we appointed a committee outside of this House altogether, composed of, say, two or three good fellows—and they can be found here and there—who would get to the bottom of these complaints. Honourable senators have only an ephemeral knowledge of the packing business, just as I have from my contacts with it. I would not have made such suggestions as I have offered if I had not had the misfortune to be for fifteen years Minister of Agriculture in two provinces. I have seen what some people will do to the farmer when they get a chance, and I can assure my honourable friend that I shall be glad to back him up in any efforts he may make to have things straightened out.

On the motion of Hon. Mr. Howard, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, July 21, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRESS REPORTER OF THE SENATE

REPORT OF COMMITTEE

Hon. Mr. SAUVE presented the second report of the Standing Committee on Debates and Reporting, as follows:

The Standing Committee on Debates and Reporting beg leave to make their second report, as follows:

1. Your Committee nominate Mr. Georges Langlois to fill temporarily the vacancy on the reporting staff of the Senate caused by the death of Mr. J. Fortier, until definite action with respect to the matter of reporting is taken by the Senate as early as possible after the opening of the next session of Parliament.

All of which is respectfully submitted.

The Hon. the SPEAKER: When shall said report be considered?

Hon. Mr. KING: Honourable senators, it has been the practice, when a report from this committee involves an expenditure of money, to refer it to the Committee on Internal Economy and Contingent Accounts, in order that that committee may consider the report and make recommendations to the Senate. I would move that the report be referred to that committee.

The motion was agreed to.

PAYMENT FOR TRANSLATION SERVICES

REPORT OF COMMITTEE

Hon. Mr. SAUVE presented the third report of the Standing Committee on Debates and Reporting, as follows:

Your Committee recommend that Mr. H. P. Arsenault be paid the sum of $100, Mr. Georges Langlois the sum of $50 and Mr. Camille L'Heureux the sum of $50, as remuneration for translation services rendered to the Reporting Branch of the Senate, formerly performed by the late Mr. J. Fortier.

All of which is respectfully submitted.

Hon. Mr. KING: For the same reason that I gave with regard to the previous report, I would move that this also be referred to the Standing Committee on Internal Economy.

The motion was agreed to.

ADJOURNMENT OF THE SESSION

MOTION

Hon. J. H. KING moved:

That when the Senate adjourns, on completion of current business of the session, it stand adjourned until Wednesday, January 26, 1944, at 3 o'clock in the afternoon.

He said: Honourable senators, it has been suggested to me that it would be appropriate to read into the record the resolution that was

adopted by the Senate on Thursday, January 28, 1943. I stated last night that this resolution would continue in effect during the forthcoming adjournment of the session, but it was thought nevertheless that it should be placed on record again. It reads:

That for the duration of the present session of Parliament, should an emergency arise during any adjournment of the Senate, which would in the opinion of the Honourable the Speaker warrant that the Senate meet prior to the time set forth in the motion for such adjournment, the Honourable the Speaker be authorized to notify honourable senators at their addresses as registered with the Clerk of the Senate to meet at a time earlier than that set out in the motion for such adjournment, and non-receipt by any one or more honourable senators of such call shall not have any effect upon the sufficiency and validity thereof.

The motion was agreed to.

MINUTES OF PROCEEDINGS

DESIGNATIONS OF SENATORS

On the Orders of the Day:

Hon. JOHN T. HAIG: Honourable senators, before the Orders of the Day are called, I have a suggestion to make. On the front page of the Minutes of the Proceedings of the Senate there always appears the name of each senator who was present on the date shown, but in each instance the senator's name only is given; for instance, "Haig." I wonder if it would not be possible to insert after each name the member's designation. This would be a considerable help when any one of us is speaking and wishes to refer to another member. As it is now, this matter gives us some considerable difficulty. I happen to know that the honourable senator right opposite me (Hon. Mr. Murdock) is from Parkdale, because I have heard him speak a number of times; and that the senator on my left (Hon. B. F. Smith) is from Victoria-Carleton, because his designation is always shown in the Minutes; and for this same reason I know that the designation of one of the honourable senators from Montreal is Montarville (Hon. C. P. Beaubien). But I do not know the designation of the senator who comes from Lethbridge, for instance (Hon. Mr. Buchanan). I think it is Lethbridge, but I am not sure. So I would suggest that in future the designation be shown after every name.

Hon. Mr. ASELTINE: There is a card in your desk.

Hon. Mr. HAIG: The honourable gentleman says there is a card in my desk. But have I to look up that card every time I want to know a member's designation? And even if I did so, the senator to whom I wished to refer might not be in his own seat. I might refer to the honourable gentleman from Waterloo, for instance, when the member I meant might be from Perth.

It would be a great convenience if the designations were printed. Then my name, for instance, would appear as "Haig (Winnipeg)." Perhaps, if my suggestion is carried out, some honourable members would change their designation. The designation "West Central Saskatchewan" does not indicate anything to me, but if someone refers to the honourable senator from Rosetown we all know right away who is meant (Hon. Mr. Aseltine). At present three senators are designated as from Edmonton (Hon. Mr. Harmer, Hon. Mr. Griesbach and Hon. Mr. Blais). There are two members from Vancouver, but only one is so designated (Hon. Mr. McRae), the other (Hon. Mr. Farris) having the designation of "Vancouver South." I remember that when I first came here I was called the junior senator from Winnipeg, to distinguish me from the late Senator McMeans, who was always referred to as the senator from Winnipeg. There was a lot of trouble caused sometimes when the word "junior" was left out of my designation. I would suggest that whatever committee has to do with the matter should take it into consideration next session.

Hon. C. P. BEAUBIEN: The practice which the honourable gentleman suggests is followed in the proceedings of the House of Commons: after each member's name appears the designation of his constituency.

Hon. Mr. COPP: That is in the Commons Hansard?

Hon. C. P. BEAUBIEN: Yes.

Hon. Mr. COPP: What the honourable senator from Winnipeg is referring to is the list of members on the front page of our Minutes of the Proceedings.

Hon. Mr. KING: I think the honourable gentleman's suggestion is worthy of consideration. I myself have considerable difficulty in recalling the designations of honourable senators. In fact, to refresh my memory, I keep this somewhat cumbersome chart in my desk, but it is not always convenient to refer to it. I shall be glad to consult the officers of the Senate and ascertain whether the suggestion can be adopted next session.

PRIVATE BILLS

COMMONS AMENDMENTS CONCURRED IN

The Senate proceeded to consider the amendments made by the House of Commons to Bill T2, an Act to Incorporate The Felician Sisters of Winnipeg.

Hon. JOHN T. HAIG: Honourable members, I move, seconded by the honourable member from Victoria-Carleton (Hon. Mr. Smith), that the amendments made to Bill T2 in the House of Commons be concurred in.

There are three amendments. The first is an additional section declaring that the property of the corporation shall be subject to the laws of the province. I think this is the case anyway. The second amendment strikes out sections 10 and 11. The third amendment merely renumbers section 12 as section 11. This morning I wired the promoters of the Bill and they have replied consenting to the amendments. I have filed the telegram with the Clerk.

The motion was agreed to.

COMMONS AMENDMENTS CONCURRED IN

The Senate proceeded to consider the amendments made by the House of Commons to Bill X2, an Act to Incorporate Bethel Full Gospel Assembly.

Hon. S. A. HAYDEN: Honourable members, I move, in the absence of the sponsor of Bill X2 (Hon. Mr. Farris), that the Senate concur in the amendments made to this Bill by the House of Commons.

The amendments have been submitted to the promoters and approved by them. They involve no substantial change in the terms of the Bill. For the purposes of greater clarity there is amplification of one provision in new section 5, which originally defined the dogma of the corporation. Though the language is different, the result is the same. Section 5 of the Bill, relating to management, has been struck out. A similar section has been inserted in another place in different language, but, in my opinion, while it is a little more verbose, it accomplishes the same result. In section 4, which deals with the publishing of Christian literature in English and foreign languages, the word "French" has been inserted.

The motion was agreed to.

FEDERAL DISTRICT COMMISSION BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 71, an Act to amend the Federal District Commission Act, 1927.

He said: Honourable members, the honourable senator from Ottawa (Hon. Mr. Lambert) has kindly consented to make the explanation of this Bill.

Hon. NORMAN P. LAMBERT: Honourable senators, as sponsor of this Bill I should like to point out that the Federal District Commission Act of 1927 provided originally for an annual payment of $250,000 to the Federal District Commission for a period not exceeding sixteen years dating from the 1st of April, 1927. In consideration, however, of the sum of $3,000,000 having been made available for large-scale improvements in the central part of Ottawa, which in themselves compose the central theme or motif of the scheme of beautification, the grant was reduced to $200,000 a year for a period not exceeding fifteen years from the 1st of April, 1928. The reference is chapter 26 of the Statutes of 1927. This authority expired on March 31 of this year, and it is necessary now to make provision for the grant in future years, beginning April 1, 1943.

The proposed Act will continue the present grant of $200,000 for a period of ten years, which is five years less than the period originally provided for in 1927.

Most of the members of the Senate are familiar with the work of the Federal District Commission. It is hardly necessary for me to enumerate the different features of its administration which represent the appropriation of $200,000 a year. In general terms, the commission has to maintain a large system of roadways and parkways, some thirty-two miles in length, in and around the city, two large bridges and at least two smaller ones. There is also a large parkway property on the other side of the Ottawa river, extending all the way from the mouth of the Gatineau to the hospital and the main street of Hull, and there is the maintenance of streets both in winter and in summer. Altogether this represents the expenditure of the amount specified.

In normal times, due regard being had to the present stage of development of the parkway system, including the new Gatineau Park, $250,000 would be the minimum amount required for first-class maintenance alone. However, under the presently existing wartime conditions the commission has drastically cur-

tailed its expenditure. Overdue maintenance work has been deferred further, and only essential operations, greatly reduced from pre-war standards, are being carried out. In view of the essential and very necessary nature of the work of the administration, and the most reasonable character of the budget represented by this amendment, I have much pleasure in moving the second reading of the Bill.

Hon. CHARLES E. TANNER: Honourable members, I have pleasure in supporting this Bill. I feel very much interested in what has taken place and in the future developments which I hope will also take place.

I should like for a few moments to put on record certain information, in the hope that it may be of interest to honourable members of the Senate. This Bill is, of course, only a caretaking Bill. That is, it provides the money with which the Federal District Commission takes care of the large capital expenditures made by the Government through that commission. Many years ago, I understand, it was laid down as a fundamental policy that Ottawa, the capital city of this country, should be improved and beautified. In fact, it was a saying that Ottawa should become the Washington of the North.

A very interesting publication called "Federal District Capital" was published by C. J. Ketchum some four years ago, and if honourable members are interested they will find in it a very readable history of this matter. It also contains in full a speech made by the present Prime Minister in 1927, about the time when the Ottawa Improvement Commission gave place to the Federal District Commission. Mr. King, of course, was very enthusiastic on the subject of improving the city. In that speech he refers to a very practical step forward, made in 1913, and quotes the Order in Council of the Borden Government creating a commission authorized to consider a scheme and plan for the improving and beautification of the city of Ottawa and the city of Hull. The two were to be grouped together in the work. That Order in Council laid down the fundamental principle I mentioned a few minutes ago, one which has been acted upon by all governments since.

For the information of honourable members I shall read from the Order in Council which Mr. King quoted. In 1913 the commission was charged with the duty of—

> —taking all necessary steps to draw up and perfect a comprehensive scheme or plan looking to the future growth and development of the city of Ottawa and the city of Hull, and their environs, and particularly providing for the location, laying out and beautification of parks and connecting boulevards, the location and architectural character of public buildings, and adequate and convenient arrangements for traffic and transportation within the area in question.

That, as I say, laid down the principle or the policy which has been followed ever since. Unfortunately the Great War came along, and very little was done until after it was concluded.

I find in this book also a reference to what was called the Holt Report. That is a report made by a commission of which the then Mr. Herbert S. Holt, of Montreal, was chairman. That commission also, in definite words, approved of the policy to which I have referred. It says:

> It is also certain that the dignity and beauty of the capital of Canada are not more the business of the people of Ottawa than of the people of Canada as a whole. It could not be expected that a municipality would be able to perform such a task on an adequate scale. It would require more money than they could afford and a steady, continuous policy which does not exist under municipal government. For the future of the national capital control of the left bank of the Ottawa river and the city of Hull is vital. The two cities look at each other across a beautiful stretch of flowing water. Nature has made them part of one whole, and they can come under one control only by union in a federal district.

That commission went into the question of what is called a federal district, such as the District of Columbia in the United States, and also laid down valuable plans and suggestions for improving and beautifying Ottawa.

It may be that honourable senators will be interested in knowing, without my going into detail, something of the very splendid work done, first by the Ottawa Improvement Commission and later by the Federal District Commission, in the way of constructing the parks, driveways, parkways and bridges which go far in beautifying and making attractive this capital city of Ottawa. Honourable members may be interested also in knowing just how much money the Government has put into this work from the beginning. In Mr. Ketchum's book there is a brief summary which is quite informative. I had that summary examined, revised and brought up to date by the Secretary of the Federal District Commission, and the figures I have from him are as follows: To date Government expenditures through the Ottawa Improvement Commission and the Federal District Commission amount to $10,967,000. That includes $1,639,783 which was provided by the Government, through the Federal District Commission, for the purpose of acquiring some of the properties that go into Confederation Park. Con-

federation Park is, of course, an important item. In addition to the $10,967,000, the Government expenditures that were made through the Department of Public Works, on account of Confederation Park, amounted to $1,747,967.81, making a total contribution by the country, through the Government, the Department of Public Works and the Federal District Commission, of $12,714,967.81.

I am not giving these figures in any spirit of criticism. I think every dollar of that money was well spent and the country has splendid value for every dollar of it. But it does no harm to know how much is being paid in order to carry out this fundamental policy.

It may be as well to state that in addition to that, one of the finest residential districts of the city of Ottawa, Clemow avenue, was constructed at Government expense, through the Federal District Commission, or the former body, the Ottawa Improvement Commission. The Clemow Estate donated the property, and the Government, probably through the Ottawa Improvement Commission, built the street, and is under contract with the city to maintain it for all time.

Just now the Government is engaged in rebuilding, under its contract with the city, the Laurier avenue bridge, at a cost of about $50,000. The Government is also under contract with the city to maintain the sidewalks on Elgin street and Laurier avenue in front of Cartier square, also all the sidewalks on Wellington street from Connaught Place west, in front of Government buildings, and also the roadway of Wellington street west of Bank street. I am not making criticism about these things; I am only giving them out as facts for the information of honourable members.

I have here a statement, revised for me by the Secretary of the Federal District Commission, summarizing the work done by that commission and the Ottawa Improvement Commission. I will read the statement, or hand it in to Hansard, whichever honourable members prefer.

Some Hon. SENATORS: Hand it in.

Hon. Mr. TANNER: All right.

$10,967,000 has been expended since 1900 on the development and beautification of Ottawa and environs by the Ottawa Improvement and Federal District commissions. The following projects were disposed of in that period:

Rideau Canal driveway—Cartier square to Dow's lake.

Causeway across Dow's lake—one-quarter of a mile long.

Rockcliffe and National parks—111 acres in all developed: culverts, fences, roadways, paths, tree work, etc., drains, rustic bridges.

Strathcona Park—18 acres, swamp lands, and retaining wall along Rideau river.

King Edward boulevard and park.

Dundonald Park.

Central Park.

Nepean Point.

Lady Grey drive skirting the Ottawa river for one mile.

The driveways along the Rideau canal and Patterson's creek were constructed largely on waste land, swampy sections, weed areas, and lumber piling grounds.

Minto bridges—4 spans, total length 519 feet, across Rideau river over islands, which were also improved.

Retaining wall built along Rideau canal for four miles.

Improvement of Patterson's creek—12 acres.

Clemow and Monkland avenues constructed on boulevard plans, as well as Linden terrace.

Bronson Park.

Eastview—park and driveway along easterly side of Rideau river between Cummings and St. Patrick street bridges.

Driveway constructed around Dow's lake, and diagonal drive and causeway across the lake removed.

Large boathouse erected on west side of Dow's lake to accommodate canoeists who lost old shacks when the canal was developed on both sides.

Confederation Park laid out, buildings expropriated and removed, and driveway extended to Sparks street from Laurier avenue, with canal basin filled in.

Lake Flora and old dump in the heart of the city of Hull were cleared up and made into a playground.

Richmond road traffic circle—first in this section of Canada.

Val Tetreau Park on bank of Ottawa river.

Relocation of a section of the driveway in Rockcliffe Park.

Construction of the Champlain bridge—2,250 feet long: 25 spans 70 feet and 4 spans 125 feet—across Ottawa river, at cost of $750,000.

Echo Drive parkway between Bronson avenue and Nicholas street along southeasterly side of Rideau canal, for about 1¼ miles.

Experimental Farm driveway—1½ miles of parkway through the Farm to connect existing sections of parkway.

Island Park driveway—2 miles between Carling avenue and Ottawa river.

Constructing Parc Jacques Cartier, Hull, on the north bank of the Ottawa river, facing the Rideau Falls on the Ontario side of the river.

Brown's Inlet park development.

Greenhouses—9 units—216,000 annual plants provided yearly.

Large nurseries—25 acres—for developing trees and shrubs for parkway system.

Twenty-two miles of parkway constructed to date.

Fence around Rideau Hall—ornamental iron and artificial stone posts fence, 1¾ miles.

Total area of parkways, approximately 1,116 acres, of which about 885 acres have been developed.

Gatineau Park, situated not far from Ottawa, provides additional 15,800 acres, its natural scenery and attractions preserved.

All grounds at Rideau Hall and Government buildings in the city, including Parliament Hill, are now under the control of the commission for maintenance and repairs, the Government supplying funds necessary.

I may point out that Hull is mentioned in the statement. In pursuance of the policy referred to, a park was constructed there by the commission. More recently the commission acquired, with money supplied by the Government, 15,000 acres of land up in the Gatineau district, about 15 miles from Ottawa. This territory is being converted into what will be a very fine park, where the natural beauties will be retained.

I said that Confederation Park is an important item in the beautification programme, and I want now to give the House figures in regard to that park. I repeat that I am not criticizing, as I think this is a splendid achievement. Some honourable members, at least, will remember the land as it used to be between Sparks and Wellington streets east of Elgin. It was covered with a number of unpretentious old buildings that were not very ornamental or beautifying. The Government, having in view Confederation Park, very sensibly acquired that property, for which the price paid was $1,126,969.11. The improvement work, including Connaught Place, cost $620,998.70, making a total of $1,747,967.81. Then, through the Federal District Commission, the Government acquired the old Russell hotel property, the Russell theatre and several other properties, including the Dey property, east of the fire and police stations, and made what is now a beautiful park. The cost of acquiring those properties was $1,639,783.07, which amount, combined with the figures I have already given, brings the total to $3,387,750.88. Added to that are the value of the old post office, which was in front of the Chateau Laurier, and the cost of its demolition, amounting in all to $246,403.73. This means that the total Government outlay on Confederation Park up to date—the park is not nearly finished yet—has been $3,634,154.61.

The Finance Commissioner of the city of Ottawa has furnished me with figures showing the expenditures claimed to have been made by the city on Confederation Park. The City Hall burned down, as the old Russell hotel and theatre did; and the city had to acquire Knox church and a lot of old buildings between Slater street and Laurier avenue. Also, the city laid the pavements. In all, the city claims to have expended for the purposes of Confederation Park $1,787,983.26. So the total direct expenditure, by the Government and the city of Ottawa together, for the making of Confederation Park as it at present stands, is $5,422,137.87.

Some incidental expenditures also were incurred by the Government, and I think these should be mentioned. All the properties between Queen street and Laurier avenue, facing on the west side of Elgin street, were acquired by the Government, partly because it needed office accommodation, but also because it desired, very properly, to control building construction along that street, so that all buildings erected there in the future would conform to the architectural beauties of the district. The Government was fortunate in acquiring the property at the corner of Elgin street and Laurier avenue, as this provided a site for the Lord Elgin hotel, which certainly makes a fine contribution to the beauty of the street and is a great asset for the city. The Lord Elgin has been given a lease for ninety-nine years. If the Government had not acquired that property, the hotel owners might not have been able to build there at all. The cost to the country for these properties was $834,450.

The war memorial, which of course does not enter directly into the cost of making the park, cost $292,796.78.

In consequence of demolishing the old post office, a new post office had to be provided. That new building at the corner of Elgin and Sparks streets was erected at a cost of $1,080,667.89.

So in addition to the sum of $5,422,137.87 directly expended upon the park, these items that I have referred to as incidental expenditures in connection with the park amount to $2,207,914.37.

I repeat that I do not want to be understood as making criticism of all these things. I am simply endeavouring to give information to honourable members, which information perhaps will become available also to the general public.

If the Senate is agreeable, I will also put on record the statement given to me by the Commissioner of Finance of the city of Ottawa. It gives details of the $1,787,983 expenditures.

Hon. Mr. KING: Carried.

Hon. Mr. TANNER: This is the statement:

Corporation of the City of Ottawa

Statement of Cost of Elgin Street Widening

Details—Authority		Amount
Knox Church property—Bylaws 6652, 7000		$ 346,544 93
O'Connor Estate property—Bylaws 6652, 6741		66,810 47
Hope Realty Co. Ltd. property—Bylaws 6652, 6741, 6786, 6787		123,508 68
Kirby Realty Co. Ltd. property—Bylaws 6652, 6741, 6787		109,218 43
Valuators' fees		9,600 00
Tenants—removal and disturbance		6,838 85
Surveys		553 77
Solicitor's expenses		37 17
Traffic records		75 00
Engineering salaries, prints, photos and advertising		453 20
Filling, grading vacant land—Laurier Ave. W. to Slater St.		2,404 81
Old City Hall site:		
Demolition and removal of old City Hall—Bylaw 7257	$1,850 46	
Removal of pavement, concrete and road material and grading grounds	4,555 93	
Construction of two foot paths	363 02	
Construction of concrete cap on retaining wall	453 52	
Construction of pipe railing	378 46	
Installation of water services	115 40	
		7,716 79
Construction of fence, north side of Slater St.		382 28
Old Knox Church property:		
Demolition and removal of old Knox Church and Tourist Bureau		2,363 95
		$ 676,508 33
Credit—		
Sale of buildings—Bylaw 6774	$2,800 00	
Sale of Knox Church organ	1,500 00	
Sale of Knox Church pews	121 00	
Rental of buildings	536 00	
		4,957 00
		$ 671,551 33
Interest on money advanced by bank from the time the various properties were acquired until the loans were paid off, by the issue of debentures, and discount on sale of debentures		194,682 65
		$ 866,233 98
Sidewalks, pavements, water mains, retaining wall, railing, boulevards, trees, sodding, street lighting and pole moving		99,699 28
Total expenditure		$ 965,933 26
Assessed value old City Hall site	$443,850 00	
Assessed value Queen St., Elgin St. to Canal	171,000 00	
Assessed value Canal St.	207,200 00	
		822,050 00
Total expenditure and assessed value of civic property		$1,787,983 26

These beautiful boulevards and parks and the noble monument add greatly to the attractions of the city. The Federal District Commission supplied the sodding and the trees, and this beautification is something of which every citizen may well be proud.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: We do not begrudge one dollar of the expenditure. My only criticism is that the city does not carry out its responsibilities in relation to traffic on the boulevard. True, there are numerous parking signs warning positively that cars must not be parked here or there; but the result is laughable. A few people park their cars right by these signs. It seems to me too bad that the Government and the city should have invested $5,000,000 to provide a lovely parking ground for a few dozen motorists. If I had anything to do with the enforcement of the parking bylaws I would not allow a car to be parked anywhere on Elgin street from Wellington down to Laurier avenue; not one. This beautification project is not made more beautiful by the parking of old cars; far from it.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TANNER: The city authorities do nothing to enforce their parking regulations. They may give the excuse that we are at war. Well, I do not believe we should lose the war if motorists were to stop parking their cars in this area. On the contrary, if parking were strictly prohibited the absence of cars would add further to the beauty of these boulevards. I hope that before long the city authorities will make up their minds to enforce an iron-clad law to put a stop to motorists trespassing on this $5,000,000 boulevard.

Hon. W. RUPERT DAVIES: Honourable members, I have listened with great interest to the remarks of the honourable senator from Pictou (Hon. Mr. Tanner). After being advised of the large sums of money spent by the Federal District Commission on the beautification of the capital, it would seem to me that Ottawa is indeed a child of fortune. I am one of several million Canadians who know nothing about the Federal District Commission nor how its funds are raised and expended. However, before seeking enlightenment from the honourable senator from Ottawa (Hon. Mr. Lambert), I am afraid I must disagree with the views of the honourable senator from Pictou in reference to parking. As one who lives a hundred miles from this city and has to drive here frequently, I find it quite difficult since the erection of the memorial monument and the widening of Elgin street to find a parking place for my car. We are living in a motor age, and it seems to me that both the city of Ottawa and the Federal District Commission have not only overlooked the need for parking space, but have actually made it more difficult for motorists to park their cars anywhere near either of the leading hotels.

Now, for my own enlightenment, as well as that of many other citizens of Canada, may I ask: Who appoints the Federal District Commission? Who are its members? What control is exercised over its expenditures? This Bill asks for $2,000,000.

Hon. Mr. COPP: No; $200,000.

Hon. Mr. DAVIES: Yes, $200,000 for ten years—a total of $2,000,000. Is this money to be expended by a commission appointed by the Government? And are the expenditures audited by the Auditor-General? Perhaps the honourable senator from Ottawa can give me this information.

Hon. NORMAN P. LAMBERT: Honourable senators, I am grateful for the opportunity of being able to speak further on this subject. If my honourable friend from Kingston (Hon. Mr. Davies) will permit me, I should like first of all to express my appreciation to the honourable senator from Pictou (Hon. Mr. Tanner) for having gone at some length into the background of the Federal District Commission and emphasized the importance from a national standpoint of beautifying this capital city.

I might say in passing that the book he quoted, which was written by Mr. Ketchum, was undertaken at the instance of Mr. Frank Ahearn, in commemoration of his father, the late Thomas Ahearn, who himself was one of the pioneers and supporters of plans for the beautification of Ottawa. In his references to that book, I think, the honourable senator paid a very fitting tribute to one who was early associated with the project of the beautification and development of the capital.

My honourable friend from Kingston has told us that he thinks the city of Ottawa has been "a child of fortune." His point was raised in this Chamber, I think, a year or two ago, when the late senior senator from Ottawa (Hon. Mr. Coté) dealt with the subject of the account, amounting, I think, to $100,000, for services rendered by the city to the Federal Government. It was then pointed out that the account probably had never been adjusted. Those services related to fire and police protection, and so on. At that time it was suggested that a committee should be appointed to take up the question with representatives of the city and try to reach a fair and equitable basis. It was also suggested that the Government of Canada should establish a district around the capital analagous to the District of Columbia in relation to Washington. I mention this by way of comment on the remark of the honourable senator from Kingston, because I believe that in direct proportion to the investment of money and sentiment in this capital there will develop a national interest in the Dominion as a whole.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LAMBERT: I believe that our interest in Canada generally will to a certain extent be measured by the expenditures which we are willing to make to develop the attractive natural setting of the national capital.

Regarding the details of expenditure, I shall be only too pleased to place on Hansard a breakdown of the $200,000 representing administration staff salaries, maintenance of parkway system, and so on. There is also an item for mosquito control work, which is part of the co-operative effort of the Federal

District Commission, the county of Carleton and the city of Ottawa. I notice my honourable friend from Kingston smiling at that item—

Hon. Mr. DAVIES: I was going to say to the honourable gentleman that I wish the Government would donate some money to control mosquitoes in Kingston.

Hon. Mr. LAMBERT: I thought mosquitoes were all to be found in Rockcliffe Park, but I am satisfied that a few hundred dollars spent on prevention work would give good results in Kingston too. The expenditure also covers Dow's Lake boat-house and ordinary maintenance of the parkway system. I now place the full particulars on Hansard.

Federal District Commission

Explanation of Items in Proposed Estimates—Fiscal Year 1943-1944

1. Statutory grant	$200,000
1. Administration—staff salaries: Details as shown	$ 18,474
2. Maintenance of parkway system:	
(a) Nursery operations and idle greenhouses expenses, cost of seedlings, plants and shrubs, planting and care of stock, cultivating and fertilizing soil, repairs to drains and water services, tools and supplies. The greenhouses for the duration of the war are being used in the spring season only, when artificial heating is not required. Costs include wages, lighting, telephone, repairs to building and equipment, snow removal, etc.	13,000
(b) Machinery, gasoline, repairs to motor vehicles and equipment: New equipment and items of cost for the maintenance of the commission's motor transport and powered snow-removing equipment. Wages of mechanics are also included in this item	12,000
(c) Contingencies, taxes, legal fees, electricity, fuel, etc.: Stationery, printing, electric light and power, fuel, telephones, legal fees, medical services, workmen's compensation, travelling expenses, taxes, paints, hardware, etc.	10,000
(d) Mosquito control work: During the past ten years the commission has co-operated with the city of Ottawa, the village of Rockcliffe Park, and other municipalities in combatting the mosquito nuisance in the Ottawa district. It organizes and carries out the field work required. Last year Ottawa contributed $2,000, Rockcliffe $1,000, and the county of Carleton $100. The funds contributed by the commission ($3,200) are derived from miscellaneous revenues such as rentals, profits on work done for and materials sold to other departments and corporations. This work is in reality a form of maintenance in connection with the parkway system. During 1943-44 the commission proposes to contribute for oil spraying, cutting of trails, drains, etc.	3,200
(e) Dow's Lake boat-house: Some years ago when the commission decided to improve both banks of the Rideau Canal it was necessary to remove many unsightly private and public boat-houses which had been erected under leases granted by the then Department of Railways and Canals. Before cancelling the leases that department insisted that the commission make provision for accommodating elsewhere the water craft affected. This resulted in the Dow's Lake boat-house being erected. At the present time accommodation has been leased for 94 canoes and 22 motor boats. It costs the commission approximately $1,500 per year to operate the boat-house; the total yearly rentals amount to about $1,600; the boat-house is therefore self-sustaining	1,500
(f) Ordinary maintenance of parkway system: Cutting grass and care of lawns, trimming walks and roadways, care of trees, shrubs and replacements, planting and care of flower beds, care of roadways and bridges, painting traffic guides on roadways and erecting and care of snow fences, materials, tools, and mowers; repairs to walks, buildings, curbs, gutters, drains, ploughing and removal of snow, etc.	141,826
	$200,000

I would conclude my remarks by expressing commendation of the work of those who compose the Federal District Board.

Hon. Mr. HAIG: The honourable senator has not yet answered the question of the honourable gentleman from Kingston. I think I know the answer, but it would be better if it came from the honourable senator himself. Who appoints the commission, and what is its authority?

Hon. Mr. LAMBERT: The Federal District Commission is appointed by the Government of Canada to take care of the areas which are represented in the driveway scheme and all the other undertakings for the beautification of this district. The members of the commission are: Mr. Frederic Bronson, chairman; Dr. R. Chevrier; Mr. C. J. Booth; Mr. A. E. Provost; Mr. J. B. Spencer; Mr. Alexander Johnston, C.M.G.; Mr. Duncan MacTavish, K.C.; Mr. J. A. Ewart; Mr. Jos. W. Ste. Marie (Hull); the Mayor of Ottawa. I am personally acquainted with several of those gentlemen and I can testify to their close personal devotion to the work of the commission. I may say that they very carefully scrutinize all expenditures during these rather trying times.

I can assure my honourable friend that personally I shall be very pleased to see that he is made familiar with the work of the commission. Nothing would give me greater pleasure than to have him accompany Mr. Bronson and myself on a trip through the city to see some of the more beautiful features, which are not always seen by motorists driving here from Kingston and looking for a parking place.

Hon. C. P. BEAUBIEN: Honourable senators, in 1938 or 1939 a celebrated Paris architect came here and prepared plans for the beautification of the capital. An elaborate maquette was prepared and placed in these buildings, opposite the door of the House of Commons, for public inspection, to show what progress had already been made in beautifying the city and what developments were planned for the future. I should like to know from the honourable senator whether these plans have been adopted and are being carried out according to the model.

Hon. Mr. LAMBERT: In reply to the honourable senator from Montarville (Hon. C. P. Beaubien) I would say, first of all, that this Bill is simply for maintenance, altogether apart from the great capital undertaking represented by the plan and by the model which was in the House of Commons lobby a couple of years ago. The very eminent architect from Paris, who acted in close co-operation with the Prime Minister on the scheme, has given the Government a plan which has been partly carried out, but which is still incomplete. The details of the scheme are still in blue-print form, but really have been adopted as part of the big scheme of beautification embracing the area of the present station and the district running down towards Laurier avenue.

Hon. Mr. BEAUBIEN: The plans are being followed out, are they?

Hon. Mr. LAMBERT: The plans have been adopted, and have been partly put into effect. The complete plan, which covers a period of fifty or sixty years, has been adopted by the committee of the Government.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall said Bill be read a third time?

Hon. Mr. LAMBERT: If the Senate pleases, now.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADA EVIDENCE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 74, an Act to amend the Canada Evidence Act.

He said: Honourable senators, the honourable member from Inkerman (Hon. Mr. Hugessen) has been kind enough to consent to explain this Bill.

Hon. A. K. HUGESSEN: Honourable senators, this Bill to amend the Canada Evidence Act is a small and, I think, quite innocuous measure. In brief, it provides for the taking of oaths, affirmations or statutory declarations under the Canada Evidence Act outside of Canada before certain governmental officials, including officers of the British diplomatic or consular services, Canadian diplomatic or consular officers, Canadian High Commissioners and Canadian Trade Commissioners and Assistant Trade Commissioners. I am given to understand that the object of the Bill is to bring the Canada Evidence Act in this regard into line with similar legislation which exists and is in force in several of the provinces of

Canada, with respect to the proof of matters that are subject to provincial jurisdiction. I am informed that as matters stand at the present time it sometimes happens that in a single case the Canada Evidence Act may be applicable to one portion of the litigation while provincial legislation is applicable to another portion. This simply brings the Canada Evidence Act into line with the provincial statutes with respect to officers outside of Canada before whom affidavits and declarations may be made.

If the second reading is agreed to, I shall move that the Bill be referred for consideration to the Standing Committee on Banking and Commerce.

Hon. Mr. BALLANTYNE: The House seems to be satisfied with the explanation given by the honourable senator. Is there any necessity for referring the Bill to the committee?

Hon. Mr. HUGESSEN: I had intended suggesting the third reading, but the honourable senator from Ponteix (Hon. Mr. Marcotte), who happens to be out of the Chamber, has said he wishes to consider the matter further, and may have some observations to make in committee to-morrow. It is at his suggestion that I ask that the Bill be referred to the committee.

Hon. ANTOINE J. LEGER: Honourable senators, this may not be the proper time to do it, but, as I am not a member of the Banking and Commerce Committee, I should like to make a suggestion. In the third line from the bottom of section 49 these words appear:

—being administered, taken or received by him, shall be admitted in evidence, without proof of the seal or stamp or of his signature or of his official character.

The language there seems to be absolute, and I am just wondering whether on that anybody would have the right to make proof. In my opinion the language should be something like this: "shall be prima facie admissible in evidence." In that case a defence would be possible; but under the wording of the Bill any such document produced is admissible, and the judge has no discretion in the matter at all. I think it is the intention that the document should be prima facie admissible in evidence, without further proof, and I think the members of the committee might consider that point when the Bill is before them.

The motion was agreed to, and the Bill was read the second time.

Hon. Mr. HUGESSEN.

REFERRED TO COMMITTEE

The Hon. the SPEAKER: When shall said Bill be read a third time?

Hon. Mr. HUGESSEN: I move that it be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

NATIONAL RAILWAYS AUDITORS BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 77, an Act respecting the appointment of auditors for National Railways.

He said: Honourable senators, the explanation of this Bill is very simple. Every year since 1936 Parliament has been required to appoint the auditors for the Canadian National Railways System. Messrs. Touche and Company, who have been employed heretofore, are being re-appointed this year. They are paid $51,800 per annum to audit the accounts of the Canadian National Railways, the Canadian National West Indies Steamships, Limited, the Trans-Canada Air Lines, and other subsidiary companies of the National Railways. The Bill is in exactly the same form as last year and preceding years.

Hon. Mr. QUINN: Is the amount the same?

Hon. Mr. KING: Yes, exactly the same as last year.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall said Bill be read a third time?

Hon. Mr. KING: Now.

The motion was agreed to, and the Bill was read the third time, and passed.

BRITISH COLUMBIA INDIAN RESERVES MINERAL RESOURCES BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 78, the British Columbia Indian Reserves Mineral Resources Act.

He said: Honourable senators, the explanation of this Bill is brief. Those who are familiar with the question of Indian reserves in the province of British Columbia know that since the time of Confederation there have been certain outstanding differences in regard to these reserves as between the province and the Dominion Government. It was

only in 1912 that a commission known as the McKenna-McBride Commission made an inquiry into the question, as a result of which an agreement was entered into. Prior to that time the province was entitled to a reversionary interest in all Indian lands which were not required by the Indians for their use. This resulted in a joint ownership, making it practically impossible for the Dominion to administer the lands for the benefit of the Indians. To settle these differences the agreement already referred to was entered into, and the report of a committee appointed thereunder was adopted and approved by Parliament in 1920. That agreement provided that when the reserves were finally fixed by the commission they were to be conveyed by the province to the Dominion, which was to have full power to deal with them as might be deemed best, and to sell them and use the proceeds for the benefit of the Indians. The reversionary interest of the province was thus disposed of, except where the Indian bands became extinct, in which cases the lands reverted to the province.

The agreement, although approved by Parliament in 1920, did not receive the approval of the provincial Government until 1927, and it is only within the last year or two that the province and the Dominion have been able to agree upon the rights to minerals that may be found upon the reserves.

In the eighties, in a case before the Privy Council, in which the Attorney-General for the province and the Attorney-General for the Dominion were represented, the province contended, and was successful in the contention, that precious metals in and upon and under Crown lands "are not incidents of the land, but belong to the Crown, and, under section 109 of the British North America Act, 1867, beneficially to the province." The Dominion continued to contend that the base metals were within the right of the Dominion and should be utilized and disposed of for the benefit of the Indians, and, as I have said, it is only within the last two or three years that the two governments were able to reach an agreement, which is set out in the schedule of the Bill.

This agreement provides that if consent is given by the Indian Affairs Branch — that means, with the approval of the Indians in Council—prospecting may be done on the reserves, and the mineral rights exploited. All work will be carried on under the laws and regulations of the province of British Columbia.

It is also provided in the agreement that all revenues derived from such development will be on the basis of present charges made by the provincial Government, and will not be reduced without the consent of the Government of Canada.

Under this arrangement, an individual or group of individuals may make application to the Indian agent in any district for permission to prospect for minerals upon a reserve. The agreement, I believe, is important. There are some 1,600 reserves scattered throughout the province of British Columbia, many of them in mineral-bearing areas, and I have no doubt that when the agreement comes into force considerable prospecting will be done upon some of these reserves and will result in a good deal of development, which will produce revenue not only for the province, but also for the Federal Treasury. This revenue received by the Government of Canada will, of course, be held in trust and used for the advantage of the Indians upon the reserves.

I think that is all I need to say.

Hon. C. P. BEAUBIEN: Would the honourable gentleman be kind enough to repeat the number of reserves there are in the province?

Hon. Mr. KING: There are 1,600 reserves. It is an amazing number.

Hon. C. P. BEAUBIEN: If permission is given for prospecting, what happens afterwards? Will development be done by the province or the Federal Government?

Hon. Mr. KING: No. Development will be done in the ordinary way by an individual or group or company, under the laws of the province.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

CRIMINAL CODE BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 107, an Act to amend the Criminal Code.

He said: Honourable senators, my honourable friend from Toronto (Hon. Mr. Hayden) has been kind enough to undertake an explanation of this Bill.

Hon. S. A. HAYDEN: Honourable senators, I have given consideration to the amendments to the Criminal Code that are incorporated in

this Bill, for the purpose of trying to reduce them into a concise statement. Some of the amendments are new, some have the object of making provisions of the Code more enforceable, and some are clearly procedural. Since they range over various parts of the Code, I have made my own grouping of the amendments according to the subject-matters to which they relate.

May I first direct attention of honourable senators to sections 15, 16, 22, 23, 26 and 27 of the Bill? These relate to procedure in cases where the offence with which a person is charged is of a type for which greater punishment may be inflicted upon the accused if it is proved that he was previously convicted. The procedure outlined in these sections differs from, and, in my opinion, is fairer than, that now followed. For instance, at the present time where a person is being proceeded against summarily, under the summary convictions part of the Criminal Code, and the Crown alleges the offence to be a second offence, some reference to this may be made in the information. That certainly is embarrassing to the accused person and makes it more difficult for him to defend himself. At least, the atmosphere in court is more unfavourable to him. The amendments that I have referred to deal with summary convictions, summary trials of indictable offences and speedy trials of indictable offences, and they all provide that the information shall not make any reference to a previous conviction. Only after the accused person has been convicted of the offence for which he is then being tried may the judge, at the request of the Crown prosecutor, inquire of the accused whether it is his first offence. If he says it is, the Crown may then put in evidence to prove that he is not telling the truth.

The next amendment I should like to refer to is section 28 of the Bill. That amendment has become necessary by reason of a decision by the Supreme Court of Canada, which held that under the provisions of the Code dealing with the speedy trial of indictable offences the trial judge could proceed with only one charge at a time against an accused person. Opposed to that, where a man is charged under indictment, if there are a number of counts in the indictment the judge may at his discretion proceed with several of the counts at the same time. The Supreme Court's decision meant that the so-called "speedy trials" part of the Code was a misnomer. Section 28 is designed to make it clear that under this part of the Code a person may be tried on several charges together if in the judge's opinion the accused would not be prejudiced thereby.

The advantage of this amendment is quite apparent, from the point of view both of the accused and the Crown.

Another group of amendments is contained in sections 29, 30 and 31, and is based on a resolution of the Manitoba Legislature. These amendments provide for twelve jurors in criminal cases in that province. As the Code now stands, only six jurors can be used in a criminal case in Manitoba and Saskatchewan, but if the proposed amendments are adopted this limitation will no longer apply to Manitoba. The change is made by eliminating any reference to Manitoba in the relevant subsections.

Sections 11 and 32 are merely formal. We used to have a Trade Mark and Design Act, and the Code contains certain references to this. But the Act was repealed by the Unfair Competition Act of 1932, and the amendment provided by section 11 simply incorporates the title of the new Act in the Code. Section 32 corrects a clerical error, by including reference to the Timber Marking Act in section 990 of the Code, such reference having been inadvertently omitted when the section was amended in 1938.

The next group comprises sections 5 and 13 of the Bill. Section 5 simply combines the provision of section 622 of the Code with subsection 2 of section 125. This subsection provides that where a person is convicted of having or carrying a weapon, the court shall order the weapon to be forfeited to the Crown, to be disposed of as the Attorney-General of the province may direct. Section 13 of the Bill simply repeals section 622 of the Code.

Section 4 deals with the registration of revolvers and pistols. An amendment to the Code in 1938 required that a general registration of revolvers and pistols should be made with the Royal Canadian Mounted Police between the first day of March and the first day of July, 1939, and during the same period every five years thereafter. That would necessitate another general registration between the first day of March and the first day of July, 1944, but the Commissioner of the Royal Canadian Mounted Police has reported that he does not consider any useful purpose would be served by having such a registration made next year. Section 4 simply postpones the registration until 1945.

Hon. Mr. LEGER: Redistribution is not the only thing being postponed.

Hon. Mr. HAYDEN: No. This registration would be postponed until 1945, and would be held every five years after that.

Sections 2, 17, 18, 19, 20 and 21 are made necessary by reason of the new organization of magistrates in the provinces of Nova Scotia and New Brunswick. These amendments have been requested by the Attorneys-General of the two provinces, in order that the various provisions of the Code covered by the amendments may apply to all classes of magistrates now holding office there.

Section 10 enlarges the definition of the word "highway" in section 285 of the Criminal Code with respect to reckless driving charges. Apparently a restriction was put upon the word by the courts so that it did not include roads which, while privately owned, were accessible to the public. Hence the definition is enlarged to include any road "to which the public has the right of access, including bridges over which, or tunnels through which, a road passes."

Hon. Mr. LEGER: Suppose a person has a private road leading to his own property, to which the public having business with him has access. Would that private road be covered by this amendment?

Hon. Mr. HAYDEN: Some day I may have to argue that question one way or the other. For the purpose of explaining this Bill, I would point out that the definition is that "'highway' shall include any road to which the public has the right of access." In my view that would cover the situation where the general public has the right of access. That is my opinion for what it is worth, but I should not care to be quoted. If you came into my private driveway the provision might not apply.

Sections 1 and 35 became necessary by reason of the fact that in the Northwest Territories civil cases may be appealed to the courts of the province adjoining the territory, but there is no appeal from conviction for indictable offences. Section 1 permits an appeal in such cases.

With respect to section 35, under the Yukon Territory Act of 1941 provision was made for the appointment of stipendiary magistrates. This amendment is intended to give such stipendiary magistrates, who in fact have the powers of a judge of the Territorial Court, discretion to impose a sentence of hard labour.

Sections 14, 24, 33 and 34 are purely procedural. Briefly, section 14 is for the purpose of removing an ambiguity in the present section of the Code, which has arisen through the somewhat mixed use of the words adjournment and remand. This ambiguity is cleared up as follows:

> but nothing herein contained shall be construed as prohibiting an adjournment for more than eight clear days in any case where the accused is on bail, and he and his surety or sureties and the prosecutor or complainant consent.

Section 24 deals with the summary trials of corporations for indictable offences. Under the Criminal Code at present the initial trial of a corporation is by way of preliminary investigation. This amendment permits a magistrate to proceed summarily in the absence of an accused corporation where consent to jurisdiction is not required.

Section 33 is for the purpose of saving costs to a person who is appealing a criminal conviction. This is effected by allowing a judge of the court of appeal to order that the transcript of the shorthand notes of the trial may be dispensed with in whole or in part. It is a very sensible provision, because very often the ground of the appeal turns upon some legal point in the judge's charge, in regard to which there need be little, if any, reference to the evidence.

Hon. Mr. ASELTINE: That would be in appeals from convictions for indictable offences?

Hon. Mr. HAYDEN: That is right.

Hon. Mr. ASELTINE: Not summary convictions?

Hon. Mr. HAYDEN: No.

Hon. Mr. LEGER: Who would be the trial judge in the case of an appeal to the Supreme Court?

Hon. Mr. HAYDEN: How do you mean?

Hon. Mr. LEGER: In the case of an appeal to the Supreme Court en banc, the court would be composed of at least three judges.

Hon. Mr. HAYDEN: I will read the subsection:

> In all cases where notes of the evidence or any part thereof, and of the charge of the presiding judge, have been made at the trial, a copy, or in the case of shorthand notes a transcript thereof, shall be made and furnished to the court of appeal, unless such transcript is dispensed with in whole or in part by order of a judge thereof.

That is by order of a judge of the court to which the appeal is taken.

Section 34 amends section 1024 of the Criminal Code, which directs how an appeal to the Supreme Court of Canada must be disposed of. As the Code now stands, if the Supreme Court is sitting at the time the appeal is taken,

the appeal must be disposed of at that session or the next, unless the court makes some other direction. The object of this amendment is to extend the same privilege to the Attorney-General as is now enjoyed by the convicted person.

I may say at this point that before I take up two sections which I regard as really contentious I propose to give a brief explanation of three or four other sections.

With reference to section 9, it was felt that something dangerous was developing in the use of war savings stamps and other securities in chain letters—paragraph (*c*)—something which the Code did not cover. It was therefore decided to amend paragraph (*c*) of subsection 1 of section 236 so as to include war savings stamps and other securities as well as money when used in the promotion of speculative enterprises.

Section 12 enlarges the scope of section 406 of the Code, dealing with false pretences. At the present time it is an offence to publish, by way of advertisement or otherwise, any statement purporting to be one of fact which is untrue, deceptive or misleading. This did not catch every offender, for an advertisement might be presented in such a form that, though literally and technically accurate, it could be said to be intended to deceive and mislead. Therefore the section is amended by adding these words:

or which advertisement is intentionally so worded or arranged as to be deceptive or misleading.

It is another attempt, I suppose, to close the door on the various types of false pretences and false advertising that develop from time to time.

Section 25 has to do with the restitution of property. Its purpose is to bring the power to order restitution of property on summary conviction into line with the power so to order on conviction for indictable offences. In cases where property has been unlawfully received the magistrate is given power to direct that the stolen property be restored to the rightful owner. The present wording of "obtained by false pretences" is amended to read, "unlawfully received."

Section 6 deals with the very technical problem of bail. Apparently there was a loophole in the Code, and the object of the amendment is to broaden paragraph (*c*) of section 189 so that it will apply to a person on bail subsequent to as well as before his conviction.

Now I come to the two sections which I think may provoke some discussion. I will refer to them very briefly.

An Hon. SENATOR: Hear, hear.

Hon. Mr. HAYDEN.

Hon. Mr. HAYDEN: They are sections 7 and 8. The amendments are short, but often the little bit you add may make a great deal of difference.

Section 7 relates to betting. This amendment originated because of the fact that when a house on the outskirts of Toronto was raided the police found battery upon battery of telephones, but were not able to prove to the satisfaction of the magistrate that the premises were "opened, kept or used for the purpose of facilitating or encouraging or assisting in the making of bets upon any contingency." The telephones were there, but apparently the police did not enter at a time when they were in operation. This amendment is devised for the purpose of covering such a situation, the paragraph as amended reading:

opened, kept or used or outfitted or equipped in such a manner as to be likely to be used—

Hon. Mr. ASELTINE: I do not like those last four or five words.

Hon. Mr. HAYDEN: I do not know whether it would shock my honourable friend if I said that personally I do not like them myself. But there is a place where we can discuss that phase of the amendment. Its effect—and this refers also to section 8—is to introduce some change in our principle of jurisprudence and make more difficult any defence to a charge of this kind. It is a serious matter and is one of the compelling reasons why I intend to suggest that the Bill be referred to a committee.

Hon. Mr. ASELTINE: When this section was considered in the other place, I thought it had been agreed that these sections should be left out of the Bill, for re-consideration next session, with the understanding that in the meantime an inquiry would be made.

Hon. Mr. HAYDEN: No. This particular section 7, I think, was requested by the then Attorney-General of Ontario. The present Attorney-General of Ontario wrote a letter—reference was made to it in the House of Commons—pointing out that a reversion or change in principle was involved, and that it should be given serious study before being enacted. All the information was before the other House, and this section was enacted in the form in which it appears here today.

Hon. Mr. HAIG: Has any other Attorney-General requested the passing of the legislation?

Hon. Mr. HAYDEN: Of section 7, yes—the Attorney-General of British Columbia.

Hon. Mr. HAIG: Anybody else?

Hon. Mr. HAYDEN: Nobody else. The amendment was suggested by the then Attorney-General of Ontario, and was concurred in by the Attorney-General of British Columbia. Since that time there has been a change of Attorney-General in Ontario.

Hon. Mr. HAIG: There is no possibility of a change occurring again, is there?

Hon. Mr. HAYDEN: I do not know whether or not it is a case of the wish being father to the thought, but for the purpose of the discussion of this matter I do not think a consideration of that question is necessary.

Section 8 is another of the sections where the word "likely" has been introduced. The wording of the present Act is:

advertises, prints, publishes, exhibits, posts up, sells or supplies, or offers to sell or supply, any information intended—

and then the words "or likely" are added

—to assist in, or intended for use—

and again the words appear, "or likely to be of use"—

—in connection with book-making, pool-selling, betting or wagering upon any horse-race or other race, fight, game or sport, whether at the time of advertising, printing, publishing, exhibiting, posting up, or supplying such news or information, such horse-race or other race, fight, game or sport has or has not taken place.

The words following that constitute the amending provision which the Minister of Justice introduced in the other place when this section was being considered. They are as follows:

Provided however that the provisions of this paragraph shall not apply to the publication of news or records in relation to any race, fight, game or sport, or to contestants therein in the ordinary course of publishing a bona fide newspaper.

The idea was that if this provision had not been added, from the time this section became law no newspaper would be able, or willing, possibly, to publish even the entries for races or the results, because if an excerpt of a newspaper containing entries and results were found in the possession of some person it would be difficult to resist the charge that these entries were "likely to be used." For this reason the Minister inserted the proviso regarding what he calls a "bona fide newspaper."

I may tell you that this amendment was suggested by the Deputy Attorney-General of Alberta and was concurred in by the Attorney-General of British Columbia and the then Attorney-General of Ontario. Since that time the successor in office in Ontario has taken an entirely different position, on the ground that the word "likely" involves a complete change in our criminal jurisprudence, inasmuch as intention is no longer a factor.

Hon. Mr. ASELTINE: Those words would do away with the defence of mens rea.

Hon. Mr. HAYDEN: Oh, yes, entirely. In saying that, I am expressing my own opinion. It is obvious, I think, that with the words "likely to be of use" the offence is something quite apart from any determination in one's mind. For instance, if a man who was making a bet somewhere with a bookie had an excerpt from a newspaper in his possession, you would have the combination of circumstances necessary to convict the newspaper if it were not for this saving clause. It would be difficult to say that it was not "likely to be of use," and the question of intent would not matter. Heretofore, where a person has gone into the witness box and said, "I did not intend this information to be of use; I published it for the purpose of satisfying the public interest in the field of horse-racing," that was a perfectly good defence.

Hon. Mr. LEGER: What is the meaning of a "bona fide newspaper"?

Hon. Mr. HAYDEN: I do not know. We have to take the meaning which the words appear to have. I should think a bona fide newspaper would be one that is regularly published and has a reasonable circulation.

Hon. Mr. LEGER: Why not say, "regularly published newspaper"?

Hon. Mr. HAYDEN: I cannot answer that question. That is why I was suggesting that the Bill should go to committee, where we can get the opinion of officials of the Department of Justice and decide whether or not this is wide enough in scope. For instance, question might arise as to whether the official racing publication of the Racing Association is a newspaper within the meaning of the amendment.

With this explanation, I would move that the Bill be referred to the Committee on Banking and Commerce for consideration.

Hon. Mr. ASELTINE: I appreciate the very lucid manner in which the honourable senator has explained this Bill, but before the motion is put I should like to ask a question with regard to section 29. The province of Saskatchewan is the only province in which a jury in future will consist of only six members.

Hon. Mr. HAYDEN: Yes.

Hon. Mr. ASELTINE: It seems to me that in Saskatchewan there should be twelve jurors, the same as in other provinces. I should like to know why Saskatchewan is left with only six jurors under the amended section. We all know, of course, that during the bad years in Western Canada from 1930 on, with resultant poor crops, a request was made by the Attorney-General of Saskatchewan to have the number of jurors in criminal trials reduced from twelve to six; but I think conditions have improved to such an extent that we now should have twelve jurymen. I think that if I were defending in a criminal action I would sooner rely on twelve men than on six; if I were prosecuting, I would sooner have six than twelve. In my opinion, having only six jurors works to the detriment of the accused, and the accused should be given every possible chance, because, as we all know, it is much better that a number of guilty persons should go free than that one innocent person should be convicted.

Hon. Mr. HAYDEN: That, of course, should be considered by the committee; but, the change to six jurors having been made at the request of the province, I personally would be very diffident about changing back to twelve without consulting the province.

Hon. Mr. ASELTINE: I presume a request was made by Manitoba.

Hon. Mr. HAYDEN: Yes. There was an enactment of the Manitoba Legislature as a result of which the change back to twelve was made. It may be that the honourable gentleman is underestimating the quality of Saskatchewan jurors with regard to their mental capabilities.

Hon. Mr. HAIG: I do not intend to discuss the Bill, for it has been covered very fully, but as Manitoba has been mentioned I should like to say a word. The original request made by Manitoba to reduce the number of jurors was not unanimous. I happened to have the pleasure of being a member of the Legislature at that time, and I remember very well what the situation was. Recently there has been a great agitation to have the twelve-man jury restored. Last winter the Legislature unanimously passed a resolution agreeing upon that. For several years it has been the general opinion that the twelve-man jury is very much fairer to all concerned than the six-man jury. That is why the change is being made.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. HAYDEN: I move that this Bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

DEPARTMENT OF NATIONAL REVENUE BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 108, an Act to amend the Department of National Revenue Act.

He said: Honourable senators, this Bill pertains to the internal organization of the Department of National Revenue. The appointment of Mr. Hugh D. Scully as Consul General for Canada in New York has created a vacancy in the office of Commissioner of Customs. This Bill provides for the combining of the offices of Commissioner of Customs and Commissioner of Excise, and for raising the status of the commissioner to that of a deputy minister. It also provides that the Commissioner of Income Tax and Succession Duties be made a deputy minister.

Section 2 of the Bill is to authorize the Minister of National Revenue to administer Part II and Parts IV to XVII of the Special War Revenue Act, lately enacted. This authority is at present vested in the Minister of National Revenue by Orders in Council made under the provisions of the Department of National Revenue Act.

I think this explains the provisions of the Bill.

Hon. Mr. BALLANTYNE: Would that increase the remuneration of these officers?

Hon. Mr. KING: That matter has not been considered, but, judging from discussion I have heard, I should say it probably would. Deputy ministers are entitled to a higher salary than commissioners.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: When shall said Bill be read a third time?

Hon. Mr. KING: Now, with the consent of the House.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADA-UNITED STATES OF AMERICA TAX CONVENTION BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 119, an Act respecting a certain Tax Convention and Protocol between Canada and the United States of America, signed at Washington, in the United States of America, on the 4th day of March, 1942.

He said: Honourable senators, the honourable gentleman from Westmorland (Hon. Mr. Copp) has kindly consented to explain this Bill.

Hon. Mr. COPP: Honourable senators, as its title indicates, this Bill has to do with a tax convention and protocol between Canada and the United States of America, signed at Washington on the 4th day of March, 1942. The convention and protocol have been in force during the past fifteen months, and the department administering the matter has been advised by the Department of Justice that the agreement should be put into statutory form. That is the only reason for the Bill.

Hon. C. P. BEAUBIEN: What is the purpose of the convention and protocol?

Hon. Mr. COPP: It is to deal with taxes on dividends and other income passing between the two countries.

Hon. C. P. BEAUBIEN: The object being equalization?

Hon. Mr. COPP: Yes, as far as possible.

The motion was agreed to, and the Bill was read the third time, and passed.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

TRANSFER OF LANDS BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 133, an Act to confirm the transfer of certain lands to Ontario and Quebec.

He said: Honourable senators, the honourable gentleman from Westmorland (Hon. Mr. Copp) has agreed to explain this Bill also.

Hon. Mr. COPP: Honourable senators, last year, or a short time before, the provinces of Ontario and Quebec entered into an agreement for the purpose of developing electrical power at various sections of the Ottawa river. Inasmuch as the Dominion has certain proprietary rights in some of the lands required for the purposes of the agreement, an Order in Council was passed transferring these lands to the two provinces, subject to the maintenance of existing rights in regard to navigation. The whole object of this Bill is to confirm that transfer.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

EXCHEQUER COURT BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 134, an Act to amend the Exchequer Court Act.

He said: Honourable senators, this Bill also will be explained by the honourable senator from Westmorland (Hon. Mr. Copp).

Hon. Mr. COPP: Honourable senators, this is a very short Bill, the object of which is to amend the Exchequer Court Act. It has been held that a member of the armed forces of Canada is not a servant of the Crown, within the meaning of that part of the Act which imposes liability upon the Crown for the negligent acts of its servants. A number of accidents have allegedly resulted from negligence of members of the armed forces, and some objection has been taken to the Crown's freedom from liability in such cases. This Bill has been brought in to make it clear that liability does rest upon the Crown.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 135, an Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the

Canadian National Railways System during the calendar year 1943, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

He said: The honourable gentleman from De Salaberry (Hon. Mr. Gouin) has kindly consented to give an explanation of this Bill.

Hon. L. M. GOUIN: Honourable senators, this Bill reproduces in substance a similar Act which was adopted last year and is now chapter 22 of our Statutes of 1942-43. In fact, every year since 1932 a similar Bill has been passed to provide moneys for capital expenditures and refunding purposes of the Canadian National Railways System. The object of the present Bill is simply to authorize capital expenditure of the Canadian National Railway Company, and the retirement of miscellaneous maturing obligations, either by way of loan from the Dominion or by the issue of the company's securities guaranteed by the Dominion.

As shown at the end of section 2, on page 2 of the Bill, the total amount to be now provided for the purposes I have just indicated is $6,046,300. This sum is made up as follows:

Additions and betterments (less retirements)	$12,200,000	
Acquisition of securities.	1,294,300	
Retirement of maturing capital obligations, including sinking fund and equipment principal payments	9,552,000	
		$23,046,300
Less: Available from reserves for depreciation and debt discount amortization		$17,000,000
		$ 6,046,300

Section 2 of the Bill is the same as it was last year, though of course the amounts are never exactly the same in any two years. But the 1942 measure had a third section, which provided that the Canadian National Railway Company, subject to the approval of the Governor General in Council, could retire any amount of the debts of the companies forming part of the Canadian National Railways System, and authorized the issue of new securities in exchange for such retired obligations. That power conferred in 1942 is a continuing one, and need not be re-enacted this year. So section 3 of the 1942 Bill is omitted from the present Bill. That is why section 3 and the following sections of this Bill correspond respectively with section 4 and the following sections of last year's Act.

Section 3 simply gives the Minister of Finance the usual authority to make to the Canadian National Railway Company the advances necessary to meet the expenditures authorized in section 2, provided, of course, that the total of such expenditures shall not exceed the amount already mentioned, $6,046,300.

Section 4 is the same as section 5 of last year's Act. It provides for the issue and guarantee of definitive securities for the repayment of temporary loans.

Section 5 is also similar to the corresponding section 6 of the Act of 1942. It gives power to the Canadian National Railways to aid the various companies referred to in the Act.

Section 6, too, is similar to section 7 of last year's Act. It provides for the guarantee to be authorized by the Governor General in Council.

Section 7 is the same as section 8 adopted last year. It deals with the form of the guarantee to be signed by or on behalf of the Minister of Finance.

Number 8, the last section, is similar to section 9 of last year's Act. Paragraph 1 provides for the deposit of the proceeds of guaranteed bond issues of the Canadian National Railways. Paragraph 2 deals with the release of any part of such proceeds.

To sum up, all the sections which I have dealt with simply reproduce the provisions in the 1942 Act, the only difference being in the amount of the advances authorized.

In order to explain this difference I would ask permission to place on Hansard a breakdown of the three items forming the sum of $23,046,300, mentioned in section 2.

First I present the following statement:

Details of the item, Additions and betterments, $12,200,000, and the actual expenditures under the same heading in 1942, are as follows:

	1942 Actual	1943 Budget
Atlantic region	$1,048,228	$1,369,263
Central region	173,388	5,050,567
Western region	1,262,756	2,548,526
Grand Trunk Western Railroad	553,404*	363,279
Central Vermont Railway	8,050*	124,909
Hotels	63,943*	
Montreal Terminals	1,823,248	363,568
P.E.I. car ferry and terminals	110,174	35,700
Subsidiary companies	1,312,175*	146,814
General, including additions and betterments to equipment	946,270	2,715,268
Equipment purchases	4,584,441	425,968
Equipment retirements	979,740*	943,862*
	$7,031,193	$12,200,000

* (cr.)

The next statement shows the following details:

Details of the item, Acquisition of securities, $1,294,300, and the actual expenditures under the same heading in 1942, are as follows:

	1942 Actual	1943 Budget
Toronto Terminals Railway: Joint with C.P.R. —general additions and betterments — C. N. R. proportion 50 per cent.		$ 100,000
Northern Alberta Railways: Joint with C.P.R. —general additions and betterments — C. N. R. proportion 50 per cent.		1,050,000
Debt retirement— C.N.R. proportion 50 per cent	$3,215,000	
Chicago and Western Indiana Railroad: Advances under agreement of March 1, 1936	139,542	144,300
Detroit & Toledo Shore Line Railroad: Reduction in ledger value of capital stock by application of amounts of special dividends received	120,000*	
Atlantic and St. Lawrence Railroad: Purchase of capital stock	24,004	
	$3,258,546	$1,294,300

* (cr.)

This further statement shows details of the third item:

Details of the item, Retirement of maturing capital obligations, including sinking fund and equipment principal payments, $9,552,000, and the actual expenditures under the same heading in 1942, are as follows:

	1942 Actual	1943 Budget
Retirement of maturing capital obligations:		
7 per cent Wellington, Grey & Bruce Railway bonds	$ 5,840	
Indebtedness to State of Michigan re Wider Woodward Ave., Detroit	429,414	$430,000
	$435,254	$430,000
Sinking fund payments:		
2 per cent C.N.R. Guar. deb. stock (1927)	$712,100	$397,792
4 per cent St. John & Quebec Railway 1st mortgage deb. stock	27,280	6,735
	$739,380	$404,527
Equipment principal payments:		
4½ per cent C.N. Equip. Trust "J"	$1,000,000	
5 per cent C.N. Equip. Trust "K"	1,200,000	$1,200,000
4½ per cent C.N. Equip. Trust "L"	1,050,000	1,050,000
2½ per cent C.N. Equip. Trust "O"	1,430,000	1,430,000
2¾ per cent C.N. Equip. Trust "P"	500,000	500,000
2½ per cent C.N. Equip. Trust "Q"	650,000	650,000
3 per cent purchase of equip., 1936 (Dom. Gov.)	517,173	517,173
3½ per cent purchase of equip., 1940	991,968	991,968
3½ per cent purchase of equip., 1941		1,401,141
5 per cent Cent. Vermont Equip. Trust, 1929	124,000	124,000
5 per cent Grand Trunk West Equip. Trust, 1929	283,000	283,000
2½ per cent Grand Trunk West Equip. Trust, 1941	570,000	570,000
	$8,316,141	$8,717,282
	$9,490,775	$9,552,000

Distribution of 1943 payments by currency of payment:

Canadian dollars	$5,490,282
Canadian dollars or sterling	6,735
Sterling	397,792
Canadian or U.S. dollars	2,250,000
U.S. dollars	1,407,000
	$9,551,809

With this explanation, I move that the Bill be now read a second time.

Hon. Mr. Du TREMBLAY: Will the debt of the Canadian National Railways be increased by $23,000,000 or $6,000,000? Apparently depreciation will no longer be covered.

Hon. Mr. GOUIN: In answer to my honourable friend from Repentigny (Hon. Mr. Du Tremblay) I may say that the loans from the years 1932 to 1937 and $9,019,207.17 of the advances made in 1938 have been repaid out of the proceeds of Dominion guaranteed railway issues. The remainder of the advances under the 1938 Act, namely $1,718,008.90, and the advances in 1939, 1940 and 1941, have been repaid from the cash surpluses of the Canadian National Railways for the calendar years 1941, 1942 and 1943 on account.

I wish to add that no railway issues have been sold since the outbreak of war. The last

guaranteed issue was that of January 15, 1939, for $50,000,000. Until 1942 it had been necessary to make provision for temporary loans to the railway company to cover operating deficits in the earlier part of the different years, but last year we had the satisfaction of knowing that the system had an operating surplus.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING, with the consent of the Senate, moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

JAPANESE TREATY BILL

FIRST READING

A message was received from the House of Commons with Bill 137, an Act to repeal the Japanese Treaty Act, 1913.

The Bill was read a first time.

The Hon. the SPEAKER: When shall the said Bill be read a second time?

Hon. Mr. KING: Next sitting.

SOLDIER VOTE IN ONTARIO ELECTION

REPLY TO INQUIRY

On the motion to adjourn:

Hon. Mr. KING: Before moving adjournment of the Senate, I should like to refer to the matter brought to our attention last night by the honourable senator from Pembroke (Hon. Mr. White). This morning the Minister of National Defence made in the other House a statement which I think covers the situation complained of. I understand that the training of the men in question will be accelerated and intensified so that they may be discharged on August 3, in time to return home and exercise their franchise. No doubt the statement will appear in the Press.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, July 22, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

Hon. Mr. GOUIN.

MORNING SITTING OF THE SENATE

MOTION

Hon. Mr. KING: Honourable senators, with leave I would move that when the Senate adjourns on Friday, the 23rd of July instant, it do stand adjourned until Saturday, the 24th of July instant, at 11 a.m.

The motion was agreed to.

CANADA EVIDENCE BILL

REPORT OF COMMITTEE

Hon. Mr. McGUIRE presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 74, an Act to amend the Canada Evidence Act.

He said: The committee has amended the Bill by substituting on page 2, line 6, for "an officer" the words "a person."

The motion was agreed to.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill, as amended.

The motion was agreed to, and the Bill, as amended, was read the third time, and passed.

CRIMINAL CODE BILL

REPORT OF COMMITTEE

Hon. Mr. McGUIRE presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 107, an Act to amend the Criminal Code.

He said: The committee has made the following amendments:

1. Page 2, lines 35 and 36, leave out "in such a manner as to be likely to be used."
2. Page 3, lines 1 to 18, inclusive, leave out clause 8.
3. Page 12, lines 16 and 17, for "17, 20, 29, 30 and 31" substitute "16, 19, 28, 29 and 30."

The motion was agreed to.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill, as amended.

The motion was agreed to, and the Bill, as amended, was read the third time, and passed.

FARMERS' CREDITORS ARRANGEMENT BILL

FIRST READING

A message was received from the House of Commons with Bill 132, an Act to facilitate compromises and arrangements between insolvent farmers and their creditors.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read a second time?

Hon. Mr. KING: With the consent of the Senate, I would move that we proceed with the second reading of this Bill now.

The honourable senator from Lethbridge (Hon. Mr. Buchanan) has been kind enough to undertake the explanation of this Bill to members of the Senate. He comes from Western Canada and is familiar with its operation.

Hon. W. A. BUCHANAN: Honourable senators, I think I should say at the outset that this legislation has been brought about by a judgment of the Privy Council, which found that the Debt Adjustment Act of Alberta infringed upon powers in respect to insolvency and bankruptcy reserved only to the federal authority. As that decision of the highest court also affected similar legislation in Saskatchewan and Manitoba, the provincial governments appealed to Ottawa for what I think I might properly term remedial legislation under the bankruptcy and insolvency jurisdiction of the Dominion. The first thing the Government here did to meet the situation created by the Privy Council decision was to pass an Order in Council, to be effective, as I understand it, throughout the period of the war, providing that foreclosure proceedings should be stopped, so as to keep on the land efficient and industrious farmers, and protect as well all those having any interest in the land of the debtor.

I might next explain that the legislation I am now presenting is not only intended to meet the situation created by the Privy Council judgment, but it supplants an Act that this Chamber has heard a good deal about in previous discussions, the Farmers' Creditors Arrangement Act. That Act was passed in 1934, when the farm economy throughout the whole country was at a very low ebb. The Act, which was applicable in every province, was intended to enable farmers to compose their debts, both as to interest and principal, to meet the extremely adverse circumstances of the times.

I think that at this point it would be well to read the preamble of the Bill now before us to make clear the class of farmer it is not intended to benefit:

> Whereas in view of the depressed state of agriculture in the provinces of Manitoba, Saskatchewan and Alberta during the period immediately following 1929 the present indebtedness of certain farmers in that area is beyond their capacity to pay: and whereas it is in the national interest to retain such farmers on the land as efficient producers and for such purpose it is necessary to provide means whereby compromise or rearrangements may be effected of debts of such farmers, and also to simplify the operation of the Bankruptcy Act with respect to farmers generally.

Later, all the eastern provinces and British Columbia were removed from the provisions of the Act. Still later, Manitoba was excluded, and, consequently, in recent years the 1934 measure has been operating only in Alberta and Saskatchewan.

The measure now before us is confined to these provinces and Manitoba. The last-mentioned province, because of its fears as to the status of its Debt Adjustment Act after the decision on the Alberta Act, asked to be included in the provisions of this new federal legislation.

That is, briefly, a background of the conditions that brought about the measure I am now reviewing.

Naturally, honourable senators will want to know the main features of this legislation. It makes some extremely important changes in debt adjustment as carried out under the Farmers' Creditors Arrangement Act. The Boards of Review, each composed of a High Court judge and representatives of the debtors and the creditors, disappear. Hereafter District Court judges will deal with debt adjustment applications, and the Clerk of the Court in each judicial district will be the Official Receiver. At this point I might say that, in my opinion, this change should be helpful. The District Court judge is close enough to the cases that come before him to know of the existing agricultural conditions, and, in most cases, to know the farmer and his farming abilities much better than a travelling Board of Review could, for the members of that board would be intimately acquainted only with the areas in which they lived. In the other branch of Parliament there has been criticism of this innovation, but my own view is that the debtors' interests will not be prejudiced or harmed. Our District Court judges, as I know them, will not allow a farmer to be forced off the land, if he is an efficient farmer and trying to do his best, when adverse conditions face him. I make that statement because the criticism that has been directed towards the changes has been that they will make it more difficult than it was under the Farmers' Creditors Arrangement Act for the farmer to get in court the consideration to which he is entitled. I disagree with that view.

The other significant feature of this Bill is that a right of appeal is granted from the decision of the District Court judge. This appeal goes to a judge of the higher courts

who, at fixed periods, will go into the judicial district and hear appeals. I do not think the Bill carries this provision, but that is the intention, as I understand from the statement made by the Minister of Finance in another place. One criticism directed against this measure at the outset was that it would be costly for a farmer to appeal any decision, if he had to travel a long distance to get to the Appellate Court—for instance, if he had to go from a distant part of Alberta to either Calgary or Edmonton. But the procedure which I understand is to be adopted will reduce a farmer's cost of appeal, as he will not have to travel very far to have his case heard. Clause 37 also protects the farmer as to expense in an appeal, for it provides that only in cases where the Appeal Court considers there were no reasonable grounds for appeal will the appellant be required to pay the costs.

There is in this legislation one other provision of much importance. It permits the re-opening of cases that were adjusted in the period between 1925 and the end of 1938, with the stipulation that this right is confined to the farmer only. I mention this point to refute the charge that has been made in another place, that this Act is loaded against the farmer and favourable only to the creditor. I think the main attack made on the legislation has been that it is more favourable to the creditor than to the debtor.

Coming as I do from the part of Canada to which this legislation is made applicable, I feel that I should say that most farmers want to pay their debts. In the last few years more farm debts have been wiped out or largely reduced than in any previous period since the Prairie farmers faced adversity through crop failure and low prices. I am in a position to state on fairly good authority that in the first six months of this year the payments made by farmers on debts are greater than in any similar period in the last fourteen years. That backs up my view that the good farmer, the farmer who is anxious to stay on the land and make good, wants to pay his debts if he is given an opportunity. I think also that the good, honest farmers—and they are in the majority—want not only to pay their debts, but to preserve their credit. They know that if the confidence of the investors is completely undermined credit will not be available, and that, of course, would be disastrous to the future of agriculture in Western Canada.

I have not attempted, honourable senators, to state the extent of the farm debt of Western Canada, or the reductions that have been made in it through the operation of the Farmers' Creditors Arrangement Act. But I may say that in another place figures were given yesterday covering the amount of reductions in secured and unsecured credits over the period in which the Act had been operating. I did not total them, but a rough estimate shows they run over $100,000,000. I can say that thousands of farmers are meeting their obligations each year and will undoubtedly keep on doing so, unless calamity faces them in crop failures or low prices. It is to protect the interests of that type of farmer that this legislation is introduced.

I feel that in closing I should express a few words of commendation to those who loaned their money in Western Canada.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. BUCHANAN: While I give credit to the honest and hard-working farmer, who is desirous of meeting his obligations and wants protection only in periods when, either through crop failure or low prices, he has insufficient revenue, I think something should be said also in commendation of the investing interests. I know that the banks, the insurance companies, the mortgage companies and individuals who invest their savings in mortgages are frequently charged with being Shylocks wanting to take the last drop of blood from the debtor. In some few instances there may have been rather cold-blooded treatment of borrowers, but that is far from being the attitude of most investors. I know of many cases where farmers were kept on the land by compromises made voluntarily by mortgagees. I have not the figures, but I would estimate the voluntary concessions made and the losses taken by investing companies run into many millions of dollars. In Saskatchewan and Manitoba, under voluntary adjustments made in 1936, investors took a loss of $22,000,000. This sum was wholly apart from reduction made under provincial and federal debt legislation.

I do not know that I need say anything further in presenting this Bill. I have singled out what I consider to be the vital changes that the Bill proposes. The clauses I have not mentioned relate to the operation of the Act. I think honourable members will find upon studying the measure that the principle of the old Act is being maintained. That principle is that, by reason of the over-expansion of credit in the West prior to 1929, and the depression following 1929, it is necessary to provide a special bankruptcy and insolvency procedure with regard to farmers. This procedure is designed to bring the indebtedness of farmers into line with their ability to pay,

according to the productive value of the farm. It applies only to farmers who are unable to pay their debts, and is for the purpose of retaining them on the land as efficient producers.

I presume that this measure will be sent to a committee, possibly the Committee on Banking and Commerce, where it will be studied more closely, and if that is agreeable I am prepared to move a motion to that effect. But if honourable members are satisfied with the explanation I have given, and do not feel it is necessary to have a reference to committee, I shall not complain.

Hon. C. C. BALLANTYNE: Honourable senators, I do not intend to take up very much time. The honourable gentleman from Winnipeg (Hon. Mr. Haig) has kindly consented to discuss the Bill, and he is much more familiar with farming conditions, as affected by this type of legislation, than I am.

We have listened with considerable interest to the honourable senator from Lethbridge (Hon. Mr. Buchanan). He has made out a very good case so far as he has gone, but I should have liked him to state whether to-day there exists in Manitoba dire need for this Bill.

When the Farmers' Creditors Arrangement Act was introduced by the Bennett Administration of 1934, this country, as honourable senators well know, was in the throes of the greatest depression in our history. Many loans had been made to Western farmers when times were prosperous, and rates of interest may have been excessive. Therefore under the extraordinary conditions brought about by the depression the Bennett Government, I think, acted wisely in introducing the legislation; but I am confident that, could the able Prime Minister of that time have foreseen the mismanagement in administering the Act, not only in the Prairie Provinces, but also throughout the other provinces that ultimately adopted it, he would have inserted more safeguards in the legislation.

I have had my secretary look up the speech made by the Prime Minister when he introduced the measure, and I shall now quote a portion of his remarks. He said:

> The chief object of the legislation was to keep the farmer on the farm. If the farmer and his creditors, in the first instance, were unable to determine the basis of a composition of the debts, then in each province there were to be utilized the services of a court of review, to consist of a judge and of a representative of the farmer and another appearing for the interests of the creditor or mortgage company.

The whole plan was described by Mr. Bennett as "simple, inexpensive and informal." He then proceeded to outline the procedure in the event of the debtor and the creditor being unable to agree on an arrangement. He said:

> A court of revision was to be set up in each province, consisting of a judge of the court having jurisdiction over bankruptcy, in the Western Provinces a judge of the Supreme Court, in the province of Quebec a judge of the Superior Court, and a judge of the Supreme Court in Ontario, and he, with the representative of the creditors and of the debtor—that is, one who always represents the debtor as well as the creditors—will consider the whole situation of each specific case, the conditions, the circumstances, the capability of the man to pay, having regard to the location of his farm, the size of his family, their aptitude for farming operations, their general attitude towards cultivation of the soil, and so on. Having considered all these problems, the Board of Review make a proposal and, after due consideration, that proposal becomes the composition arrangement under which the farmer begins again the struggle for the future.

At that point the trouble began. The debtor and the creditor would sit down together trying to reach a compromise, but invariably the debtor would refuse the proposed arrangement on the ground that it was not fair. Then the case went before a judge, whose decision was final.

When the legislation was introduced it was not intended to be permanent, and this is evident from what was said by Hon. Mr. Stewart in 1938 in the House of Commons in the debate on the Address:

> This return—

on the operation of the Act—

> —gives detailed statistical information which is very interesting. It is well known, Mr. Speaker, that it was not the intention that this Act should remain on the Statute Book for all time. It was passed to meet an emergent condition which existed, a condition which to some extent has cleared up since that time. I am going to ask the Minister to consider very carefully the situation, to review the statistics for the past year and to decide whether in his opinion and in the opinion of the Government the time has not come when the operation of the Act should be limited to the applications that are now on file.

This clearly shows that the legislation was introduced to meet the extraordinary conditions to which I have referred. But surely, honourable senators, the situation to-day in the Western Provinces is far different from what it was in 1934. To-day, as we all know, the farmers receive, in addition to a fixed price for their wheat, $2 an acre for the acreage left out of wheat, $2 an acre for summer-fallow, and $2 for every acre sown to coarse grains, and they are sharing in the prosperity now prevailing, due in large measure to the war. Therefore I am rather astonished that the Government decided to introduce this measure.

If the honourable senator from Lethbridge thinks his right to speak again is now exhausted, he will perhaps on the third reading give us some indication of the actual situation in the province of Manitoba, that is, information showing how many farmers are really in financial difficulties now. The information would be enlightening not only to myself, but to all other members of this Chamber as well.

No doubt this legislation will be enacted. It has, however, a serious aspect. We know that the original Act did affect the credit not only of the Prairie, but also of the Eastern Provinces, and I should like to hear from other Western senators if they think that by and large this proposed legislation will be a good thing for Manitoba. I first visited that province more than forty years ago. In my later visits I was struck by the great progress that had been made. Winnipeg is a beautiful city, with its university, schools, and business buildings, and Manitoba may well be immensely proud of her capital. On my first visit to Morden, Deloraine, Portage la Prairie, Brandon and other centres, what I saw convinced me that great credit was due to the courageous and able pioneers of that country. I recall that some years ago the late Senator Burns, who was born in Lindsay, Ontario, and whose father was in the cattle business, told me that as a young man he took out a herd of dairy cattle and drove them through the province of Manitoba. One farmer would buy a cow, another farmer two cows, and so on. I asked him, "Did you ever lose any money?" He said, "No; I got paid every dollar." I asked him, "Did you give the farmers credit?" He said, "I certainly did." What to-day possibly is lacking in Manitoba, and indeed throughout the Dominion, is the pioneer spirit. There is too great a tendency to lean on the State for aid. Many of the pioneers of Manitoba went there before the Canadian Pacific Railway was built. They drove in with a team of oxen, got their free section of land, and steadily improved their holdings through bad seasons as well as good. Those sturdy pioneers laid the foundations of that great prosperous province that we are so proud of to-day.

I wonder whether there is any real necessity for this legislation to-day. There are senators on both sides of this House who come from Manitoba, Saskatchewan and Alberta. I hope they will not let this debate terminate without giving us their views. I have an open mind in regard to this Bill. Much as I admire the ability of the honourable gentleman from Lethbridge (Hon. Mr. Buchanan), I would point out that he merely recited the provisions of the Bill and indicated how it would be administered. I do not think he made out a strong case in justification of the bringing down of such legislation at this time. If the farmers in Manitoba are in such dire straits that they cannot meet their principal and interest payments, and in order to keep them on the land it is necessary to enact this legislation, then we are justified in approving it. There are, as honourable senators know, good farmers and poor farmers. A similar distinction prevails in business and in the professions—in all walks of life. Everybody does not succeed. But I am fairly well convinced that the efficient and industrious farmers of Manitoba do not need this Bill, and it is quite likely that they did not take advantage of the original Act. My friend opposite (Hon. Mr. Buchanan) says that those who would apply for a composition of their debts under this Bill are efficient farmers. I am glad to hear it, but I am under the impression that they may not be; and if a man is not a good farmer, no matter what financial assistance you may give to him, he will not eventually clear off his indebtedness.

I recall that the late Senator Hughes and the senator from Prince (Hon. Mr. MacArthur) told us how unsatisfactorily composition arrangements were reached in Prince Edward Island and Nova Scotia. That criticism applied also to Ontario, Quebec and the Western Provinces.

I am glad that one safeguard has been inserted in this Bill that was not in the original Act. Formerly there was no right of appeal: under this Bill an appeal may be taken to a District Court judge.

There is one feature of the Bill that I do not like. It is provided that if two-thirds of a farmer's indebtedness dates from 1935 he may come under this Bill. Why did he not take advantage of the original Act when it was in force? Is it fair and reasonable that now, when we are overburdened with taxation, which everybody is cheerfully bearing, we should invite farmers to seek composition of their debts incurred as far back as 1935? When this Bill goes before the Committee on Banking and Commerce, that clause, I think, ought to be eliminated.

Now, honourable senators, I have little more to say. I would be the last man in this House to object to any legislation that would really further the progress and development of the province of Manitoba or of the country generally. When we are considering this measure we cannot confine our thoughts and our judgment exclusively to the province of

Manitoba, but must consider whether the legislation is good for the three Prairie provinces and whether it is good for the Dominion of Canada. So I once more express the hope that before this debate is over we may hear very cogent reasons why the Government has brought this legislation down, and why it is necessary under present conditions in Canada.

Hon. Mr. BUCHANAN: Before anyone else takes part in the debate, I should like to point out to the honourable senator that in presenting this Bill I said debt adjustment legislation had been voided by the Privy Council, and it was assumed that it was voided not only in Saskatchewan and Alberta, but also in Manitoba. By reason of conditions prevailing in some parts of Manitoba the Government of that province asked the Government of Canada to include Manitoba in this legislation. That is the explanation in respect of Manitoba, so far as I am informed.

Hon. JOHN T. HAIG: Honourable senators, I first wish to congratulate the honourable senator from Lethbridge (Hon. Mr. Buchanan) on his explanation of the Bill, even though he omitted to mention one provision, which I shall refer to later on. I also wish to thank the honourable leader on this side of the House for his remarks about our province. He made conditions look even brighter than I thought they were.

Now I want to say one or two things which will have a political ring to them, but which, I think, ought to be said. This Bill in our part of the country is not a piece of financial legislation, but a political issue. I think the Government of the day is taking the right course in presenting the Bill to Parliament, yet I want it to be understood right at the start that this question is a political issue in Western Canada. The measure was brought about by the Government of the province of Alberta, which said quite defiantly, "We are not going to pay our debts, and we are going to prevent any creditor from collecting from anyone in the province, the Privy Council and the Government of Canada notwithstanding." Then there is in Saskatchewan an opposition party which says that a farmer who borrows money should not pay it back unless his homestead rights in the land are protected; that whatever he has paid is to be taken as an equity against the mortgage, and that if the property has gone down in value the mortgage must be reduced, but that any profit on the sale of the property should go to the farmer. In other words, it is a case of "Heads I win, tails you lose." That is the political philosophy which is being preached in two provinces of this country.

The province of Manitoba does not need this legislation at all. In proportion to its population and accumulated wealth, that province subscribed in April last as large an amount as any other part of Canada. Seven hundred thousand people subscribed $86,000,000—a truly magnificent subscription. Again, in proportion to population, the province of Manitoba stands first or second in the whole Dominion in the matter of enlistments. Last year our farmers produced the best crop Manitoba has ever had, and in relation to the acreage under cultivation Western Canada produced the largest crop ever produced, not excepting the year 1915. There is therefore no fundamental justification for this legislation at all. But if we reject this measure we go back to the old legislation and the Boards of Review; which would mean that in Saskatchewan and Alberta the creditor could not get a fair deal. Why, honourable senators, there are cases in which men who got adjustments sold their farms within six months at a huge profit, pocketed the profit, and walked off with it.

This brings me to the provision which the honourable senator from Lethbridge omitted to mention. This provision says that if an adjustment is made, and the land is sold at any time within the next five years, the creditor, up to the amount of his claim, shall have a right to that profit.

An Hon. SENATOR: Three years.

Hon. Mr. HAIG: Three years? I thought it was five years. I think it was stated in the House of Commons to be five years.

As I say, this is a political issue, and this is the first attempt by any Government to declare to the people of Western Canada, "We are going to put this matter before a judicial body that is used to weighing facts." It is true that under the old law the chairman of the commission was a judge. I must say that the two judges in our province were very fair. One of them was a city man. Probably ten per cent of the farmers came under the Act, certainly not more than fifteen per cent, in the three provinces. In 1939 the Manitoba Government wrote to every farmer who had asked for debt adjustment, telling him to apply under the Act; but even then not more than fifteen per cent applied. And who were those who did apply? The first class of applicant was the person who had a poor piece of land —and even in districts where the land is of the very best you will find a little poor land;

and the second was the man who through unfortunate circumstances, perhaps because of sickness, was unable to carry on, or who had suffered from drought and rust or the grasshopper plague.

An Hon. SENATOR: Or who was a poor manager.

Hon. Mr. HAIG: I shall come to that point later. These people applied, and quite properly so. Then there was another class, the men who were poor farmers and who would always be poor farmers. Well, some people think there are no poor lawyers, but that is not true. I should estimate that twenty-five per cent of the young men who graduate in law never go any further. Much the same thing could be said of those engaged in merchandising or any other occupation. Even housewives do not all make a success of their job. After you have disposed of the cases which, owing to conditions, have genuine merit, you come to the professional crooks, the men who applied simply in order to get out of paying their debts. There were plenty of these. I could name case after case in one province where people deliberately applied to have their debts adjusted, and got the benefit of the legislation because the judges, by reason of all the stories they had heard, had developed a certain psychology. In the province of Saskatchewan—I say this with all due respect to honourable gentlemen from that province—one of the judges, in my opinion, went "haywire." He thought he was sent from Heaven or from some other place to save humanity by a stroke of the pen, and he proceeded accordingly, and could not be corrected.

About five per cent of the cases tried in our courts of law are appealed, and when the Court of Appeal hands down a decision it governs the decisions of the lower courts; but in this matter of debt adjustment there was no appeal, and if you got a bad judgment you were left with it. This Bill provides for an appeal, and puts the matter in the hands of a judge who, as the honourable senator from Lethbridge has said, knows the district in question. In Manitoba it will be a judge in Dauphin, Minnedosa, Brandon, Winnipeg and so on. In Saskatchewan there will be twenty of these judges, who know local conditions and know the people, and who are used to weighing evidence. If there are mistakes of law or misjudgments of the facts, there will be an appeal to the Court of Appeal. Personally I should have liked to see the whole Court of Appeal sitting in judgment; but, as the honourable Minister pointed out in another place, it would then be necessary for the people of Manitoba to travel to Winnipeg, those of Saskatchewan to go to Regina, and those of Alberta to go to Calgary or Lethbridge. The judge of the appeal will go not only to the judicial district—in Saskatchewan there are twenty of them—but to all the principal places in the province. In this way the farmer will have every chance to present his case with as little expense as possible.

Probably I should say, honourable senators, that conditions in Manitoba, Saskatchewan and Alberta were caused largely by conditions existing after the Great War. You will remember that in the closing days of that war wheat went up in price. I think it went as high as $2.17 or $2.25 a bushel. The farmer, who probably could produce wheat for 85 cents a bushel, would buy land adjoining his farm. He might pay as much as $50, $75 or $100 an acre. To-day that land is worth perhaps $35 an acre. After he bought it there came a drop in the price of wheat, and he was caught. A great many applications came from persons of that type. Such a man should not have had an adjustment. It was greed on his part that caused him to pay an exorbitant price for adjoining land.

There is a philosophy in our country, and there is some basis for it. When I was a boy, if we wanted to say a man was a good business man or farmer, we said he was "as good as wheat." You could not pay a person a higher compliment than that. We could always sell wheat; the idea of not being able to sell wheat never entered our minds. Wheat became the gold standard of our Western country, with the result that when wheat was selling at $2 a bushel other things were priced up, inflated, in proportion. When the price of wheat dropped there was a deflation. That is the way we look at things out there. I myself understand it, for I think of everything in terms of wheat. When I talk of land value I talk about it in terms of wheat. A farmer has that same mentality, and if when wheat was $2 a bushel he paid $75 an acre for land, he thinks that when wheat falls to $1 the value of the land should be $37.50. It is hard to get him away from that point of view and to convince him that the company which lent him money should not take the same loss that he has taken. And a good case can be made out for his way of looking at it.

The trouble really started, not with the mortgage companies and the life insurance companies—I am not here to speak for them—but with farmers who had sold their farms to other farmers and retired to local villages. They insisted that if they did not get their payments they would foreclose. And they could foreclose, because if necessary they could go back to the land themselves. No mortgage company can foreclose, generally speaking.

Of course, they do foreclose sometimes, but only in a limited number of cases. Suppose that in the three provinces you have five hundred mortgagors behind in their payments. Where will you get five hundred other farmers to take over the lands? If things are so bad that a farmer cannot make his farm pay, who else can make it pay?

I should protest against this legislation being imposed on Manitoba.

Hon. Mr. BUCHANAN: On that point, will the honourable gentleman explain why Manitoba is included under the Bill? That has not been cleared up.

Hon. Mr. HAIG: I am afraid I should have to indulge in politics if I told you why Manitoba is in the Bill. The Privy Council decided that all debt legislation was legislation of the nature of bankruptcy, and that therefore under the British North America Act it came within the jurisdiction of the Parliament of Canada. The case was taken to the Privy Council by Alberta, but as a result of the Privy Council decision our debt legislation in Manitoba has been practically repealed. However, I believe that but for the fact that the political position in the other two provinces would have spilled over into Manitoba, our province would not have been in the Bill at all.

You must remember that no province has increased the par value of its bonds in the last five years to the same extent as Manitoba has. If you will compare the market prices of Manitoba securities five years ago with the prices to-day, you will see that this is so. Our 4½ per cent bonds are selling as high as $107 and $108, and the last issue, which I think was at 3¼ per cent, is at par. These high prices result from the preaching by our Government that a contract is a contract and that when you make a promise to pay a debt you must pay it. The Government of Manitoba, under the former Premier, said that we must live within our income; and the new Premier is proceeding along the same lines. We understand that we must pay our debts, and that is why we ask, "If there is to be reconstruction after the war, where is the money to come from?"

The only reason I can see why Manitoba asked to be included in this legislation is that after the Alberta Act had been declared ultra vires Manitoba felt it should ask to be treated the same as Alberta and Saskatchewan. We are all Western provinces, and all have the same basic commodity business, and as a Manitoban I should agree to this.

Hon. Mr. MacLENNAN: Honourable senators, the honourable gentleman seems to think that Manitoba is the only province that pays its debts. Well, the province I come from pays its debts. The only defaulting province that I know of in the Dominion is Alberta.

Hon. Mr. HAIG: I am not boasting about what Manitoba is doing.

Hon. Mr. MacLENNAN: It is not the only province that pays its debts.

Hon. Mr. HAIG: I did not intend to suggest that. The point is, though, that we are not asking to have this legislation made effective in our province, but you are asking that it be made effective there. Ordinarily, in view of the province's strong financial position, I should object to this legislation. The reason I do not object to it is that if I were the Government to-day I would pass this legislation. My duty as a senator—

Hon. Mr. HORNER: Is to oppose it.

Hon. Mr. HAIG: No.

Hon. Mr. BALLANTYNE: May I ask the honourable gentleman from Winnipeg whether there is a real need on the part of the farmers of Manitoba for this legislation?

Hon. Mr. HAIG: No. Manitoba does not need it at all. There is no doubt about that. There may be some need for it in the cities and villages, but there is none in the rural parts of the province, among the farmers. Nobody will deny that. You must look at this thing realistically. Two-thirds of the business that Manitoba does outside the province come from Saskatchewan and Alberta, and we have to bear in mind that it is to our advantage that these provinces too should be prosperous. If this Bill will improve the general business of those two provinces, I, as a Manitoban, have to consider that when deciding whether or not to support the Bill.

Hon. Mr. BUCHANAN: May I ask if the loss of the Debt Adjustment Act seriously affects any interest in Manitoba?

Hon. Mr. HAIG: Only loans in the cities, not in the country. I cannot imagine any part of Manitoba needing any debt legislation at all.

Hon. Mr. BUCHANAN: That Act has been in force in Manitoba for some time.

Hon. Mr. HAIG: Yes, but practically no use has been made of it outside the cities. I should like the honourable leader on this side (Hon. Mr. Ballantyne) and other honourable members over here to realize that the great bulk of the business of Manitoba is done in the city of Winnipeg. About ninety-five per

cent of the taxes collected by the Dominion Government in Manitoba comes from Winnipeg. When the war loan was on, the people of Winnipeg bought seventy-five per cent of the $86,000,000 total subscribed by the province.

As I say, the people of Manitoba do business with Alberta and Saskatchewan. If this legislation is needed in those two provinces, if it is considered to be in their interests, I, as a Manitoba senator, have to weigh that against the unfairness that the measure would work to Manitoba. I think the legislation will be hardly used at all in Manitoba. It applies only to debts incurred prior to the 1st of May, 1935. True, if one-third of a man's debts has been incurred since that time, they would come under the Act. But the Act would apply to only a very limited extent. At the present moment I cannot imagine that one per cent of the farmers of Manitoba will ever come under this legislation. Certainly not more than one per cent of them will ever have any need for it. Therefore, so far as our province is concerned, it is not a very serious matter.

But in Saskatchewan and Alberta the present law is, to employ a mild term, a humbug. It is being used as a racket in those provinces. This legislation for the first time provides a means whereby a creditor may appeal to have his case heard by a Supreme Court judge on the merits, without prejudice. That is a tremendous gain.

At the present moment no company in Canada, so far as I know, is making farm loans in Western Canada. The only source of such loans in the three Prairie provinces is the Canadian Farm Loan Board. I venture to say that my honourable friend from Lethbridge (Hon. Mr. Buchanan) cannot name a single company that is making loans in any one of the three provinces.

Hon. Mr. BUCHANAN: The companies have not been making loans in Alberta since 1935.

Hon. Mr. HAIG: The danger is that we are by this legislation continuing the threat to contracts and helping to strengthen the impression that a man who signs an agreement does not have to live up to it. That sort of thing hurts credit seriously. In the province of Alberta to-day, for instance, no man will make any investment by way of loan, nor sell a farm except for cash. The other day there came to my notice a case where an application was made for a loan of $8,000 on a property in the city of Calgary worth $30,000. The company to which the application was made said it would not lend $8, let alone $8,000, because there was no telling what kind of legislation might be passed in the province.

I am not blaming Mr. Bennett and his Government for passing the Farmers' Creditors Arrangement Act in 1934. They thought they were doing the right thing, and I admit that I thought so, too, at the time. For the first couple of years the Act went very well, but then the racket started, and as a result the credit of our country has been hurt. This measure also will hurt credit to a certain extent. I do not think it will do very much damage in Manitoba, however; I am convinced that the benefits of the measure will outweigh its disadvantages there.

I hope honourable senators will pardon me for speaking so long, but I feel very keenly about this legislation. It is the first time that I have seen any daylight in all the amendments that have been made during the years to this legislation. It is the first time to my knowledge that the Parliament of Canada has simply said in effect that the idea that a contract need not be lived up to must be gradually brought to an end.

Hon. Mr. BALLANTYNE: Hear, hear.

Hon. Mr. HAIG: It would be a good thing for Western Canada if somebody would go on the platform in that part of the country and tell the people that they are only hurting themselves. Why should fifteen per cent of any country control the credit of the other eighty-five per cent? That is what is happening. The sooner we restore credit in the interests of the good farmers, the people who want to get on in the world, the better it will be for them and for our country.

Hon. W. M. ASELTINE: Honourable senators, from representatives of the provinces of Alberta and Manitoba and from the honourable leader on this side (Hon. Mr. Ballantyne), we have heard a good deal about the Farmers' Creditors Arrangement Act of 1934 and the Bill now before the House. I am both for and against this Bill, but I think I am more for it than against it. I should not be for it at all but for the fact that in my opinion the law is being substantially changed for the better. I come from a province where the Farmers' Creditors Arrangement Act has been in force ever since 1934. Being an active practising lawyer in that province, I have run up against the provisions of the Act as much, perhaps, as any other person in the province has. I reside in a rural area where a certain number of applications have been made, and I have appeared before the Official Receiver and the Board of Review on behalf not only of debtors, but also of creditors.

It is true that in many cases the Act has been taken advantage of by unscrupulous

farmers, as was said by the honourable senator from Winnipeg (Hon. Mr. Haig). It is also true that many farmers who were entitled to consideration have received very little. Many who had proposals made have never kept up their payments, but others have lived up to the proposals and paid their debts. There are other cases which have not yet been adjusted, but which probably will be if this Bill passes.

As the honourable member from Lethbridge has explained, after 1934 province after province withdrew from the operation of the Act until eventually it applied only to Saskatchewan and Alberta. Some years later, at the request of the Government of Manitoba, a bill was introduced to make the Act again applicable to that province. I was one of those who spoke against the Bill in this House. I opposed it on three grounds. The first was that the procedure was too expensive. As will be recalled, there were Boards of Review travelling about Saskatchewan accompanied by stenographers and clerks, and the costs of administering the Act were high. Secondly, I felt there should be a time limit placed on the operation of the legislation. As honourable members are aware, the Act of 1934 was amended from time to time, one of the amendments providing that no debt incurred prior to May 1, 1935, should be adjusted. But no date was set for the expiry of the Act. I thought from five to eight years should be sufficient to enable the farmers of any province to decide whether they would take advantage of the legislation. Thirdly, I objected that there was no right of appeal, and on the motion for third reading I moved an amendment to make good this omission. The Senate passed the Bill as amended, but the other House refused to accept it. The Senate insisted on the amendment, and eventually the Bill died. We heard nothing more about any farmers' creditors arrangement legislation until the introduction of this Bill.

I am pleased to note that it contains two or three improvements on the original Act. For one thing, the procedure has been much simplified. Instead of Boards of Review, district judges will do the work. This will mean a saving in costs of administration, because the judges will not receive additional remuneration. Clerks in the County Court will act as official receivers, and, though they may be paid certain fees, these will not involve much extra expenditure. The simplified procedure should not only effect a considerable saving of costs, but also produce better results.

I am pleased that the Bill makes provision for appeals. I have had many cases under the original Act where I felt my clients should have had the right of appeal, because they had not received British justice. Though under the Act a man might have his property taken away from him, he had no recourse by way of appeal to a judge.

I have some suggestions to make to the Government in relation to the Bill. First, I would suggest that a clause be inserted to the effect that three years from the enactment of this measure no further applications for composition of debts shall be entertained. This should allow ample time for those who have not had their debts adjusted to decide whether they would take advantage of this legislation. Of course applications then pending would still be heard.

I have another suggestion which I think is quite important. When a farmer, badly involved financially, makes a composition with his creditors under the Act, he is expected, after a good crop, to pay off his debts in accordance with the terms of the arrangement. But in many cases he cannot do so, and I will tell you why. Take a farmer with a couple of sections of land. When he gets a good crop he has to pay so much income tax that he cannot possibly pay off his debts. I know some farmers who have had to pay $5,000 and upwards of income tax on a good crop. I suggest that such a farmer should not be liable for income tax so long as his composition arrangement is in force and unpaid. The purpose of this Bill is to put a farmer into a position to pay his debts, and, obviously, he cannot do so if he has to set aside 40 per cent of his crop returns to meet income tax.

Hon. Mr. DAVIES: Might I suggest to the honourable gentleman that there are today many business men in exactly that position; they cannot pay their debts because taxes are so heavy. Should special privileges be given to farmers in this connection?

Hon. Mr. ASELTINE: This is a measure to put farmers on their feet and so keep them on the land. If they are to be kept on the land, they should be placed in a position to pay off their indebtedness.

I listened to the debate on this Bill in the other House. Some members from Western Canada seemed to think that the farmer was not sufficiently protected in so far as foreclosure under mortgages and cancellation of agreements for sale were concerned. To meet a decision rendered by the Privy Council in a certain case, Saskatchewan has passed legislation which I think fully protects the farmer

in this respect. The statute requires that before instituting proceedings for foreclosure of a mortgage or cancellation of an agreement for sale application must be made to the district court for an appointment. Notice of that appointment is served on the mortgagor and on any other person who by the title appears to have an interest in the land. All parties appear before the judge, who makes the appointment far enough ahead to enable the sheriff of the district and a board appointed by the province to make a full investigation of the farmer's affairs. Their report is submitted to the judge. It is only after those preliminaries that the mortgagee can obtain consent to commence an action. Usually, unless it is a very bad case, the application for foreclosure or cancellation is refused. Therefore by that statute the farmer is protected to the fullest extent. We have in Saskatchewan another statute under the title of Limitation and Civil Rights Act. If a machinery company desires to seize farm machinery because payment is in arrear, notice is served on the farmer, and he has twenty days in which to apply to the district court judge for a hearing. Then all parties appear and the case is fully investigated ahead of time, and if the farmer has any rights at all they are protected. He may want time in which to sell his crop to enable him to make payment, and the judge gives him the time; and so on.

It will be seen that the farmers of Saskatchewan are well protected, and I feel that if this Bill is enacted no farmer should have any complaint at all to make that his affairs could not be satisfactorily adjusted so that he would be in a position to pay his debts. I would, however, ask the Government to give favourable consideration to my two suggestions, namely, that the operation of the Act be for a definite period, and that any farmer complying with the terms of the composition arrangement should be given some relief from the payment of income tax.

Hon. J. P. MOLLOY: Honourable members, as you are well aware, I cannot follow the proceedings as rapidly as I could at one time, for reasons perhaps best known to myself. However, as I do not want to delay the Bill, since there is a chance that adjournment of Parliament may take place to-morrow, I desire to discuss the Bill now.

I am convinced that a lot of trouble over this Act might have been avoided. Strange as it may seem to honourable members, it has often occurred to me that the trouble has arisen mainly from the title of the original Act. It was intituled the Farmers' Creditors Arrangement Act. Had the world known, particularly the Canadian farmer, that the proper title should have been the farmers' arrangement to skiver his creditors, we should have got out of a lot of trouble.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MOLLOY: This legislation was bad from the very beginning. It is true, as has been said by the honourable senator from Winnipeg (Hon. Mr. Haig), that the original Act was brought forward during the very depth of the depression in 1934. But who in the world sat up night after night burning the midnight oil looking for a title to this Act is beyond me. As a consequence, when I rise to-day to support this Bill, I do it with a certain degree of hesitancy, believing and knowing that the legislation was wrong from the very beginning.

There is no doubt that the original Act was introduced with the very best intention by those who sponsored it, but the maladministration of the legislation, which bordered on a scandal, became such that the people would not tolerate it. Just the other day I was invited by a friend of mine to spend a week-end with him in the country. He lives on a hundred-acre farm. He said, "I have another hundred acres about three miles and a half from here, and I should like to take you over to see it." We went over. It was a very good farm. That happened to be on Sunday. On Monday, while coming in to town, he said to me, "What do you think of that farm that I showed you yesterday?" I said, "It is a very good farm, but it would be very much better if it were alongside your own." "Well," he said, "that farm came into my possession under these conditions. A brother and sister had a mortgage on the farm, but the owner was determined he would not pay what he owed. It was about the time the 1934 legislation was introduced, but fortunately for them they succeeded in getting him off the farm before the bill became law; otherwise that man would be still there. He was not paying his local taxes or his interest. In fact he did not intend to pay anything."

The honourable member from Winnipeg says that in a way this does not apply to Manitoba, and I am not going to challenge that statement. I was speaking to an official of the provincial Government about two years ago, and somehow or other he mentioned this Act and the way it operated. Let me say that the soil in that portion of the country, on a Government analysis, is rated the best in Canada. In this particular jurisdiction the official—who does not occupy the

position of a judge, or anything of that kind, but is connected with the administration of the Act—said that forty-two persons came under the Act. He said, "I know them all and you know them all." I did know them, for I have lived in the district since 1879. "Now," he said, "there are forty-one who had no right whatever to come under the Act. There was some ground for the forty-second man doing so, as he ran into what you might call unavoidable bad luck." The point was that the debtor was taking an undue advantage of the creditor.

Perhaps what prejudices me against this Act more than anything else is a case that was related by a judge in the province of Ontario. Who the judge was you will never know. The case was a very simple one. There was a man of seventy years of age. His wife died. They had no family. He decided that rather than carry on the work of the farm, on which he did not owe a dollar, and on which he and his wife had lived for fifty years, he would sell the farm, stock and machinery. The sale brought him $9,400. The old gentleman said to himself: "I will set aside $400 and move to the village. I will lend the $9,000 at a fair rate of interest, say 5 per cent." When it became known that this money was available, the vultures—I think I may call them so—flocked about him. The biggest bird said he would take the whole $9,000. The answer to this proposal was No. The next two birds of prey said, "To help you out we will each take $4,500." But they were refused. Then came forward three farmers, sons of men who had gone to school and grown up with this man. He had known their fathers and their grandparents. They said, "We will take $3,000 apiece," and the money was loaned to them. Everything went well until this Act came into force. Then these young men were "put wise"—as the man in Carleton county might have been had he held on longer—to the fact that it was not necessary to pay this money unless they were so inclined; that there was a way out, and that it was before the Court of Review. They went before the Court of Review. The first thing that was done there was to slice $1,000 off each loan. Then there was two years' interest, and that was marked off. The man appearing for the old gentleman was not a lawyer. He said, "What about the taxes?" The Court of Review said, "If this man wants to retain title to his land he had better pay the taxes." What was the upshot of all this? It was that that man, after fifty years of honest endeavour, trying to do what was right and paying everything he owed, in the end found himself on the roadside.

This Act has never appealed to me, and it does not appeal to me any more to-day than it did in 1934. In 1934 it might have had some appeal, because, as has been said by the honourable senator from Winnipeg (Hon. Mr. Haig), things were dark not only for the farmer, but for everybody else as well. I find no fault with the introduction of the Act, but what crosses me is its administration.

I am voting for this Bill on one condition, and one condition only. If there is going to be anything resembling the administration of the old Act, I shall be one of the first to denounce this measure from the place where I now stand, if I am spared to do so. My only hope is that past experience and the provision for the Court of Appeal will result in everybody being fairly treated.

One thing we must remember. A great many people when they borrow money say, "Oh, well, it is to a mortgage company"—or a life insurance company or a fire insurance company—"that we owe the money." That is not always true. When you borrow money on a mortgage you very often borrow the money of widows and orphans and the aged, who have no other means of support, and in the province of Alberta or anywhere else it is absolutely wrong to deny these people their rights. Therefore, by no vote of mine will I do anything to affect the well-being of the widows, the orphans or the aged. This is the money of many people who entrust it to companies to lend it for their benefit at a fair rate of interest.

Now, it has been said that Manitoba does not need this legislation. I will not go quite so far as that. There are, no doubt, cases in Manitoba where it will apply; and I hope it does apply, and fairly. That it will apply in Saskatchewan and Alberta on the same basis there is no doubt. I remember speaking to some of the ministers of the province of Saskatchewan about a year ago. They said, "We really need this Act, but we cannot get it, because the Senate will not pass it." I said, "You make a fair proposition to the Senate and they will pass it."

I am not going to vote for this measure with any overheated enthusiasm. I will not say that I vote for it with reluctance, but, as I have said, I am going to vote for it on the condition that it shall be fairly and squarely administered as between the debtor and the creditor; and if it is not, it will receive no further support from me.

I do not know that I can add anything to what has already been said. The whole thing, I repeat, is a matter of compromise. There are many from Western Canada in another

place who say the Act has not gone far enough. I say it has. In the opinion of some, it has gone too far. So far as I am concerned, it is a compromise. Let us hope it will work out fairly and squarely for all concerned. My only desire is that each and every one shall be treated fairly. As to the old Act, under which people refused to pay their just debt when in many cases they could have paid it, I say that that kind of legislation I will not support, and I hope I am not supporting it in voting for this Bill.

Hon. R. B. HORNER: Honourable senators, there are just a few points in connection with this measure that have not been dealt with by any of the previous speakers. The honourable the leader on this side of the House (Hon. Mr. Ballantyne) did mention the expectation that this would be merely emergent and short-term legislation. Honourable senators will remember that a great portion of Western Canada, including south-western Saskatchewan, had no crop for three or four years as a result of drought, and that when there was rain the grasshoppers took the crop. I may say that I received the greatest surprise of my life when I learned that the board was travelling about in northern Saskatchewan, where we had no need of it.

This measure is entirely unfair, and if there is one duty this body could and should perform, a duty which is particularly and peculiarly suited to the Senate, it is to vote against this measure. The province of Saskatchewan has suffered by having a worse measure than this one, possibly, but we at least should prevent this legislation being imposed on Manitoba. I agree with everything that has been said about the lowering of the morale of the people who take advantage of this legislation.

I was very much interested in the splendid explanation of the Bill by the honourable senator from Lethbridge (Hon. Mr. Buchanan), and his statement that adjustments were being made long before this legislation was introduced. At that time, when a good man was found to be paying for land more than it was worth, there was an adjustment between man and man; but under this legislation and the reduction of the debt by the board—sometimes to one-third—not a dollar has been paid.

I have resented the fact that Manitoba and other provinces were dropping out and that I could get no support for having Saskatchewan dropped; but so far as the credit of the province is concerned, I am not alarmed about the injury that has been done to the credit of the farmers of that province. The greatest teacher of all is experience, experience of hard knocks, and unless I am greatly mistaken the farmers of Western Canada are no longer going to borrow money, certainly not at eight per cent. They are going to pay their way. You must remember that Saskatchewan was a new province. We had not had the lesson of crop failure and drought; but now the whole picture is changed. We shall not need the loans we needed in the past, and in Saskatchewan we will not take them.

I want to reply now to the splendid speech of the honourable senator from Winnipeg (Hon. Mr. Haig), part of which I resent. He spoke of the greed of the farmer who bought additional land. Can the farmer not have an honest ambition to make money? Is not he entitled to that as well as anyone else? I can imagine that some who have had the experience of paying legal fees have shed tears. I am reminded of the advice, "Buy more land, and raise more wheat to buy more land." I would attribute the plight of the farmers to poor judgment rather than greed. What about the man who buys stocks on margin and who loses his money when they go down? You may call the motive greed or poor judgment or ambition. We used to think that the farmer who was willing to stay on his homestead and not enlarge it was not the best type of citizen. The ambitious man employed labour and created more stir in the community, to the benefit of all concerned.

This Act has not worked out at all as I expected it would. I supported it at the time it was introduced, because I thought it would help in the area that had met disaster. At the time of the Tokyo earthquake money was sent from all over Canada to relieve distress. It was the condition that existed in the West that led me to believe the legislation necessary. Possibly the farmer is entitled to bankruptcy legislation if he is hopelessly involved, so that he can go into bankruptcy.

Hon. Mr. ASELTINE: He can do that.

Hon. Mr. HORNER: He can?

Hon. Mr. ASELTINE: He could not be forced into bankruptcy, but he could make a voluntary assignment.

Hon. Mr. HORNER: I do think that, as was said by the honourable senator from Winnipeg (Hon. Mr. Haig), the object of this legislation is a political one.

Let me repeat that if this body has a particular duty, it is a duty to defeat legislation of this kind.

Hon. JAMES MURDOCK: Honourable senators, as everyone within my hearing realizes, there is a great deal that I do not know about this general question. I rise to speak on it only because one of my lifelong convictions has been that this world's troubles are largely the result of attempts by individuals to evade their proper responsibilities and liabilities. Such attempts, I think, have caused a great many of the difficulties that Canada finds itself in to-day.

In anticipation of this discussion, I have had in my pocket for about a month an article reprinted from the Globe and Mail, Toronto, captioned "Finance at Large," by Wellington Jeffers, Financial Editor. I am not going to impose upon the House a reading of the whole article, but I would ask that it be incorporated in the record, as I think it deals pretty fully with the general subject-matter we have been talking about this afternoon.

In the centre of the article there is a table showing the amount of mortgages in the various provinces in 1941. Let me quote a few of these totals, giving round figures only:

Quebec	$105,000,000
Ontario	159,000,000
Manitoba	32,000,000
Saskatchewan	93,000,000
Alberta	48,000,000

Figures are given for all the other provinces, as honourable members will see when the article is printed.

Hon. Mrs. FALLIS: Are these farm mortgages?

Hon. Mr. MURDOCK: Yes. The table gives the figures for farm mortgages, agreements for sale and liens in 1941.

Let me also quote some figures of amounts paid in 1940 on mortgages and agreements for sale, to see if payments were not pretty good. Again I will quote round figures only:

Quebec	$ 6,000,000
Ontario	12,000,000
Manitoba	3,000,000

Manitoba paid off more than three and a half million dollars, as a matter of fact.

Saskatchewan	$ 9,000,000
Alberta	6,000,000

I have carried around this article for a little over a month for the purpose of asking that it be placed on record when this discussion took place, because, as I said when I started to speak, I have had a lifelong conviction that a great many of our troubles are the result of an attempt by too many of us humans to get rid of our proper liabilities.

FINANCE AT LARGE

By Wellington Jeffers, Financial Editor

In Report to Nation the Census Bureau Shows Total of $653 Millions Mortgage Farm Debt, Much Reduced Since 1931 Census Was Taken

The census of 1941 shows that farmers and farming in Canada are in nothing like the parlous state which might have been expected from recent propaganda at Ottawa from those who want farm credit arrangement Acts stiffened in the Prairie Provinces, and measures taken to forgive a great deal of the debt that already exists. In fact, a table just prepared shows that at the time of the census in 1941 the total farm debt of Canada was $652·5 millions, consisting of $463·3 millions for farm mortgages, $165·9 millions in agreements for sale and $23·3 millions covering liens.

The debt per farm is less than it was when the previous census of 1931 was taken. That is shown by the fact that the total amount of mortgages and agreements for sale in 1941 is down 6·3 per cent from 1931, while in the same period the number of farmers owing the debt increased 9·2 per cent.

Farm Mortgage Debts Decrease.

The debt covered by mortgages and agreements for sale is only on land and buildings operated by the owner and does not include the amount of mortgage debt and agreements for sale on land operated by tenants, because this has no bearing on the debt problems of Western farmers. Mortgages and agreements for sale include all debts represented by agreements, by deeds or contracts for title, deeds of trust, judgments and by any other legal instruments which partake of the nature of a mortgage or agreement for sale. Under the heading of liens are debts secured by the farm operator on crops, live stock or farm implements, regardless of whether he is the owner, part owner or tenant of the farm which he operates.

The provinces of New Brunswick, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia showed farm mortgage debt decreases of 7·6, 14·8, 22·1, 6·3, 5·3 and 14·0 per cent respectively, while the provinces of Prince Edward Island, Nova Scotia and Quebec showed increases of 22·8, 1·0 and 19·0 per cent respectively. During the decade 1931-1941 the number of farms reporting mortgages and agreements for sale decreased by 1·5 per cent in Nova Scotia and 5·1 per cent in New Brunswick, while it increased by 23·2 per cent in Prince Edward Island, 36·4 per cent in Quebec, 0·2 per cent in Ontario, 9·3 per cent in Manitoba, 1·9 per cent in Saskatchewan, 9·1 per cent in Alberta, and 6·2 per cent in British Columbia.

Farm Mortgages, Agreements for Sale and Liens, 1941

Province	Amount of mortgages	Amount of agreements for sale	Farms reporting	Amount of liens	Farms reporting liens	Amount paid, 1940, on mortgages and agreements for sale
	$	$	No.	$	No.	$
Canada	463,295,500	165,933,400	265,282	23,304,940	49,431	41,005,990
Prince Edward Island	5,665,700	312,300	5,237	67,660	175	400,630
Nova Scotia	5,791,700	845,900	3,989	53,320	76	455,920
New Brunswick	5,182,100	808,400	5,612	104,400	312	474,830
Quebec	105,324,500	9,353,500	57,188	1,395,700	3,832	6,362,040
Ontario	159,746,100	10,402,600	70,963	2,931,330	4,890	12,642,410
Manitoba	32,039,600	14,080,000	20,442	3,184,720	6,566	3,642,250
Saskatchewan	93,610,100	71,174,000	57,044	9,351,990	20,511	9,169,900
Alberta	48,007,000	53,835,200	38,189	5,774,930	12,608	6,698,600
British Columbia	7,924,700	5,121,500	6,617	440,890	461	1,157,810
Yukon	4,000	.....	1	.....	.....	1,600

Prairie Province Farmers Paying Off Debts

The actual comparative mortgage debt figures (on owned land and buildings) for the three Prairie Provinces, taken from the 1931, 1936 and 1941 census reports, are as follows:

	*Man.	*Sask.	*Alta.
1931	$59·2	$175·8	$107·5
1936	51·3	188·1	108·4
1941	46·1	164·8	101·8

* In millions of dollars, including accrued interest.

The Manitoba figures show that there is no real farm debt problem in that province. Manitoba farmers are reducing their debt steadily. In light of these figures it is difficult to see why Manitoba needs the Farmers' Creditors Arrangement Act restored.

Mortgage debt in Saskatchewan and Alberta increased from 1931 to 1936, but since 1936 it has been reduced below the 1931 figure. If the decrease from 1936 was taken instead of 1931, the percentage in debt reduction would be higher than 6·3 per cent and 5·3 per cent estimates given above for reductions in the decade.

Now Is Bad Time to Destroy Farm Credit

In speaking of $625·3 millions as by no means a large farm mortgage debt, I was considering both the relationship of this total to the current estimates of the value of farm assets in Canada and to the earnings in recent years. The 1936 census figures showed farmers in Saskatchewan, whose position was generally regarded as the worst during the drought years in the 30's, to have assets in lands, buildings, live stock and machinery of $1,023 millions, or $30 per improved acre. The land and buildings alone were valued at $798 millions and the mortgage debt is now believed to be down at $255 millions, because some has been paid back since the 1941 census study was made. Of course, a lot of these assets were created by the very debt now being discussed. The province, like all provinces, will need more credit for the same reason and the legislation now asked at Ottawa, according to F. G. Butterfield, president of the Land Mortgage Companies Association of Saskatchewan, "would completely destroy farm credit."

Mr. Butterfield pointed out at a recent Regina meeting of his association that in 1942 Saskatchewan farms produced 700 million bushels of grain, had the largest butter output on record, hit new peaks in live stock and their products, and had a cash income of $189·6 millions, double the 1938 total, and that without including bonuses and subsidies of $31·5 millions.

Some say that Saskatchewan's farm debt really amounts to $600 millions if everything is included. But reliable judges think it is below $400 millions, including relief and farm aid advances, tax arrears, and debts to farm implement, oil, bank and retail companies. In the last four years farmers have reduced these debts. Implement debt is less than half what is was at the end of 1937. There are many fully owned farms in the province.

If this is the situation in Saskatchewan, where the debts were supposed to be heaviest and hardest to bear in an economy devoted in a great degree to one crop, the position in other provinces does not call for credit destroying legislation. Saskatchewan really has followed a good course in preserving its public credit during the hard years in the face of its difficulties, and it is diversifying its farming at a rapid rate. It would be poor post-war preparation to pass laws which would spoil the public record and stop the financing of farm purchases and sales.

Even though I hate to take this stand, I cannot support the Bill.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

Hon. Mr. KING: Honourable senators, I should like to have the Bill read a third time but for the fact that I have not yet had any word about it from the Law Clerk. As it is a long Bill, I think he should have an opportunity of checking it. I would move that it be referred to the Banking and Commerce Committee, and when it is taken up there tomorrow morning we can have the Law Clerk present.

The motion was agreed to.

NATIONAL FITNESS BILL

FIRST READING

A message was received from the House of Commons with Bill 138, an Act to establish a council for the purpose of promoting national fitness.

The Bill was read the first time.

SECOND READING

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read a second time?

Hon. Mr. KING: With leave, I would move the second reading now and make a brief explanation. I think it is well known to many honourable senators that prior to the war some European states had undertaken youth training programmes, with the idea of building up physical fitness. That was done more particularly in Czechoslovakia and the Scandinavian countries. Their programmes attracted attention in other countries, especially Great Britain and the United States, and the League of Nations became interested in it. The League passed recommendations which were sent out to all members of that body, suggesting that a study be made and some plan or programme adopted for improving the physical fitness of people in the respective countries. Canada received such a recommendation, but no action was taken upon it by the Federal Government. Some three or four years ago, however, the provinces of British Columbia and Alberta undertook provincial youth training programmes. In British Columbia we watched the development of the programme with great interest, and I have no hesitation in saying that not only was it of benefit to our younger people, but it received the endorsation of older citizens in the various communities.

Before the war the Dominion of Australia adopted a national fitness programme, which is in existence to-day. Great Britain also, after some considerable study, undertook developments along this line, as did the United States.

I think we were all greatly startled, shortly after the war broke out, to find so large a proportion of our young men rejected as physically unfit when they went to enlist in the armed forces. Many of us found it difficult to believe that such a condition could exist in a country like Canada, which has very little overcrowding and certainly no scarcity of food. The record in countries that had adopted youth training programmes was encouraging, and I think all who tried to familiarize themselves with it found it intensely interesting.

This Bill is a start towards the establishment of a national fitness programme. It comes to us with the unanimous approval of the other House, where it was considered and passed in all three stages yesterday. It provides for an appropriation of $225,000, to be expended in co-operation with the provinces on a fifty-fifty basis, for setting up a programme such as I have indicated. In addition, $25,000 is provided for national administration.

It is proposed in the Bill that each province coming into the scheme would be represented by one member on the council to be set up. The only paid official would be the National Director. Other officers who might become associated with the council would be representatives of the provinces, and be paid only their expenses resulting from attendance at meetings.

At the present time the Department of Labour has a number of training centres for young men, where recreation programmes are carried on. Under this Bill there would be co-operation between various departments of the Federal Government, and also with the provinces, if they so desired. It would be for the provinces themselves to say whether they wished to take part in the scheme; there is nothing coercive about the Bill in this respect. As I have already said, the provinces of British Columbia and Alberta had established programmes before the war, and I understand Ontario has indicated its desire to participate in a programme.

I believe that if the scheme is properly organized it will not only improve the physical condition of the youth of this country, but will also do much to improve their moral fitness and give them a better realization of the necessity for discipline in our relations with one another. I personally have given some attention and study to the programmes that were undertaken in Czechoslovakia and the Scandinavian countries. The reports on those programmes are most interesting and of great value. I do not believe that we in Canada could well afford not to undertake some such plan as this for giving our youth an opportunity to develop their physical fitness.

We know that under present-day conditions boys in general have not the same need to make themselves useful that boys had when most of us were young. For the boy in the ordinary country town there is no wood-box to fill, no cow stable to clean. Those chores have disappeared, and to-day after school the youth in the country are turned loose to wander at will. I believe that under this programme there will be an incentive to

many young people not only to build up their physical condition, but also to improve themselves morally and mentally. I have no hesitation in recommending this Bill to the favourable consideration of the Senate.

Hon. C. C. BALLANTYNE: Honourable senators, I have had only a few moments to glance over the Bill. I am certainly in favour of its principle, for it is absolutely essential that the youth of this country should have physical training. I agree with the honourable leader opposite that it was deplorable to note the large number of young men who were not physically fit to be taken into the armed forces.

After the cursory glance I have been able to give the Bill, I do not think any expenditure should be incurred until the provinces that so desire come under it. Who is the chief official here?

Hon. Mr. KING: There will be a director.

Hon. Mr. BALLANTYNE: A director of physical culture?

Hon. Mr. KING: Yes.

Hon. Mr. BALLANTYNE: Before any property is acquired or any expenditures are incurred, a programme ought to be carefully worked out for all the schools, collegiates and universities, and also for sea scouts, boy scouts and similar organizations. Such a programme should also take into account the ages of the girls and boys. It would not do to allow each province to use its own judgment in regard to what constitutes physical training. It might, for instance, be of a certain character in this province and totally different in another. The work should be fully co-ordinated.

Hon. Mr. KING: I think that would be absolutely essential.

Hon. IVA C. FALLIS: Honourable senators, perhaps I might approach this measure from an angle somewhat different from that taken by the honourable leader of the Government (Hon. Mr. King) and the honourable leader on this side (Hon. Mr. Ballantyne). Naturally anyone interested in the future well-being of the citizens of Canada cannot do other than give support to the principle and ideas involved in this legislation.

I for one feel it is greatly to be regretted that there had to be a war to bring out records of the standards of Canada's health. I agree with what both leaders have said, that every member of this Chamber was shocked when the statistics were revealed early in the war, showing the number of young men rejected from military service because of physical unfitness.

There were many causes for that. One which was stressed particularly, and which I should like to speak on for a moment, was malnutrition during the growing years. The record in itself proved the need of a national movement to promote physical fitness among our citizens, and no doubt this was in large measure responsible for the legislation now before us.

But while all the programmes that have been outlined for facilities for physical training are quite proper, and I am entirely in accord with them, I think also that part and parcel of any physical fitness is the question of nutrition,—

Hon. Mr. KING: Hear, hear.

Hon. Mrs. FALLIS: —and that, in turn, involves the question of the means by which citizens of all classes shall have the right, in years to come, to a sufficient income with which to purchase the proper kind of food. Although the question of nutrition ties in, to a certain extent, with employment and money with which to purchase the right kind of food, it does not necessarily follow that, given the money, every parent will provide proper food for his children,—

Hon. Mr. KING: Hear, hear.

Hon. Mrs. FALLIS: —or that every adult will eat or drink only what is good for him.

Some Hon. SENATORS: Oh, oh.

Hon. Mrs. FALLIS: Those of us—and I think it includes probably every member of this Chamber—who during the years of depression, when relief was being administered in large sums, had experience in helping to administer that relief, know that the money then given to the people to purchase food was not always spent wisely. So I think there is need for consistent education along the line of buying the proper food. It is not altogether a question of money, for the most expensive foods are not necessarily the most nutritious. It is a question of educating people so they will spend their money properly and give their children and themselves the proper food.

Then there is the question, in which I have always been interested, of the proper distribution of fresh fruits and vegetables, which are so necessary in providing proper nutrition. During my first or second session in this Chamber I remember referring to the fact that there had been a very abundant crop that year, especially in Western Ontario, and that peaches, tomatoes, and apples in great quantities were rotting on the ground, and at the same time there was an outbreak of scurvy in Northern Ontario because the women and children were not receiving fresh fruits and vegetables.

Undoubtedly the proper distribution of fruits and vegetables enters largely into the question of physical fitness. I do not think we have yet overcome our defective distribution of these essentials. At least there does not seem to be a proper control of distribution; otherwise during the last few weeks we should not have had the spectacle of vast quantities of fresh fruits and vegetables spoiling in the warehouses while the same commodities were selling in the stores at such high prices that persons of average means could not purchase them.

I am interested in this Bill from another angle, which I am sure would not occur to other members. I am interested because the Bill opens up one of the fields in which women can serve to great advantage. Teachers, nurses, dietitians, doctors, physical instructors —all can make a great contribution to the carrying out of this programme. Honourable senators will recall that after the last war the women of this country were granted the franchise because of services rendered and sacrifices made during the war. But not only for that reason. I think it was even more because they had shown themselves capable of discharging responsibilities in the wider field of service to which they had been called.

Now, in this war a great many women have been called to fill new and important positions for the duration. Surely it is not too much to expect that because of the additional services which Canadian women have rendered and the greater sacrifices which they have made, they should, when peace returns, have a greater voice in the councils of the nation and in the carrying out of post-war programmes, to which they can make a great and important contribution if they are only given the opportunity.

This Bill opens up one field in which they can be of great service. For this and the other reasons I have stated, I am heartily supporting the Bill.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

The Hon. the SPEAKER: When shall said Bill be read a third time?

Hon. Mr. KING: I have a notice from the Law Clerk indicating a number of amendments. I think the Bill should be sent to the Committee on Banking and Commerce, and I move accordingly.

The motion was agreed to, and the Bill was referred to the Committee on Banking and Commerce.

NAVAL ADMINISTRATION BUILDING ON CARTIER SQUARE

INQUIRY

Hon. Mr. TANNER inquired of the Government:

In respect to the naval administration building consisting of three storeys of wood construction above basement of concrete, situated on Elgin street, at Laurier avenue, in the city of Ottawa, what are provided as safeguards against fire, particularly:

1. Outside fire escapes of wood or metal?

2. Inside fire escapes from each floor, and what they consist of?

3. Stairways, their dimensions, and whether of wood or metal?

4. Number of fire hose attachments on each floor?

5. Number of chemical fire extinguishers on each floor of building?

6. Number of fire watchers on duty day and night, respectively?

7. What arrangement or agreement, if any, exists with the City of Ottawa for city fire services?

8. If there is a sprinkler system, is it installed so as to be effective on the outer wooden walls of the building?

Hon. Mr. KING: These are the answers to the honourable senator's inquiry:

1. There are no outside fire escapes on the building.

2 and 3. There are inside stairways in the building which act as both fire escapes and passages for daily routine business. They are constructed of concrete and are completely fire-proof. There are 12 of these stairways, each 4 feet 3 inches wide. On each floor landing they are equipped with heavy fire doors with automatic door closers. At the ground floor these stairways are equipped with fire doors which can only be opened from inside the building.

4. There are no fire hose attachments on the floors inside the building.

5. There are 48 chemical fire extinguishers distributed, twelve on each floor of the building.

6. During the day there are a petty officer and an able seaman who make hourly rounds of both inside and outside of the building from 7 a.m. to 5 p.m. In addition to this, rounds are made once each morning by the duty officer of the watch. During the night hours an able seaman patrols the building every hour from 6 p.m. to 8 a.m. While carrying out this duty, he punches a clock at several places on each floor of the building every two hours. In addition to this, the duty officer of the watch makes rounds at 9 p.m. and midnight. The

leading hand of the watch inspects the main entry valves of the sprinkler system every hour from 6 p.m. to 8 a.m.

7 and 8. The building is equipped complete with a sprinkler system. This is so arranged that if a sprinkler head blows, an alarm is received by the Dominion Electric Company, who in turn inform the Fire Department, who could when necessary be at the building within three minutes. There is an arrangement to notify by telephone the City Fire Department of any emergency that may arise. The City Fire Department is constantly co-operating for frequent fire inspections of the building. The Chief of the Fire Department and the senior fire inspector have assisted constantly with their advice as to fire precautions and fire prevention. Fire drills have been held in the building, supervised by the Chief of the Fire Department, in which the entire personnel of the building have been evacuated. The personnel of the building are fully acquainted with the proper fire exits to use and the necessary precautions to be taken. There has been appointed for each directorate in the building a fire warden with the necessary number of assistants. They have been fully instructed in their duties and have carried them out efficiently during the recent fire drills. A meeting of all fire wardens was held, with the senior fire inspector present. From him the fire wardens obtained a great deal of valuable instruction as to the proper performance of their duties. Each floor of the building is equipped with fire axes, sand and water buckets. The duty watch is fully instructed in their use. Additional precautions are two alarm bells on the outside of the building, which will ring if the sprinkler system goes into operation. There are six fire hydrants on the outside of the building, as well as two fire connections for the sprinkler system. There will be installed shortly a complete electric fire alarm system in the interior of the building, which of course will be an addition to the present safeguards. The sprinkler system is not effective on the outer wooden walls of the building. The exterior of the building is covered with asbestos shingles.

COMMITTEE ON FINANCE

MOTION

Hon. Mr. KING moved:

That rule 78 of the Rules of the Senate be amended by striking out paragraph 17 and substituting the following therefor:

17. The Committee on Finance, composed of twenty-five senators.

Hon. Mr. BALLANTYNE: I hope, honourable senators, that the increase in the membership of the Committee on Finance will not be to the detriment of our old and very valuable Committee on Banking and Commerce, a meeting of which I was so pleased to attend this morning. It seems to me that the suggested development of the Committee on Finance may result in the Committee on Banking and Commerce eventually disappearing.

Hon. Mr. KING: I do not think that will be the case. My hope and desire is that the Committee on Finance will deal with war financial measures, and that the Committee on Banking and Commerce will continue to deal with other measures which are usually referred to it. This allocation of our work has been very satisfactory this year, and I am convinced that for the duration of the war it will be well to continue to send war financial measures to the Committee on Finance, but not for the purpose of in any way diminishing the standing of the other committee.

The motion was agreed to.

TAFFERT DIVORCE CASE

INQUIRY AND DISCUSSION

On the Orders of the Day:

Hon. JAMES MURDOCK: Honourable senators, I rise to a question of privilege with respect to a matter which, to me, is of some importance. On Tuesday evening His Honour the Speaker, as I understood, in referring to a number of private bills that had come to his hand from another place, dealt with various divorce cases, and I heard him intimate something about the Taffert divorce case. I have searched our records and the records of another place, and cannot find what happened to that.

I am somewhat interested in the Taffert case because it was that which caused the black-balling of me from the Divorce Committee. This, of course, has saved me many hours' work. I was black-balled because I was standing up for a woman who, I believe, is absolutely clean, honest and decent, and I was fighting against a petitioner who, on his own sworn statement, is a cheat and a prevaricator. That is the record.

I went into the Taffert case even after I was removed from the committee. What did I discover? Mr. Cheat and Prevaricator secured a woman working in an establishment just across from the corner of St. Antoine and Windsor streets, where you get out of the C.P.R. elevators. You all know the location. He secured her because she was about the age of his wife, looked somewhat like her, and was wearing a red hat. Then a man,

of course, had also to be secured, and that man was secured in a rented room at 96 Sherbrooke street west. Do not forget that this Taffert case was handled on the 17th day of March, 1942. I filed at that time a minority report to the report of the Divorce Committee, and we heard nothing more about the case until about the middle of July, when, as a result of a convivial fishing expedition in the Gatineau, or some other important thing, the Taffert case was—

The Hon. the SPEAKER: I understand the honourable gentleman has the consent of the Senate.

Some Hon. SENATORS: No.

The Hon. the SPEAKER: Because otherwise—

Hon. Mr. MURDOCK: No. There are a number of honourable gentlemen who are ready to scrap the Atlantic Charter to prevent the facts being brought out. I admit that.

The Hon. the SPEAKER: I am bound by the rule.

Hon. Mr. MURDOCK: I rise to a question of personal privilege which affects me as a member of this body who has been misquoted and misrepresented as a result of the action I took on behalf of an honourable woman against a thief, or a prevaricator and cheat.

As I was saying, this case was not heard of any more from the 17th of March until nearly the middle of July, when my honourable friend and seat-mate, the Chairman of the Divorce Committee, was absent and at his home, and somebody else took up the case.

Hon. Mr. ASELTINE: I rise to a point of order. We hashed this all over last year.

Hon. Mr. MURDOCK: You do not want to hear the facts.

The Hon. the SPEAKER: I am bound by the rules of the House. If the honourable senator has a question of privilege, he may proceed; but in following his words I have been unable to find that any question of privilege is involved in the matter he has raised. If there is anything in which he is personally concerned and in regard to which he desires to make a statement as a matter of privilege, it is undoubtedly within the rules. Otherwise, without the unanimous consent of the House, I am bound—

Hon. Mr. MURDOCK: The question of personal privilege is this: What happened to the Taffert case? I can find nothing in our records or the records of the committee to show what happened to it, but, as I have said, I heard the honourable the Speaker mention the case. I can find nothing in the records of another place. I should like to know what the record is, where the Taffert case stands, and if justice at last has been done to a decent, honest woman and her sixteen-year-old daughter.

The Hon. the SPEAKER: The matter boils down to a question of procedure. I cannot find in the inquiry, as to how the Taffert case was disposed of, any question of privilege for any honourable senator.

On the question that has been put as to what has become of the Bill bearing letter J3 of the Senate, and relating to the Taffert divorce case, I may say that this Bill was forwarded to the House of Commons, leaving the Senate with a number of other bills. What disposition the House of Commons made of a bill that we sent to them is not a question that can properly come before this House, because once we have sent the bill to the other House, whether it refuses its assent to it or not is within the privilege of that House, and it is not obliged to report to us.

I can only say, speaking from the records of the Senate, that Bill J3, concerning the Taffert case, was sent over to the House of Commons.

Hon. Mr. MURDOCK: But, Your Honour, what did you say the other evening when I distinctly heard you refer to the Taffert case?

The Hon. the SPEAKER: Did you?

Hon. Mr. MURDOCK: Yes.

The Hon. the SPEAKER: I do not recall.

Hon. Mr. MURDOCK: You referred to various bills returned from the House of Commons, and said something about the Taffert case. What it was I have been trying to discover. I understood it to be "except the Taffert case."

The Hon. the SPEAKER: I cannot recall the incident to which the honourable member is now referring, but I shall not fail to consult the Minutes of the Clerk, and Hansard, and I shall certainly be very pleased to inform the Senate in that respect.

Hon. Mr. MURDOCK: I am quite sure your clerk will have the minutes you were reading from, and they will convey the information I desire.

The Hon. the SPEAKER: I find in the Minutes of the Proceedings of the Senate, No. 47, of July 20, the following:

Messages were brought from the House of Commons by their Clerk to return the following Bills, and to acquaint the Senate that they have passed the same without any amendment.

Then on pages 306 and 307 of our Minutes there is a long list of bills, mostly divorce bills, and after the letter I3 you will see that Bill J3, the Taffert Bill, which one would expect to find between Bill I3 and Bill K3, is omitted. We have nothing to do with that. The Bill was not returned from the House of Commons to the Senate.

Hon. Mr. HAIG: I think I can help the honourable member. The Bill is still in committee in the House of Commons. It could not have been mentioned the other day.

Hon. Mr. MURDOCK: I am positive it was mentioned, or I would not have raised this question. I told my distinguished leader that I was going to raise the question because the Taffert case was referred to.

The Hon. the SPEAKER: I cannot recall having mentioned the Taffert case at all. In that I may be wrong; my memory may be at fault. The only thing I can say is that I mentioned the bills returned from the House of Commons, a list of which was subsequently published in our Minutes of the 20th of July, and there it would appear that the Taffert case was not returned. The honourable senator from Winnipeg (Hon. Mr. Haig) advises us that it is still pending in the committee of the House of Commons.

Hon. Mr. MURDOCK: I am glad to have that much information.

The Hon. the SPEAKER: I cannot give any further information.

Hon. Mr. MURDOCK: I heard it mentioned on Tuesday evening, or I would not have raised this question.

The Hon. the SPEAKER: I cannot recall it. I must say the whole question is out of order. If a question is put, on the Orders of the Day, it must either be on a matter of urgent public importance, or a question of privilege affecting an honourable member. The question which the honourable gentleman has put is as follows: "What has become of the Taffert case?" I can only say that, so far as my information goes, the Taffert case has not yet been returned to the Senate from the House of Commons.

Hon. Mr. MURDOCK: That question affects an honourable senator, if you so designate me. I was black-balled and removed from the Divorce Committee over the Taffert case—

Hon. Mr. KING: Oh, no.

Hon. Mr. MURDOCK: Oh, yes. That is so.

Hon. Mr. KING: The honourable gentleman has no right at all to say that.

Hon. Mr. MURDOCK: —just because I was insisting on protecting a decent woman and her sixteen-year-old daughter.

Some Hon. SENATORS: Order!

Hon. Mr. MURDOCK: I was removed from the Divorce Committee, and I am not sorry for it.

The Hon. the SPEAKER: I hope I am not to be held responsible for that!

Hon. Mr. MURDOCK: Oh, you are excused.

The Hon. the SPEAKER: Thank you.—Orders of the Day!

Hon. Mr. KING: Honourable senators, we have reached the Orders of the Day, but as it is nearly six o'clock and I do not think it would be possible to complete the business of the Senate between now and then, I would suggest that His Honour call it six o'clock.

The Hon. the SPEAKER: Before calling it six o'clock, I should like now to read a note taken of what I actually said. It is as follows:

Messages have been received from the House of Commons to return Divorce Bills letters D to B4, excepting Bill J3, entitled an Act for the relief of William Taffert.

Hon. Mr. MURDOCK: Don't say it was not mentioned.

Hon. Mr. HAIG: I never said it was not mentioned. I knew it was mentioned, and so did the honourable member from Peterborough (Hon. Mrs. Fallis). What I said was that I knew it was not in this House, because it was in the committee of the House of Commons.

The Hon. the SPEAKER: The only thing I mentioned, apparently, was that the Taffert case had not been returned.

Hon. Mr. MURDOCK: Your Honour, would not your language at that time properly be put upon some record of this House?

Hon. Mr. HAIG: I do not like to object, but this is not a question of privilege.

Hon. Mr. MURDOCK: It is a question of whether we are going to have statements made to the House recorded.

The Hon. the SPEAKER: The statements made are not recorded in the Minutes of the Senate. What are recorded in the Minutes of the Senate are the acts and proceedings of the Senate. If a motion is made or a bill is introduced, or read the first, second or third time, it is recorded in the Minutes. What is

said in the Senate is generally taken down by the reporter, and appears in Hansard, but the scroll of the Clerk does not record what was said on that occasion.

It being six o'clock, I do now leave the Chair.

The Senate resumed at 8 o'clock.

WAR APPROPRIATION BILL No. 3

FIRST READING

A message was received from the House of Commons with Bill 139, an Act for granting to His Majesty aid for national defence and security.

The Bill was read the first time.

The Hon. the SPEAKER: Honourable senators, when shall this Bill be read the second time?

Hon. Mr. KING: Next sitting.

UNEMPLOYMENT INSURANCE BILL

SECOND READING

Hon. Mr. KING moved the second reading of Bill 136, an Act to amend the Unemployment Insurance Act, 1940.

He said: Honourable senators, the honourable gentleman from Inkerman (Hon. Mr. Hugessen) has kindly consented to explain this Bill.

Hon. A. K. HUGESSEN: Honourable senators, this is a Bill to amend the Unemployment Insurance Act of 1940 in a number of respects. The original measure, which received the Royal Assent on August 7, 1940, provided for the setting up of a wide scheme of unemployment insurance applicable to a large number of employees in this country, and for the administration of that scheme by a body known as the Unemployment Insurance Commission. It will easily be appreciated that before a complicated measure of this kind could be brought into effect a good deal of administrative preparation was required in the way of setting up a large number of regional offices all over the country, engaging and training the necessary employees, providing the forms and methods by which contributions should be paid and received from the different classes of employers and employees, and in general putting into motion the machinery needed to make the measure work.

The Unemployment Insurance Commission took slightly less than a year to get the machinery into operation, with the result that the first contributions to the scheme were payable and were paid on the 1st of July, 1941. So the scheme has now been in operation for a little over two years.

I thought it might be of interest to honourable members that before discussing the details of this Bill, which incidentally contains the first amendments to the Act, I should give a few figures showing the extent to which the Act has come into operation, the scope that it has achieved and the amounts that have been collected under it. These figures, which I received yesterday from the commission, cover the two years from the 1st of July, 1941, when the first contributions were received, to the 30th of June, 1943, and I do not think they have yet been made public. In this two-year period the number of employees who have been brought under this scheme is something in excess of two and a quarter millions—not quite, I am told, two and a half millions. At any rate, it amounts to between one in five and one in four of the whole population of the country.

The total amount received during that period from employers and employees was $108,111,000. The commission was unable to give me a breakdown of that figure as between employer and employee contributions, but I am advised that they are approximately on a fifty-fifty basis, with a slight variation in favour of the employees. That is, the employees' contributions in this total figure are perhaps two or three million dollars greater than the employers' contributions. During the same period the Government's contributions, which by the terms of the Act are stated to be approximately one-fifth of the contributions by employers and employees, have been $21,622,000. In addition, the fund has been augmented to the extent of $3,182,000 by interest received on the investment of the fund—the investment, I might say, being entirely in Dominion Government short-term bonds. So the total receipts in this period of two years amount to $132,915,000.

From that there falls to be deducted the amount of benefit payments made during that period, namely, $1,078,000, the net result being that the total assets of the fund as at the 30th of June last were $131,836,000.

There is perhaps one further figure that I might inflict upon the House. The present book value of the commission's investments, as shown in its books, is $126,191,000. As I said a moment ago, the investments consist entirely of Dominion Government short-term bonds.

Honourable senators will perhaps recall that when this measure was under discussion in the session of 1940 we were told that the Minister of Finance was in favour of it for

two reasons: first of all, that in time of war unessential spending should be restricted as much as possible, and that the measure would have the effect of withdrawing from earnings of employees a large amount of money which would otherwise go into the spending stream; and, secondly, that the total receipts of the fund would temporarily be invested in Dominion Government bonds and thereby help the country's war effort. I think honourable members will agree, after hearing the figures I have just quoted to them, that both these objects have undoubtedly been achieved.

At this point it is only fair to say that the Unemployment Insurance Commission deserves a great deal of credit for the excellent and effective work it has done, first of all in setting up the machinery under this Act, and secondly in administering the machinery during the past two years. I think the general impression among all who are connected either with the employer or the employee classes is that the operation of the fund is well conducted, that there are no complaints as to the machinery for collection, and that generally speaking this measure has become a very important feature of social security for the industrial classes of our country.

Honourable members will also recall that the Act as passed in 1940 contained provisions setting up an employment service. They will be interested to know that since then there has been set up a nation-wide employment service, with 205 offices throughout the country and five or six thousand employees. It is probable that this House and the public generally have as yet hardly begun to realize the present and prospective future value of that nation-wide employment service with a centralized administration. Of course the value of such a nation-wide employment service at a time when employment is very general and there are more jobs than men to fill them is not perhaps as evident as it is likely to become when this country has to face the large amount of re-employment and the changes of employment which are bound to take place when the war comes to an end.

But there has already been one considerable advantage derived from the setting up of this national employment service under the terms of the Act. The local officers of the commission, in their offices throughout the country, have recently been charged with the administration of national selective service, which has to do with the application of the man-power of this country to the prosecution of the war in the best possible way, and if this national employment service had not been set up by the measure of 1940 it would have been necessary for the Minister of Labour to evolve some other machinery for the purpose.

Now, there is another prospective benefit from the establishment of this employment service. It has its origin in the possible extension of the present unemployment machinery to other branches of social security which could be set up in the future, following upon that part of the Speech from the Throne at the beginning of this session dealing with the necessity of a broad scheme of social security for this country. In that connection, with the permission of the House, I should like to quote a few words from the report on social security prepared by Dr. L. C. Marsh, under the general heading of unemployment insurance, at page 43 of his report. I quote:

> It is an immense advantage to have, in the unemployment insurance system, the basis for systematic attention to a large part of the unemployment problem. Its operation during the war period means that experience in administration is being accumulated as well as contributions to the unemployment insurance fund. Not least of the advantages is the strengthening of the employment service as an administrative agency; and also the growing improvement in statistical resources. Both the analysis of unemployment insurance records, and the inventory of current labour movements now being developed through the employment service, have obvious relevance for advance forecast and actual administration on the post-war period. As the biggest piece of social insurance in Canada so far, its coverage, rates of benefit, and general principles of construction are of special importance. No extensions of the social security structure can afford to ignore its existence and the necessity of co-ordination with it wherever this is reasonable.

So much for what I may be permitted to call preliminary observations.

Hon. Mr. BALLANTYNE: I do not think the honourable senator told us what the cost of administration is, and where the money comes from.

Hon. Mr. HUGESSEN: Speaking subject to correction, I think the Federal Government, as part of its contribution, pays the cost of administration of the scheme. The figure I gave of the Federal Government's contribution of $21,000,000 is exclusive of whatever was the actual cost of administration.

Hon. Mr. ASELTINE: But you have not the figures?

Hon. Mr. HUGESSEN: No, I have no figures of the cost of administration.

Before dealing with the details of the Bill itself, there are two further observations which I think I should make in order that the Senate may be fully aware of all the facts.

It will be recalled that the Act of 1940 provides for an advisory body, known as the

Unemployment Insurance Advisory Committee, an unpaid body consisting of representatives of employers and employees. This committee is charged with the duty of advising the commission on various matters with respect to the possible extension of the Bill to other classes of employees, changes in the rates of contribution and benefits, and other matters. The committee had been consulted by the commission before this Bill was brought in, and I am informed that it unanimously approved the principle of the measure.

There is a second matter I should mention. This is an insurance scheme. It is designed to provide payment of certain premiums against certain risks, and it, of course, should at all times be actuarially sound. No changes in rates of benefit or rates of payment should be made unless they can be shown not to affect prejudicially the actuarial soundness of the scheme as an insurance scheme. So before it was introduced this measure was submitted to the chief actuary of the Department of Insurance, and he has reported to the commission that none of the amendments now proposed adversely affect the fund or its actuarial soundness.

The Bill itself is fairly long, comprising twenty-eight sections. I must say that the great majority of the amendments are more or less of a minor character and are intended either for clarification or to simplify administration, without in either case affecting the principle of the original Act. In some instances the amendments are intended to correct slight errors of draughtsmanship which are almost bound to creep into a complicated measure of this kind. I do not propose to deal with that class of amendments here. They will more fittingly be dealt with when the Bill is considered in the appropriate committee.

But there are a few amendments which do make substantial changes. The most important are contained in sections 21 and 22. Before, however, dealing with them, I think I should direct the attention of the Senate to three proposed amendments which, though in a comparatively minor way it is true, do affect the classes of persons intended to be covered by the Act. Two of these amendments will have the effect of increasing, and one of decreasing, the number of persons who will become subject to the Act.

The first of these, clause 19, relating to Part I of the First Schedule of the Act, provides that employees, resident in Canada, of governments of other countries, either Great Britain or foreign countries, may be brought within the terms of the scheme, in every case with the consent of the government concerned and with the approval of the Unemployment Insurance Commission.

The next is clause 20, which deals with the employees of hospitals and charitable institutions. When the Act was passed in 1940 such employees were excepted from the measure under Part II of the First Schedule; but it has been found that a considerable number of these employees have asked to be included in the measure. They were excepted in the first place because it was thought that hospitals and institutions of that kind, which operate without purpose of gain, might not in certain cases be able to afford the employer contribution which would otherwise be imposed upon them. This amendment permits such employees to be brought within the scheme if the hospital or other institution agrees to pay the employer contribution.

Hon. Mr. BALLANTYNE: Might I be permitted to intervene for a moment? My honourable friend knows that most employees in hospitals are only temporary, and they are coming and going, especially in war-time. I do not see how you could very well take them in.

Hon. Mr. HUGESSEN: Of course, the whole object of the Bill is to bring in persons whose employment is temporary. They are precisely the kind of people who ought to be covered by unemployment insurance. But in any event it will only be in cases where the hospital or charitable institution is itself willing to pay the employer contribution that the commission can bring the employees within the Act.

The third clause is number 24. It has the effect of taking out of the scheme employees who would otherwise fall within it, but who reside in distant parts of Canada where there is very little insurable employment, such as the extreme northerly areas of Canada, and where the cost of administration by the commission would be greater than the result of the insurance of a small number of persons would justify.

I turn now to one of the more important clauses of the Bill, number 21. It relates to governmental employees, that is, employees of federal, provincial and municipal governments. I might say with respect to employees of government that the original Act proceeded upon the theory that there were a number of governmental employees, Dominion, provincial and municipal, whose employment was so permanent and the possibility of whose unemployment so small that they should be excepted from the Act, and it was provided that such governmental employees should be

excepted upon the commission being satisfied that "the employment is, having regard to the normal practice of the employment, permanent in character." In drafting the provisions to give effect to that principle, the original Act, in clause (*l*) of Part II, excepted all employees of the Dominion of Canada who fell under the provisions of the Civil Service Act. But it was found that that was wrong, because a considerable number of employees of the Dominion whose employment is not permanent in character do fall under the Civil Service Act and should be permitted to avail themselves of the benefits of this Unemployment Insurance Act. So the first amendment to clause 21 takes out the reference to Dominion employees who fall under the Civil Service Act, and just leaves in the general clause to the effect that federal, provincial or municipal employees shall be exempted from the Act if the commission is satisfied that their employment is permanent in character, "having regard to the normal practice of the employment."

The second change which clause 21 brings into effect is this: it excepts from the exception, if I may so speak, government employees who are employed in connection with a public utility. In other words, it says that a government employee who is employed in connection with a public utility shall fall within the purview of the Act, even though he is a government employee. The reason for that is that there are a number of municipal and other bodies in this country which own public utilities, such, for instance, as the Toronto Transportation Commission and the Hamilton Hydro Electric Commission. Employees of private utilities have at all times been under this Act—both the employees and the private utilities themselves. Honourable members will appreciate how strange it would be if, for instance, a man driving a street-car in the city of Toronto, who is employed by a public body such as the Toronto Transportation Commission, should be excluded from the Act while a man driving a street-car in the city of Montreal, an employee of the Montreal Tramways Company, a privately-owned corporation, should be included under the Act. In fact, I am given to understand that there are even more striking examples than that, and that in at least two cities, Ottawa and Winnipeg, there are working side by side two utilities, one owned by the public and the other privately owned. So honourable members will see the reason why it has been thought advisable to exclude from the exemption, and bring within the four corners of the Act, employees of public bodies employed in connection with public utilities.

Then we come to the second and remaining clause which is of considerable importance. That is clause 22. Clause 22 does two things. Under Part II of the First Schedule of the Act as originally drafted, the only employees who were brought within the Act were those earning a remuneration of $2,000 a year or less. Clause 22 of the Bill increases that ceiling, if it may be so called, from $2,000 to $2,400, so that for the future employees earning $2,400 or less are brought within the Act. In parenthesis I may perhaps remark to the Senate that in similar legislation in the United States the ceiling is $3,000.

Hon. Mr. HAIG: Can the honourable member say why that change was made?

Hon. Mr. HUGESSEN: If I may be allowed to proceed, I shall give the explanation in a few minutes.

The second change that is brought about by clause 22 is that it provides that for the future all employees who are paid at an hourly, daily or weekly rate, or on a mileage basis or at a piece rate, shall be brought in and covered by the Act regardless of what the total amount of their annual remuneration may be. In explanation of that I may say it has been found very difficult in many cases to determine, where a man is paid at an hourly, daily or weekly rate, or on a mileage basis or at a piece rate, whether his total remuneration amounts to more than $2,000 or less, and it has been thought advisable to bring that whole category of employees within the four corners of the Act. In that connection I may say that this amendment follows the principle of the British unemployment insurance legislation, which places no ceiling at all on the total remuneration paid to manual workers, and brings them all under the umbrella of unemployment insurance.

Now, if I may deal for a moment with the question asked by the honourable senator from Winnipeg (Hon. Mr. Haig), I should like to refer again to the Unemploment Insurance Advisory Committee, which I mentioned at the outset of my remarks, and which represents employers and employees. That committee sat in public upon the proposals contained in clause 22. It gave notice, it sat in public in the city of Ottawa, it heard representations with respect to these proposed changes, and after full and careful consideration unanimously recommended these alterations. That, in one sense at least, is an answer to my honourable friend's question as to why these amendments are proposed. It may interest the Senate to know that it is estimated that if

this amendment carries it will bring in under the Act approximately 200,000 additional employees.

If this measure is given second reading, it is my intention to move that it be referred to the Committee on Banking and Commerce. At the meeting of that committee any information honourable members require can be furnished. It goes without saying, however, that if any honourable member wishes to ask a question I shall do my best to answer him.

Hon. Mr. DONNELLY: The honourable senator has given a very clear and full explanation of the Bill. In his opening remarks he made one statement to which I should like to refer. I understood him to say that two and a half million employees are now under the Act. That is about twenty-two per cent of the people. In view of the large number of persons too young to come under the Act, the large number of an advanced age who cannot come under it, and the large number in uniform, as well as the many engaged in seasonal occupations, such as farming, fishing and lumbering, who cannot come under it, I am surprised that the number should be two and a half millions. Is that the total number brought under the Act, or are we to understand that at any given time two and a half millions are under it, on an average?

Hon. Mr. HUGESSEN: My information was obtained from the commission. I asked to be furnished with a statement, as close as possible, of the number now under the Act. The answer I received was that it could not give me an accurate figure, but that the total number now under the Act is in excess of two and a quarter millions.

With reference to young people, of course, persons under sixteen do come under this Act if they are employed; and there is a provision that their contribution shall be paid by their employer. I think perhaps another explanation is that the apparently large number—and I agree that it does seem to be a very large number—is the result of the large employment of women that has taken place within the last two years, particularly in war industries.

Hon. Mr. DAVIES: May I ask a question of the honourable gentleman? When this Bill was being revised was the matter of the rate discussed at all? As I understand the honourable senator, the commission has paid out something over a million dollars.

Hon. Mr. HUGESSEN: Yes.

Hon. Mr. DAVIES: And there is an accumulated fund up to date, after the operation of two or three years, of $131,836,000. Would that not indicate that the schedule of rates paid is probably too high and might be reduced or graded downwards?

Hon. Mr. HUGESSEN: I think I may give the answer that it does indicate that at the present time we are in a period of very full employment, during which it should be anticipated that the fund would grow very rapidly; but in view of the very uncertain future that will be before the fund when the war comes to an end and all the changes in occupation that will necessarily be involved come about, I would hesitate to suggest that the contributions be reduced. I think the general experience of countries operating unemployment insurance schemes is—and it is only natural—that in periods of heavy unemployment the fund drops very rapidly, whereas in periods of full employment it increases very rapidly. I think I am right in saying that in Great Britain at the present time the unemployment insurance fund amounts to a truly colossal sum after the four years she has been at war, and the full employment which has resulted. It will be recalled, however, that during the period of depression the unemployment insurance fund in Great Britain fell to a very low level, and had to be supplemented by special annual grants, if I remember correctly.

Hon. Mr. DAVIES: The reason I bring up that point is this. You may not know that there is growing up a new attitude among employees regarding all these deductions from their pay envelopes. Nearly every well-conducted business to-day has group sickness insurance and group life insurance. If you add to that unemployment insurance and the very heavy taxation we all pay at the present time, you will see why there is a new attitude growing up on the part of employees regarding all these deductions. Employers are now being asked for a certain net wage in the pay envelope on Saturday night, regardless of deductions.

Hon. Mr. HAIG: The honourable gentleman said there were two and a quarter or two and a half million people employed. What record is kept of a man who comes under the insurance scheme and then joins the army? Is his name struck off, or what happens?

Hon. Mr. HUGESSEN: I cannot answer that question off-hand, but I think there is in the measure a provision that a man who was insured under the Act before he enlisted in the army will be entitled, upon his return from the forces, to any benefits that he had accumulated under the Act.

Hon. Mr. ASELTINE: I also should like to ask the honourable gentleman a question. Has the Government given any consideration whatever to the exemption of married women from the provisions of this Act?

Before the honourable gentleman answers the question, I should like to make a few remarks. We all know that at present many married women who have never worked before since their marriage are now employed. The husbands of many of these women have full-time positions and receive good incomes, but the Government, companies and individuals who are short of help have persuaded the women to accept positions. I have two of them working for me. There is absolutely no chance that these married women will be able to collect back from the Unemployment Insurance Commission anything on account of the premiums that are being paid in by themselves and their employers. At least, I do not know of any provision that would allow them to make a claim. I may be wrong in making that statement, but I do not think I am, for after the war is over nobody will be expected to give employment to married women, and when they step out of their wartime positions they will not be considered unemployed. It seems to me they should be exempted under the Act, and I should like to know if the Government has given any consideration to that matter.

Hon. Mr. HUGESSEN: Of course, I cannot answer the question in the way in which it is put. I do not know whether the Government has or has not given any consideration to that. But there is in the Act a provision that may help my honourable friend. Paragraph (p) of Part II of the First Schedule of the Act authorizes the commission to exempt employment which is "of such a nature that it is ordinarily adopted as subsidiary employment only and not as the principal means of livelihood." It may be that where a woman simply takes a job to fill in spare time, her normal occupation being that of housekeeper—

Hon. Mr. ASELTINE: There are thousands of such women right now.

Hon. Mr. HUGESSEN: It may be that the provision I have just quoted would form a good basis upon which to apply for exemption in such cases.

Hon. Mr. ASELTINE: I know that married women and their employers are now paying the money in every week.

Hon. Mr. HUGESSEN: Has any application been made for an exemption?

Hon. Mr. ASELTINE: I could not say. I never thought of the matter until I was reading these amendments, and then it struck me that something should be done with regard to the case of married women.

I may say that I have read the Act very carefully, and all the amendments, and I have no serious objection to any of them. Before taking my seat I want to congratulate the honourable senator from Inkerman (Hon. Mr. Hugessen) very heartily upon the manner in which he has explained the Bill, and to thank him for the information he has given. May I ask him if he can state the exact amount that it has cost the country every year to run the Unemployment Insurance Commission?

Hon. Mr. HUGESSEN: If the Bill is referred to committee and is taken up there to-morrow morning, I shall make it my business to find that out for the honourable gentleman.

Hon. Mr. MURDOCK: I think if the honourable senator from West Central Saskatchewan (Hon. Mr. Aseltine) would look at section 16 of the Bill he would find what he is looking for. That amends section 93 of the Act by adding the following subsection:

> Any special order made under the provisions of this Act may be varied or revoked, by a special order made in like manner.

The explanatory note says:

> This subsection is new and is intended to remove any possible doubt as to the power of the commission to vary or revoke any special order made under the provisions of the Act.

In reference to the point raised by the honourable senator from Kingston (Hon. Mr. Davies), may I say that I think he and others will remember that five or six years ago some 25,000 or 30,000 railroad men, with from five to twenty-five years' seniority, were unemployed. Such a condition no longer exists, as these men all are working now and paying their ante into the unemployment insurance fund; but some unemployment may develop later, although, we hope, not to as great an extent.

I want to touch briefly on section 22 of the Bill. I spoke to the honourable senator from Inkerman (Hon. Mr. Hugessen) when I came into the building to-night, and he gave me some information of which I previously had not the slightest inkling. The explanatory note opposite section 22 says:

> The present ceiling of $2,000 is raised to $2,400 and the first proviso to the section, as amended, is entirely new.

That sounds very well, but it does not tell the story. The new limit is up to $3,600 or

$4,000 a year, and I, speaking as a railroad man who has had something to do with these things, regard this as entirely consistent. I briefly argued before the commission in 1940 that the limit should be raised so as to include a considerable number of railroad men—engineers and conductors chiefly; several thousands of them—who were making over $2,000 a year. They had seniority, which gave them the choice of the best jobs in the division or territory where they were working. They still have their seniority, of course. Now it is said that the present ceiling of $2,000 is raised to $2,400, and that the first proviso to the section, as amended, is entirely new. Let us see what the explanatory note goes on to say:

> The effect is to provide that the ceiling shall not apply to persons paid on any of the various rates mentioned.

Now let us go over to the proviso that has been newly incorporated in section 22. It reads:

> Provided that any employment in which the contractual rate of remuneration is an hourly rate, a daily rate, a weekly rate, a piece rate including a mileage or other rate being a sum of money per unit of physical measurement of work accomplished or service rendered, or any of such rates in combination with other rates, shall, notwithstanding the amount of the remuneration, be insured unless otherwise excepted.

That is why I say there are in the engineers' and conductors' classes well-favoured senior railroad men who are earning on their regular jobs $3,600 or $4,000 a year and who will be included under that proviso. I think it is entirely consistent that those who, because of railway pension regulations, are lucky enough to know that so long as they behave themselves and do not get fired they will probably never be in want, should pay something out of their large earnings into a fund from which others in their class, but less favoured, will benefit.

Hon. Mr. HAIG: Is the honourable gentleman in favour of the amendment as it is?

Hon. Mr. MURDOCK: Absolutely. I think it is a very fine thing. And may I say, without any discourtesy, that I do not believe a lawyer wrote that; I think a really good schedule assassin put this language together.

Hon. Mr. DAVIES: Honourable senators, I do not want to be on my feet all the time, but I should like to ask the honourable senator from Parkdale (Hon. Mr. Murdock) if, in the light of what he has just said, he thinks the schedule is fair. Is it fair that a man earning between $3,500 and $4,000 a year should contribute only 36 cents a week, when a man earning between $1,300 and $1,400 contributes exactly the same amount?

Hon. Mr. MURDOCK: That is another question. In general, I should quite readily agree with what I understand to be my honourable friend's view, that the fellow who gets most should pay most. But that can hardly be done on these railroad jobs, because they vary from time to time. A man may have a really high-class job in the summer, but be on a much lower type of work in the winter.

Hon. Mr. HAIG: May I ask the honourable senator from Parkdale (Hon. Mr. Murdock) whether this assessment which has been referred to by the honourable gentleman from Kingston (Hon. Mr. Davies) is on the ability to pay? What is the principle underlying the thing?

Hon. Mr. HUGESSEN: Perhaps I can give my honourable friend an answer to that. If he will look at the second schedule of the original Act he will find the different rates payable by employees, depending upon their earnings. There are seven classes of employees, graded according to their rate of pay, the seventh and highest-paid class being those earning $26 but less than $38.50 in a week, or $2,000 a year. All employees in that class pay 36 cents a week. That, of course, is being amended by clause 22 of this Bill, and in future all who earn $26 a week, or anything in excess of that amount, and come within this amendment—including railroad engineers and conductors earning up to $3,500 or $4,000 a year—will pay this maximum rate of 36 cents a week. But in answer to my honourable friend from Kingston (Hon. Mr. Davies) may I say that there is an opposite side to the picture. If a man earning one of these larger amounts should become unemployed he would be entitled to only the same benefit as anyone else in class 7. On reference to the third schedule of the Act my honourable friend will see that the weekly rate of the benefit for unemployed persons in class 7 is: for a single person, $12.24; for a person with a dependent, $14.40.

Hon. Mr. BALLANTYNE: I understand that this measure is administered by a commission. Can the honourable senator give us the names of the chairman and those associated with him? Will the necessary officials be on hand to-morrow before the Committee on Banking and Commerce to give all the information required?

Hon. Mr. HUGESSEN: My honourable friend says he will arrange for that. The provisions for the personnel of the Unemploy-

ment Insurance Commission are to be found in the original Act in section 4. There are three commissioners. The chairman is Mr. Allan Mitchell, of Montreal, with whom my honourable friend must be acquainted.

Hon. Mr. BALLANTYNE: I am speaking of permanent officials.

Hon. Mr. HUGESSEN: He is the chairman of the Unemployment Insurance Commission—a permanent official.

Hon. Mr. BALLANTYNE: I do not know him.

Hon. Mr. HAIG: Who are the others?

Hon. Mr. HUGESSEN: I do not know at the moment. The information can be ascertained and made available to-morrow morning.

Hon. Mr. HAIG: With regard to section 22, if what the honourable member from Parkdale has said is true, and apparently it is, I cannot imagine a draughtsman slipping in an amendment that does not say what it means.

Hon. Mr. BALLANTYNE: Does not my honourable friend know that those railway men are a privileged class?

Hon. Mr. MURDOCK: And does not my honourable friend know that sometimes there is camouflage in provisions of law?

Hon. Mr. HAIG: I have tried to find out who put the nigger in.

Hon. Mr. MURDOCK: It is right there in cold black and white.

Hon. Mr. HAIG: I am under obligation to my honourable friend for pointing it out. I thought the wording meant people in temporary employment.

Hon. Mr. HUGESSEN: No; people who are employed at so much a week or hour, or who are paid by mileage. That obviously includes, as I understand it, trainmen and conductors, to whom my honourable friend from Parkdale refers. I do not think there can be any nigger in the woodpile in the history of this amendment. As I pointed out, it received most careful consideration from the advisory committee after public hearings of which ample notice was given.

Hon. Mr. MURDOCK: It is a consistent and logical intention to bring into the unemployment insurance scheme all those classes who are paid hourly or mileage rates.

Hon. Mr. HUGESSEN: I submit it is clearly so expressed in the Bill.

Hon. Mr. HAIG: Apparently. Why was the limit of $2,400 put in at all? Why did you not say the sky is the limit? Then I could understand this proviso. If it has been drafted so that it will not be noticed in a quick reading, then the intention is made plain by this clause, and apparently my honourable friend from Parkdale is right—much to my surprise. The honourable gentleman in charge of the Bill says there is no camouflage. I submit there is. The interpretation of that clause, on a first reading, would be that $2,400 a year is the limit, and the purpose of the exception clause would be to bring in persons about whose total earnings there might be some question. I cannot imagine a commission putting in a $2,400 limit and then, right in the same section, lugging in by the ears some fellow making half as much again. I think there should be some explanation.

Hon. Mr. MURDOCK: Might I explain again?

Hon. Mr. HAIG: Sure.

Hon. Mr. MURDOCK: The $2,400 under the existing provision is surely a system whereby trainmasters, locomotive foremen, master mechanics, and superintendents are excluded. I do not know their rates of pay, but they get better than $2,400 a year, better than $200 a month. They are paid on an actual monthly rate.

Hon. Mr. HAIG: They do not come in.

Hon. Mr. MURDOCK: No, they do not come in. They are paid on an actual monthly basis, and I suggest you could not insert there a schedule providing a limit of $3,600 or $4,000 without bringing them in. When you insert this language: "provided that the employment in which the contractual rate of remuneration is an hourly rate, a daily rate, a weekly rate, a piece rate including a mileage or other rate being a sum of money per unit of physical measurement of work," you include all men engaged in such employment on the railroads. But you do not include the trainmasters, master mechanics, locomotive foremen and superintendents. Why? Because their monthly earnings are better than $200.

Hon. Mr. HAIG: On the honourable gentleman's statement, why should you leave out a man drawing $2,600 on the railroad and put in a man getting $3,600?

Hon. Mr. HAYDEN: You are not doing it as a matter of fact, because you are paying a piece rate or a mileage rate to a man who may or may not earn $2,600 or $2,800: it depends on how he applies himself throughout the year. If a man is getting so much by the month you know what he is earning.

But when he is on a mileage basis the commissioners say, "If you are on that basis we are not going to wait until the end of the year to find out what you are earning; we will bring you under the Act whether your remuneration is $2,400 or in excess of it." In other words, they change the measuring stick. I think the reason is that at the beginning of the year, since a man is paid on a mileage rate, the commissioners could not tell what he was going to earn, as this would depend on how much he cared to work.

Hon. Mr. HAIG: What about a yearly salary?

Hon. Mr. HUGESSEN: Then the limit is $2,400. My honourable friend from Toronto (Hon. Mr. Hayden) has explained the matter in much clearer terms than I could. What I tried to say was that great difficulties had been found in attempting to determine, when these men were paid by piece rate, or by the week or hour, whether or not they were earning $2,400 a year and came within the purview of the Act. This amendment makes it perfectly clear that men paid on that basis do fall within the Act, irrespective of how much they may earn in total in the course of the year.

Hon. Mr. MURDOCK: That is it.

Hon. Mr. HUGESSEN: May I apologize to the honourable leader opposite for the misinformation I gave him a few minutes ago. There are three commissioners. The chief commissioner is L. J. Trottier, and his associates are R. J. Tallon and Allan Mitchell. I thought Mr. Mitchell was the chairman.

Hon. Mr. BALLANTYNE: I suppose we shall have Mr. Trottier here to-morrow.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

On motion of Hon. Mr. Hugessen, the Bill was referred to the Standing Committee on Banking and Commerce.

JAPANESE TREATY BILL

SECOND READING

Hon. J. H. KING moved the second reading of Bill 137, an Act to repeal the Japanese Treaty Act, 1913.

He said: Honourable senators, in 1911 the British Government entered into a treaty with the Government of Japan, to which Canada adhered, and the Japanese Treaty Act of 1913 declared the treaty to have the force of law in Canada.

In accordance with accepted principles of international law, the treaty was considered to have terminated on the commencement of hostilities with Japan on December 7, 1941. One year's notice of intention to terminate the treaty had already been given on July 26, 1941, and this notice took effect on July 26, 1942. But when peace comes, unless we pass this Bill, the enactment will still be upon our Statute Book.

Hon. Mr. BALLANTYNE: I am heartily in favour of the Bill, and I hope the honourable leader opposite will, immediately the Bill has been given second reading, move that it be read a third time.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING, with the leave of the Senate, moved that the Bill be read a third time.

The motion was agreed to, and the Bill was read the third time, and passed.

MONTREAL PUBLIC ABATTOIRS

MOTION—DEBATE CONCLUDED

The Senate resumed from July 20 the debate on the motion of Hon. Mr. Sauvé:

That whereas serious complaints have been addressed to the Government, Parliament and Press concerning certain commercial operations or proceedings of the Montreal public abattoirs;

Whereas, if these complaints were well founded, they would constitute a great injustice and an intolerable abuse;

In the opinion of this House it is expedient that the Government consider the advisability of setting up, if it has not been made, an investigation into the said operations and proceedings, under the direction of a commission competently representing the Government, the producer and the dealer.

The said commission should prepare, in the shortest possible time, a complete report of its investigation and submit it to the Government and Parliament.

Hon. J. H. KING: Honourable senators, since my honourable friend (Hon. Mr. Sauvé) addressed the House on his motion we have had an interesting debate, but it was not entirely confined to the motion; on the contrary, it extended into the field of meat packing and slaughter house practices throughout Canada.

We are not all favoured with such knowledge of the packing business as many of our colleagues who have addressed us possess. My honourable friend from South Bruce (Hon. Mr. Donnelly) made, I think, a very valuable contribution to the debate. At the time I

felt that his statements were of such a character that they should be brought to the attention of the Minister of Finance. I sent a copy of his speech to the Minister, who naturally referred it to the officers of the Price Control Board. A memorandum from that office was, in part, read by my honourable friend from Queen's (Hon. Mr. Sinclair) when he resumed the debate a few days ago.

There has been a suggestion that a committee, possibly the Committee on Agriculture, could be used to investigate and inquire into matters such as this, which may come up in this Chamber or in another place. I can see where the standing committees of this House might be of value, but I should not like to be the one to communicate to this Chamber the information that our committees would be used to clarify hearsay statements or gossip that may be heard around the street corner or across the counter. Statements made by members of this House who are convinced that something is wrong, and who are content to charge irregularity in the matter of governmental activities, could very well be referred to one of our committees. My own idea is that we are not utilizing our committees as much as we might. I can very well see where the Committee on Agriculture could be usefully employed each year in making a study of agricultural developments, not only in Canada, but also abroad, and in hearing officials of the Department of Agriculture, and persons engaged in agriculture or representing agricultural associations. The Committee on Health could undertake something of a similar kind. The question of health is not merely provincial, but is national and international in scope. That committee could be very well employed in making inquiries into health matters in Canada and what is being done by our Health Council and health authorities generally.

I am now going to confine myself to the resolution moved by my honourable friend from Rigaud (Hon. Mr. Sauvé). In his resolution he says:

> Whereas, if these complaints were well founded, they would constitute a great injustice and an intolerable abuse;
>
> In the opinion of this House it is expedient that the Government consider the advisability of setting up, if it has not been made, an investigation into the said operations and proceedings, under the direction of a commission competently representing the Government, the producer and the dealer.

That is what my honourable friend desires. I think, judging from the evidence brought before the House by my honourable friend from Queen's (Hon. Mr. Sinclair), that we are conversant with conditions and that the Government or the Senate would not be justified in pursuing this matter further.

The story is a simple one. A farmer, Mr. Godin, brought into Montreal on the 17th of November eight hogs. He employed a drayman, Mr. Sarrazin, to take them to the meat packing house. He accompanied the trucker, and negotiated a sale of his eight hogs with the East End Market. I think honourable gentlemen will agree with me when I say that if a man goes to sell something, be it butter, meat or fish, and it is his own property, it is his responsibility to see that he gets credit for proper weight. Therefore Mr. Godin should have had knowledge of the live weight of his hogs, and I do not think there can be much complaint on that score. We know that under the Weights and Measures Act the Government of Canada keeps a very close supervision over the mechanical adjustment of weighing machines, and that very severe penalties are imposed if the scales are tampered with. Mr. Godin, in consultation with the buyer, decided to sell his hogs on the dressed weight basis. That is, the hogs were to be killed and dressed, and then weighed. And that is what happened. We are informed by one or two honourable senators that the weighing apparatus is automatic and self-registering, and that weight tickets are to be had; so there could be no question in regard to the correctness of the weighing of the dressed hogs.

There was one incident that may have caused some little trouble. Mr. Godin's eight hogs were grouped with thirty-four other hogs, because forty-two went on to the killing floor together. Mr. Godin's hogs were tattooed with "Y-773," and when the hogs had been killed it was found that during the process the tattoo mark had been sheared off one of the hogs and was not identifiable. However, on examining the other forty-one hogs and finding that only seven bore Mr. Godin's mark, it was reasonable to assume that this one hog had been the property of Mr. Godin.

It has been shown by the grader's letter that Mr. Godin's hogs graded out on an average with the other hogs in the kill; so I do not see where there can be any great complaint in this regard. It is true that my honourable friend in his statement on July 13 said:

> When the farmer received his money, a few days after his return home, he protested to the Government official, who made many calculations and examined the weight slips, but was unsuccessful in explaining the difference about which the seller was complaining. Finally the official offered $5 in settlement—

and so on. There is in his statement an implication which, I am sure, my honourable friend would not like to have circulated, namely that Mr. Godin, the farmer, was dealing with a Government official who finally offered Mr. Godin $5. As a matter of fact, the evidence shows that it was not a Government official who offered the $5, but an official of the packing house. I know my honourable friend will be glad to have that cleared up.

Hon. Mr. SAUVE: What kind of evidence is this?

Hon. Mr. KING: It is the evidence of a responsible officer of the Crown, given in a letter, and there is no reason to doubt it. If there had been any doubt, this man would not be an officer of the Crown to-day. He is Mr. Paul Laliberté, a grader in whom the officials of the department express every confidence. The letter states among other things:

Mr. Godin then met Mr. Morris Pinsky, chief buyer for Modern Markets. The latter, after having listened to Mr. Godin's story and having checked everything, stated that everything was in order and that he owed this farmer absolutely nothing. He added, however, that considering the fact that Mr. Sarrazin was a regular shipper and that he wished to keep his goodwill, he was willing to offer him $5 out of his own pocket.

That is the story as written and signed by an officer of the Government. My honourable friend from Saskatchewan North (Hon. Mr. Horner) smiles. He will not as a member of this House declare that that is an untrue statement, or that that letter written by this officer—

Hon. Mr. HORNER: I am just smiling because I know of several incidents of this kind.

Hon. Mr. KING: That is another story. This is the letter of an officer who is said by the chief officer of the department to be reliable.

I have no desire to carry the discussion further. I feel that my honourable friend who moved in this matter did so, undoubtedly, with the best intentions in the world. He is an experienced public man, and it is not for me to take exception to his manner of approach in this matter. He has been a minister of the Crown, holding a responsible portfolio, and he probably has had experience similar to that which other ministers have had with suspicious people who think they have reason to complain, and who write to officers of a department in preference to making a direct approach to either the Minister or the Deputy Minister.

Hon. Mr. SAUVE: That is not the case.

Hon. Mr. KING: One can understand such action on the part of the man in the street, but it is hardly to be expected of an honourable member who enjoys the confidence my honourable friend has enjoyed as a minister of the Crown. I do not complain of his action in this matter. I know from my own experience that ministers do give great consideration to letters and requests from former ministers or others who have held responsible positions in the Government service; but the other course I have referred to is the one usually pursued.

There has been a full discussion of this matter. Accordingly, I am going to suggest to my honourable friend that it would be well if he would withdraw his motion and let the matter rest, at least for the present. If at some future date he has further evidence and wishes to bring it before the Senate, he may do so.

Hon. ARTHUR SAUVE: Honourable senators—

The Hon. the SPEAKER: I should like to point out that if the honourable gentleman speaks now he closes the debate.

Hon. ARTHUR SAUVE: Honourable senators, my first word is to thank honourable members who have participated in the debate on my motion. I highly appreciate their loyal and valuable contributions. I am satisfied that even those who, like the honourable senator from Queen's (Hon. Mr. Sinclair), differ as to the mode of investigation to be instituted, admit the need for investigation in view of the complaints revealed in the correspondence tabled in this House and originating from representatives here and in the other House, as well as from other sources.

I do not understand how the honourable leader of the Government in this Chamber (Hon. Mr. King) could seriously oppose the proposal and suggestion of his honourable friends the senators from Queen's, Lethbridge and Peel (Hon. Mr. Sinclair, Hon. Mr. Buchanan and Hon. Mr. Marshall), who declared themselves in favour of an investigation because they realize the matter is so serious that public interest demands it be investigated.

The honourable leader of the Government has given me a sort of lesson.

Hon. Mr. KING: No, no.

Hon. Mr. SAUVE: I know what I mean. I understood his words and his intention. Yes, I still have a responsibility in the Senate and in public life. I have had responsibility as a man in public life for a long time. It is true that I was a minister, as the honourable leader says, and he tells me that in taking up this matter I should have written directly to a minister. I would remind him that I wrote to

a number of ministers, and that they referred me to their officers. I hope the honourable leader of the Government understands me clearly. It was established before this House that more than once I wrote to departmental officers at the suggestion of one or more ministers, and those officers referred me, not to ministers, but to other officers, whom they represented to be experts on the matter under discussion.

As was established by the correspondence laid on the Table, I sent two letters before this motion was moved, but I received no satisfactory answer. I received no answer from Mr. Peterson. And I received no answer from Mr. Savoie, though he promised I should have one after an examination was made of the case. Honourable senators, by means of my two motions and of questions dealing with these complaints, I aimed at making public during this session the voices of the farmer, the producer and the honest dealer, who claimed to be the victims of frauds and of uncontrollable meddling—in other words, of an unfair and intolerable system. I laid these complaints before this House because the correspondence had no worth-while results. The complaints have been before both Houses for two months, while we have been waiting for some action by the Government.

The honourable senator from Queen's (Hon. Mr. Sinclair) presented more or less a defence of the officers on whom rested the responsibility for the existing system and the abuses complained of. I must declare before this House that I never intended to deny the technical competency of these officers for the fulfilment of their duties. It is not surprising that they attempted to free themselves from the charges by cleverly falling back on the regulations and Orders in Council dealing with control of the markets in the light of the needs created by the war and exportation conditions resulting from competition on the London market. My motion in no way affects the principle of this control, but it concerns the unfairness and the lack of competence or efficiency with which the control is applied at the Montreal abattoirs.

Hon. Mr. HORNER: Hear, hear.

Hon. Mr. SAUVE: If the explanations given by these officers, as cited by the honourable senator from Queen's (Hon. Mr. Sinclair), were clear, obvious, irrefutable and sufficient, why does my honourable friend suggest an investigation at the next session? Why have an investigation by the Committee on Agriculture if there is no truth in the complaints?

Hon. Mr. KING: That is what I say. It is hearsay evidence. Nothing has been proved.

Hon. Mr. SAUVE: I fear the honourable leader does not grasp my point.

Before the next session starts, these affairs will have been straightened out. I presume that the abuses which were denounced will disappear, that the system of inspection and control will be modified in such a way as not only to give satisfaction to those persons who have made complaints, but also to serve the interests of a class of production which is so essential, especially in war-time.

If, after complaints had been made by the honourable gentleman who represents the federal constituency of Chambly-Rouville in another place—a Liberal member—which complaints were made subsequently to mine, the Government had sent a competent officer incognito to the markets of the Montreal abbatoirs to investigate the system, and the complicity and meddling of certain speculators, the honourable senator from Queen's would, I presume, have had many other things to say. It is of no use to have an inquiry made by an officer who has some responsibility for the system and who himself might be the subject of complaint. To get at the facts it would be necessary to send a man who is unknown to the speculators and competent to inspect the whole system in a proper manner. It seems that so far there has not been an investigation; but one should be made immediately, not a year from now.

From farmers in my province I have received many letters, one of which I will read. It is in French:

(Translation)

Nicolet, July 19, 1943.

Honourable Senator Arthur Sauvé,
Ottawa, Ontario.

Dear Sir:

I wish to congratulate you on the fine work you are doing in connection with abattoirs, and I must state all my customers are following this matter with keen interest.

As a matter of fact, this question is of interest not only to dealers, but also to the entire farming community and the public in general.

I would call your special attention to a very important point, namely, the public markets in Montreal. Until last year we were allowed to buy cattle on the hoof on the Montreal market, and to do so in our own name for slaughter on our own account. This privilege is now exclusively reserved for a few companies.

Montreal butchers can no longer buy on the open market in Montreal. We cannot even buy live stock in the country for shipment by truck for slaughter in Montreal on our own account.

If you would like to have a petition signed by at least twenty-five buyers, they could readily state that whereas last year they had the right to buy on the open market, they cannot do so this year. I should be glad to supply you with such a petition. Any further information required will be gladly given.

Allow me to state how pleased and how well satisfied are all citizens of the province of Quebec with what you are doing.

I trust these few words will encourage you in your efforts to obtain an inquiry into the matter of abattoirs.

Yours truly,
J. O. Houle,
Nicolet,
P.O. Box 272.

(Text) The letter expresses a firm hope that the authorities will put a stop to existing abuses and frauds. The people demand, and rightly so, a restriction on abuses by exploiters in other lines, and no exception should be made with regard to meat markets.

As to the Godin case, I believe it is well founded. Godin keeps his slips on the advice of a lawyer well versed in legal procedure and abattoir methods. Albert Godin is a very intelligent farmer, and, far from being a liar, is reputed to be a truthful man. The amount involved is, I admit, small, but the fact is important, as the honourable senator from Peel (Hon. Mr. Marshall) said when he spoke on this motion.

In the Senate Hansard of July 20 (Unrevised Edition), there is a misrepresentation of my reply to the honourable senator from Queen's (Hon. Mr. Sinclair) with respect to Mr. Peterson. I am reported as saying: "I wrote to Mr. Peterson, but received no answer, either from him or from Mr. Baird." What I did say was: "I wrote to Mr. Peterson. I received no answer from him, but heard from Mr. Baird."

Hon. Mr. KING: That is right.

Hon. Mr. SAUVE: As to Mr. Peterson, this is what I said in the course of my remarks on July 13:

I do not see anything in the file. I am not talking about Mr. Baird, a technician, who does not touch on the points raised.

That does not imply that I did not receive any answer from Mr. Baird. Mr. Peterson did not answer my letter, and Mr. Baird based his reply on Orders in Council and regulations. He was asked to reveal facts, to ascertain, by a thorough field investigation by an independent person honestly representing the parties interested, whether or not the allegations of fraud by violating or bypassing these Orders in Council and regulations were well founded.

The honourable senator from Queen's did not say a word about the attitude of Mr. Alfred Savoie, senior officer for the administration of the Prices and Trade Board. As stated in the correspondence, Mr. Savoie was the officer charged by the chief of the agricultural production services in Montreal, Mr. L. C. Robitaille, to get full information from Mr. Godin. In a personal interview with Mr. Godin, after receiving a full explanation, Mr. Savoie said to him: "I will carefully examine your case and then I will communicate my conclusion to you." He made me the same promise, but he never communicated with either of us. I wrote him, as did Mr. Godin, asking for the result of his investigation, but we received no answer. Why? Where is the report of Mr. Savoie to Mr. Robitaille or to Mr. Baird?

Hon. Mr. SINCLAIR: May I point out to the honourable gentleman that the order of reference on his motion did not call for that kind of correspondence at all, but called for correspondence between farmers complaining and the Government officials.

Hon. Mr. SAUVE: The honourable gentleman referred to my remarks.

Hon. Mr. SINCLAIR: They do not change the motion.

Hon. Mr. SAUVE: I understand that my honourable friend is not interested in this part of the case. He did not mention this point. After listening to his speech, the honourable senators from Lethbridge (Hon. Mr. Buchanan) and from Peel (Hon. Mr. Marshall) expressed themselves in favour of an investigation by our Committee on Agriculture at the resumption of the present or the beginning of another session. I appreciate their impartiality and their fairness.

Hon. Mr. KING: I would not object to an investigation if my honourable friend would make a definite charge that there is something wrong in the conduct of the Montreal abattoirs and would furnish evidence in support. But the case he has set before us does not indicate that an investigation is required. If my honourable friend wants a further investigation next year, he can have it.

Hon. Mr. SAUVE: I understand my honourable friend is not in favour of an investigation limited to the terms of the motion.

Hon. Mr. KING: I think the motion has been answered by the correspondence and the evidence we produced, and the charge falls to the ground. If, however, my honourable friend wishes to make a further charge in regard to irregularities, I have no objection to an investigation.

Hon. Mr. SAUVE: By a committee?

Hon. Mr. KING: Or a commission.

Hon. Mr. SAUVE: Is the honourable leader making his declaration in the name of the Government?

Hon. Mr. KING: I am making this statement: If my honourable friend, as a responsible member of this Senate, will make a charge of a nature that would indicate there are irregularities requiring investigation, I will endeavour to see that the committee does inquire into it; but not on such evidence as we have here. In his speech the honourable gentleman implies that an officer of the Government offered Mr. Godin $5, but the correspondence shows it was an officer of the packing house. There is quite a difference between the two. That is what I take exception to, and I am dealing with the Godin case.

Hon. Mr. SAUVE: I am glad to learn that and to modify my opinion on the declaration of the honourable leader. That declaration convinces me—

Hon. Mr. KING: It is something to think about.

Hon. Mr. SAUVE: —that the matter raised in this debate is serious.

In agreeing to postpone an investigation until next session, as was suggested by honourable members on the other side, I should not wish the Senate to discourage the Government from taking immediate steps to put an end to the abuses which were denounced. The producers should not continue to suffer from the unfair practices they complain of, pending an investigation by the Senate Committee on Agriculture. I would request the Government to make a sincere endeavour to stamp out the abuses which were denounced in the other House by the member for Chambly-Rouville and by myself and others in this House, in order that the producers may feel they are protected. That is what the public interest demands, and what we desire.

The Hon. the SPEAKER: Does the honourable gentleman withdraw his motion?

Hon. Mr. SAUVE: If the House unanimously consents?

The Hon. the SPEAKER: Yes.

Hon. Mr. BALLANTYNE: May I say that the honourable senator from Rigaud (Hon. Mr. Sauve) stated very plainly that he was willing to let this matter stand over until next session, when in all probability it would be investigated by our Committee on Agriculture or by some other body. But he was not withdrawing his motion; he was satisfied to let it stand.

Hon. Mr. DONNELLY: That is right.

Hon. Mr. KING: I do not see much difference. If he wishes the motion to stand, it will naturally go off the Order Paper.

The Hon. the SPEAKER: With the unanimous consent of the Senate, the motion stands.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Friday, July 23, 1943.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRESS REPORTER OF THE SENATE

REPORT OF COMMITTEE

Hon. Mr. WHITE presented the sixth report of the Standing Committee on Internal Economy and Contingent Accounts, as follows:

1. Your Committee have in obedience to the order of reference of the 21st July, instant, considered the second report of the Standing Committee on Debates and Reporting, nominating Mr. Georges Langlois to fill temporarily the vacancy on the reporting staff caused by the death of Mr. J. Fortier.

2. Your Committee recommend that the Senate concur in the said report, and that Mr. Langlois be paid at the rate of $10 per week during the forthcoming recess of Parliament.

All which is respectfully submitted.

The Hon. the SPEAKER: When shall said report be considered and concurred in?

Hon. Mr. WHITE: Now.

Hon. Mr. MURDOCK: Next sitting.

Hon. Mr. KING: I know the hope has been expressed on the other side of Parliament that it may conclude its business to-day, and unless my honourable friend has particular objection, I think it would be better to accept the report now.

Hon. Mr. MURDOCK: I should like to see in writing what has just been read. We have not yet before us what was done yesterday. I should have liked to see that, but I cannot. So I respectfully insist on the rule being complied with.

The Hon. the SPEAKER: Would the honourable gentleman agree to have the report considered if the Senate sits after dinner? It is only a question of expediting business.

Hon. Mr. BALLANTYNE: May I be permitted to intervene for a moment and say to my honourable friend from Parkdale that the honourable leader of the Government has been good enough to take me into his confidence and tell me there is a fair prospect

of Parliament adjourning to-night. There is nothing of any great importance in this report, and I am sure that the Senate would appreciate the honourable member agreeing to its being considered now.

Hon. Mr. MURDOCK: It would not unduly interfere with the affairs of the nation if this report did, as it should, die a natural death; but out of consideration for the request of His Honour the Speaker, if Parliament is likely to adjourn to-night, and there is to be a second sitting of the Senate to-day, I will not raise any further objection.

The motion stands.

FARMERS' CREDITORS ARRANGEMENT BILL

REPORT OF COMMITTEE—THIRD READING

Hon. Mr. GOUIN, for the acting chairman of the committee, presented the report of the Standing Committee on Banking and Commerce on Bill 132, an Act to facilitate compromises and arrangements betweeen insolvent farmers and their creditors.

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

UNEMPLOYMENT INSURANCE BILL

REPORT OF COMMITTEE—THIRD READING

Hon. Mr. GOUIN, for the acting chairman of the committee, presented the report of the Standing Committee on Banking and Commerce on Bill 136, an Act to amend the Unemployment Insurance Act, 1940.

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

NATIONAL FITNESS BILL

REPORT OF COMMITTEE

Hon. Mr. GOUIN, for the acting chairman of the committee, presented, and moved concurrence in, the report of the Standing Committee on Banking and Commerce on Bill 138, an Act to establish a council for the purpose of promoting national fitness.

He said: Honourable senators, the various amendments to this Bill are merely for the purpose of clarifying the text and improving the form of the Bill. They will be read by the Clerk at the Table.

The motion was agreed to.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill, as amended.

The motion was agreed to, and the Bill was read the third time, and passed.

AIR SERVICE ADMINISTRATION BUILDING ON CARTIER SQUARE

INQUIRY

Hon. Mr. TANNER inquired of the Government:

In respect to the Air Service administration building consisting of two storeys of wood construction above basement of concrete, situated at Lisgar street and contiguous to Army and Naval buildings on Cartier Square, in the city of Ottawa, what are provided as safeguards against fire, particularly:

1. Outside fire escapes of wood or metal?
2. Inside fire escapes from each floor, and what they consist of?
3. Stairways, their dimensions, and whether of wood or metal?
4. Number of fire hose attachments on each floor?
5. Number of chemical fire extinguishers on each floor of building?
6. Number of fire watchers on duty day and night respectively?
7. What arrangement or agreement, if any, exists with the City of Ottawa for city fire service?
8. If there is a sprinkler system, is it installed so as to be effective on the outer wooden walls of the building?

Hon. Mr. KING: The answers to the honourable senator's inquiry are as follows:

1. None.

2. Six from each of three lower floors and four from the portion of the fourth floor which is built. These are constructed of concrete block walls and concrete stair slabs, with metal-clad doors at each floor and at exits. The windows in these stairways have metal-clad frames and wired glass. Panic bolts are provided on exit doors.

3. Reinforced concrete stairways, each run being 4 feet 9 inches in width and equipped with metal hand-rails.

4. None.

5. Ground floor 15, second floor 10, third floor 10, and fourth floor 9. Fire equipment is provided by the Department of Public Works.

6. Security guards make hourly tours of the building from 1700 hours until 0800 hours daily.

7. The building is under the supervision of the City of Ottawa Fire Department.

8. Sprinkler system installed and is not effective on the outside of the building except under passageways or archways leading to courts. The outside finish of the building is covered with asbestos shingles.

PRICE OF BACON IN CANADA

INQUIRY

On the Orders of the Day:

Hon. R. B. HORNER: Honourable senators, before the Orders of the Day are called, I should like to ask the honourable leader of the Government, and through him the Government, a question that I think is of national importance, in connection with the production of bacon. Since there is a set price paid by the British Government for our bacon, why does the price to the bacon producers fluctuate from day to day and week to week? Why is there not a set price to the producers?

Hon. Mr. KING: I do not know that I quite understand the honourable gentleman's question.

Hon. Mr. HORNER: There is a set price for the bacon sold to the British Government, a ceiling price paid to the packers. Why, then, is there a fluctuating price to the producers? Why should hogs on Tuesday be 25 cents lower than on Monday, and go up 25 cents again the next day? My reason for putting the question is this. One day there will be trainloads of hogs going to the market by fast freight, and the next day scarcely any hogs at all will be shipped. I believe that the price is reduced 10 to 25 cents on the days when large shipments are received by the packers. Can the honourable leader explain why the price should not be the same every day?

Hon. Mr. KING: I am not sure that my honourable friend is correct in his statement, although there is a fluctuation in the price. We had the Minister of Agriculture before our committee only a few days ago, and he outlined the policy. The British Government agreed to pay a certain price for our bacon, and the Government of Canada pays a subsidy in addition to that. As to the variation in the price of bacon on the market, I have no knowledge. I shall make inquiry, and endeavour to obtain a reply to my honourable friend. His statement will be brought to the attention of the department and the Government.

WAR APPROPRIATION BILL NO. 3

SECOND READING

Hon. J. H. KING moved the second reading of Bill 139, an Act for granting to His Majesty aid for national defence and security.

He said: Honourable senators, we now have before us an Act for granting to His Majesty aid for national defence and security, commonly known as the War Appropriation Act of 1943. We have been in session since the 28th of January, nearly six months, and with the exception of the bills dealt with in the last day or two, practically all the measures considered by us since that date in January have related to the war in one way or another.

The object of the Bill before us to-day is the granting of money to meet our war expenditures, that is, those incurred on account of Canada's armed forces and all the activities of the various departments engaged on war work. The sum asked for is very large, $3,890,000,000, one-third of which has already been passed by this Chamber in the War Interim Supply Bills, leaving a balance of $2,593,333,333.34.

This stupendous sum could not have been foreseen nor pictured in our wildest dreams a few years ago. It portrays in dollars and cents the value of Canada's war effort as it pertains to her activities as a member of the United Nations, in which group she holds a very high and responsible place. Money values can be estimated and stated, but, unfortunately, in war it is impossible to estimate the value of human sacrifices made by those who are representing us in the fighting forces, or by those who are closely related to them. Their sacrifices are incalculable.

Previous to two weeks ago our military forces had only been engaged with the enemy on comparatively rare occasions, but we now know that they are associated with the British and American forces in the conquest of Sicily, and that they are acquitting themselves like men, and will bring glory and distinction to the Canadian Army, as did many of their ancestors on the battle-fields of Europe in the last war.

As for our Air and Naval Forces, they have been performing their duties in a manner gratifying not only to the Canadian people, but to all who are associated with them in the work of clearing the skies and the seas from the menace which at one time seemed almost insurmountable, and they are rendering a distinctive part in what has now become the greatest combined fighting force the world has ever seen.

Owing to the procedure we adopted earlier in the session of examining the resolutions preceding bills brought before the House of Commons, we have through our Standing Commiteee on Finance been able to make a careful survey of Government expenditures as set out in this Bill. We were able to bring before that committee the various Ministers and officers of the war departments, and give them an opportunity of explaining, not alone the necessity for the expenditures, but also the manner in which these expenditures were to

be made. I think it will be generally agreed that this new and unusual procedure in our parliamentary work has been a benefit to the members of the Senate as a whole, and a satisfaction to those senators who found it convenient to attend the meetings of that committee. I am also pleased to report that its work is looked upon with favour by the Ministers who appeared before it, and by the officers of the various departments interested.

The Bill is now authoritatively before us for second reading. It is not my intention to deal at great length with the discussions that occurred in another place, where each of the Ministers spent some days in defining the work and intentions of his department. I think our Standing Committee on Finance, by its inquiries, through the various Ministers and officers, has accomplished this result in a more direct and thorough manner.

The Minister of Finance gave a complete breakdown of the expenditures by the various departments concerned. I shall read the primary breakdown as to the comparative expenditures in the departments between 1942-1943 and 1943-1944, and ask that it be placed on Senate Hansard for our convenience and for reference. It is in this form:

	1943-1944 Estimate		1942-1943 (Approx.)	
National Defence—				
Army Services	$1,764,000,000		$1,061,000,000	
Naval Services	489,144,967		208,000,000	
Air Services	1,129,421,414		627,000,000	
Sundries	22,500,000		.....	
		$3,405,066,381		$1,896,000,000
Munitions and Supply		166,300,000		689,000,000
Other departments		253,607,955		200,000,000
Active assets		65,026,664		.....
Grand total chargeable to War Appropriation		$3,890,000,000		$2,785,000,000
Mutual Aid Bill		$1,000,000,000		

I think it would be wise to place on Hansard this further breakdown as shown in the Minister of Finance's statement, as it relates to the different departments concerned:

War Appropriation, 1943-44

Estimated Expenditures by Departments and Services

Department of National Defence—		
Army Services—		
1. Civil salaries and wages	$ 8,832,687	
2. Pay and allowances	539,730,211	
3. Travel, transportation and freight	74,190,760	
4. Construction, purchase, repairs and operating expenses of properties—		
(a) Capital expenditures	62,780,482	
(b) Repairs, operating expenses and rentals	46,620,690	
5. Personnel supplies and services: food, medical and dental stores, clothing and personal equipment	185,868,300	
6. Signal and wireless equipment, line construction	27,826,751	
7. Ammunition and bombs	273,325,890	
8. Armament including rifles, machine guns, mortars and guns of all descriptions	123,070,907	
9. M.T. vehicles: trucks, tractors, trailers, tanks, A.F.Vs., and repair parts	371,853,674	
10. Operating cost of mechanical transport: fuel, maintenance, etc. (not including repair parts)	35,187,833	
11. Sundries including printing, stationery, telephones, telegrams and other costs not included in above items	14,711,815	
		$1,764,000,000
Naval Services—		
1. Civil salaries and wages	$ 6,192,054	
2. Pay and allowances	89,565,119	
3. Travel, transportation and freight	6,978,000	
4. Construction, purchase, repairs and operating expenses of properties—		
(a) Capital expenditure	36,579,608	
(b) Repairs, operating expenses and rentals	6,267,182	
5. Personnel supplies and services: food, medical and dental stores, clothing and personal equipment	22,015,072	
6. Signal and wireless equipment, line construction, etc	4,592,188	

War Appropriation, 1943-44—Con.
Estimated Expenditures by Departments and Services

Naval Services—Con.			
7. Ammunition and bombs	$ 14,245,890		
8. Armament including rifles, machine guns, naval guns, etc	42,415,548		
9. Fuel cost of ships	25,257,798		
10. Acquisition, construction, charter, repair and upkeep of ships	167,571,202		
11. Naval stores: small boats, minesweeping, degaussing, anti-submarine, fire-fighting and training equipment, etc	57,651,110		
12. Miscellaneous stores and services: printing, stationery, laundry, office machinery, teletype, rental, etc	6,552,959		
13. Sundries: postage, pilotage, prize funds and other costs not included in above items	3,261,237		
		$489,144,967	
Air Services—			
1. Civil salaries and wages	$ 18,620,637		
2. Pay and allowances	238,023,232		
3. Travel, transportation and freight	20,838,068		
4. Construction, purchase, repairs and operating expenses of properties—			
(a) Capital expenditure	93,421,100		
(b) Repairs, operating expenses and rentals	13,482,925		
5. Personnel supplies and services: food, medical and dental stores, clothing and personal equipment	50,451,918		
6. Signal and wireless equipment, line construction, etc	26,838,773		
7. Ammunition and bombs	23,990,000		
8. M.T. vehicles and marine craft: capital cost and repairs	10,508,405		
9. Fuel costs for aircraft, M.T. and marine craft	29,368,636		
10. Aircraft, engines and spares including overhaul	231,846,296		
11. Miscellaneous stores and equipment, including machine guns and other armament	26,623,160		
12. Flying training contracts	33,805,829		
13. Maintenance of overseas squadrons	303,783,729		
14. Sundries including printing, stationery, telephones, telegrams, teletype rentals, and other costs not included in above items	7,818,706		
		1,129,421,414	
Sundry Services—			
Departmental administration	$ 1,526,405		
Dependents' Allowance Board	657,700		
Internment operations	8,430,895		
Dependents' supplementary grants fund	1,285,000		
Inspection Board of the United Kingdom and Canada	10,600,000		
		22,500,000	
			$ 3,405,066,381
Department of Munitions and Supply—			
Departmental administration		$ 9,300,000	
Expansion of industry and production of war supplies		307,000,000	
		$ 316,300,000	
Less: estimated amount recoverable from production allotment funds		150,000,000	
			166,300,000
			$3,571,366,381
Other Departments—			
Agriculture			
Agricultural Supplies Board—			
Administration	$ 43,500		
Programmes to encourage the production of essential war supplies	177,500		
Assistance in disposal of agricultural products rendered surplus by war	1,080,000		
Feeds Administrator—			
Administration	45,000		
Freight assistance on Western feed grains	8,000,000		
Payment of eight cents per bushel in respect of Western wheat used exclusively as feed for live stock	2,000,000		
Flax Fibre Administrator—			
Administration	30,500		
Fertilizers and Pesticides Administrator—			
Administration	31,600		
Fertilizers subventions and freight allowances	1,000,000		
Seeds Administrator—			
Administration	16,500		
Joint seed programme—1941	180,000		
		$ 12,604,600	

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Agriculture—Con.			
Bacon Board—			
Administration		$ 71,300	
Dairy Products Board—			
Administration		14,950	
Special Products Board—			
Administration		49,459	
To provide for the purchase of butter in order to maintain the price established by the Wartime Prices and Trade Board and to pay necessary storage, insurance and freight charges thereon		1,500,000	
			$ 14,240,309
Auditor General's Office			
Audit of war expenditure			281,500
Civil Service Commission			
Supply of personnel for war services			597,443
External Affairs			
Administration and passport office		$ 270,500	
Representation abroad		111,500	
Sundry services		163 000	
			545 000
Finance			
Comptroller of the Treasury		$ 7,950,000	
Wartime Prices and Trade Board—			
Administration		14,300,000	
Commodity Prices Stabilization Corporation—			
Subsidies due to application of order placing a ceiling over all prices		120,000,000	
Wartime Salvage, Limited, administration and losses		1,000,000	
Canadian Wool Board, administration		500,000	
Sundries		102 000	
			143,852,000
Fisheries			
To provide assistance in the construction of vessels of the Packer-Seiner type for use in the fishing industry in British Columbia		$ 250,000	
To provide assistance in the construction of fishing vessels of the dragger type and for the conversion of fishing schooners to draggers		250 000	
Sundry services		78,000	
Justice			
Expenses in connection with the administration of the Defence of Canada Regulations		$ 35,000	
Expenses in connection with the prize courts		10,000	
Sundry services		5,700	
			50,700
Labour			
War emergency training programme—			
Administration	$ 48,000		
Payments to the provinces re training for skilled and semi-skilled occupations connected with war work	5,200,000		
Payments to the provinces re training for aircraft manufacturing and ground mechanics	1,950,000		
		$ 7,198,000	
Vocational training of discharged members of Canada's armed forces		525,000	
Assistance in meeting extra costs of universities in accelerating certain courses and to provide loans to certain students		440,000	
National War Labour Board		468,445	
Expenses in connection with general labour transference in war industries and agriculture		500,000	
National Selective Service programme		8,680,225	
Removal of enemy aliens including Japanese nationals and other persons of the Japanese race from protected areas in British Columbia		3,000,000	
Payments to the provinces in connection with organizing and operating day nurseries and like facilities		120,000	

War Appropriation 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Labour—Con.			
Assistance to the provinces in recruiting, transporting and placing labourers upon farms		$ 250,000	
Wartime Bureau of Technical Personnel		220,500	
Personnel management training programme		70,000	
Sundry services		86,022	
			$ 21,558,192
Mines and Resources			
Mines and Geology Branch—			
To provide for development work to be undertaken by Consolidated Mining and Smelting Company of Canada Limited in connection with tar sands located in the province of Alberta	$ 150,000		
Investigations of petroliferous deposits and of potential petroliferous areas in Canada	500,000		
To provide for special exploration and development work in connection with the supply of strategic minerals	500,000		
To provide assistance to provincial governments in construction of transportation facilities into strategic mineral, including oil, properties	200,000		
Bureau of Mines—			
Construction of new metallurgical laboratory	115,000		
Metallic minerals division—			
Services to war departments	210,000		
Sundry services	80,500		
		$ 1,755,500	
Lands, Parks and Forests Branch—			
Bureau of Northwest Territories and Yukon Affairs—			
Expenses of liaison officers in connection with the Alcan and Canol projects	$ 10,000		
Dominion Forest Service—			
Internment and prisoners of war operations	42,454		
Forest Products Laboratories	34,435		
Alternative service work camps	79,000		
National Parks Bureau—			
Alternative service work camps	500,000		
		665,880	
Surveys and Engineering Branch—			
Alternative service work camps	$ 140,600		
Prince Rupert-Terrace-Cedarvale highway	5,000,000		
Employment of persons of the Japanese race and/or Japanese nationals	2,200,000		
Sundry services	22,735		
		7,363,335	
Immigration Branch—			
For expenditures in connection with looking after Canadian interests in enemy and enemy-controlled territory	$ 150,000		
For expenditures in connection with looking after Canadian interests abroad apart from enemy and enemy-controlled territory	25,000		
Assistance to the national advisory committee for children from overseas to supplement funds the committee has obtained by public appeal	75,000		
To provide single minimum cost of transportation, ocean and rail, of wives and dependents of members of the Canadian forces overseas	100,000		
To provide for ocean and rail fares and other expenses of Canadian citizens who are being returned from the Far East	100,000		
Sundry services	53,420		
		503,420	
			10,288,135
National Harbours Board			
Halifax harbour—operation and maintenance of fire tug Rouille			53,750
National Research Council			
Special war activities			2,114,708

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

National Revenue			
Censorship of newspapers and other periodicals			$ 4,000
National War Services			
Departmental administration		$ 91,335	
War Charities Division—			
General	$ 46,000		
Auxiliary services	7,000,000		
		7,046,000	
Salvage division		396,965	
Corps of (civilian) Canadian fire-fighters for the United Kingdom		957,850	
Censorship Division—			
General	$ 19,000		
Information and Records Branch	174,900		
Postal censorship	1,070,800		
Censorship of publications	127,400		
Telegraph and cable, etc., censorship	346,970		
		1,739,070	
Canadian Broadcasting Corporation—Short wave station		940,000	
National Film Board—			
Special war film library	$ 40,000		
Acquisition of film prints for sale	30,000		
Revolving fund for purchase of supplies for the production of films for war departments	100,000		
Wartime information film programme	550,000		
		720,000	
Sundry services		60,658	
			11,651,878
Pensions and National Health			
Pensions Branch—			
Treatment and pension examinations—members and ex-members of the defence forces (present war)	$ 4,225,000		
Treatment—Royal Canadian Mounted Police	110,000		
Pensions—defence forces, fishermen, seamen, special constables R.C.M.P., civil servants, auxiliary services and A.R.P. workers	3,500,000		
Detention allowances on behalf of Canadian seamen	100,000		
Investigations—Dependents' Allowance Board	80,000		
Post-discharge re-establishment—payment of out-of-work benefits (P.C. 7633)	400,000		
Sundry services	15,000		
		$ 8,430,000	
Health Branch—			
Air raid precautions	$ 6,589,650		
Industrial hygiene, including inspection of industrial plants	24,000		
Laboratory analyses and services for the Department of National Defence	37,000		
Public Health Engineering—inspection of camp sites and airports for the Department of National Defence in connection with sanitation and water supply	33,000		
Quarantine medical service—at the ports of Halifax, Quebec, Sydney, Montreal, Saint John, Lunenburg and other ports	98,480		
Processing, storage and distribution of blood for transfusion	120,000		
Maintenance, medical and other care of incapacitated non-resident seamen pending deportation	40,000		
Grant to the Canadian Nurses' Association to increase the supply of qualified nurses in Canada	250,000		
		7,192,130	
			15,622,130
Post Office			
Canadian Postal Corps			183,020
Privy Council			
Statutory orders and regulations division—			
General administration		$ 22,608	
Wartime Information Board		658,000	
Advisory Committee on Reconstruction		47,250	
			727,858

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Public Works			
Chief Architect's Branch—			
Repairs, alterations, operation and maintenance of buildings occupied for war purposes	$ 1,530,000		
Rental of premises occupied for war purposes	1,500,000		
Furniture, etc., for war employees	700,000		
Sundry services	15,000		
		$ 3,745,000	
Chief Engineer's Branch—			
Esquimalt, B.C.—additional operating cost	$ 20,000		
Seymour Narrows, B.C.—Removal of Ripple Rocks Nos. 1 and 2, including the construction of a rock dam across Maude island passage	200,000		
Saint John harbour (Courtenay bay), N.B.—dredging	100,000		
		320,000	
Telegraph Branch—			
To provide for a 24-hour service on the Pacific coast	$ 75,000		
Ottawa—telephone service	300,000		
		375,000	
Contingencies		50,000	
			$ 4,490,000
Royal Canadian Mounted Police			
Increased activities of the force due to the war			6,091,320
Secretary of State			
Department generally		$ 39,950	
Commission re revocation of naturalization certificates		5,000	
			44,950
Soldier Settlement			
Alaska highway—legal and survey fees, fencing and miscellaneous			13,000
Trade and Commerce			
Export Permit Branch—			
Administration		$ 144,160	
Canadian Shipping Board—			
Administration	$ 92,435		
Revolving chartering fund	500,000		
		592,435	
Shipping Priorities Committee—			
Administration		59,960	
Gift of wheat to Greece		6,000,000	
Steamship Subsidies War Stabilization Fund		500,000	
			7,296,555
Transport			
Departmental administration		$ 26,960	
Transport Controller's office		211,000	
Director of Merchant Seamen—			
Headquarters, administration	$ 73,190		
Manning pools, operation	519,680		
Nautical schools and training centres, operation	379,300		
Welfare facilities for merchant seamen—supervision of and assistance to merchant seamen's organizations and institutions	26,500		
		998,670	
Air Service—			
To provide for special radio services, weather observation and teletype services—			
Radio service	$ 1,761,325		
Meteorological service	1,366,000		
Civil Aviation Division—			
Extra airport traffic control systems	680,000		
Operation and maintenance of airports	336,600		
Addition facilities, Moncton to Newfoundland air line	976,700		
Montreal airport—improvements including lighting and radio facilities	500,000		
		5,620,625	
Canals Service—			
Canals generally	$ 15,000		
Welland canals	32,000		
		47,000	

War Appropriation 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Transport—Con.			
Marine Service—			
Marine service steamers including ice-breakers	$ 275,000		
Aids to navigation	50,000		
Nautical services	63,460		
Compensation to masters and crews of Canadian vessels for loss of personal effects	100,000		
To provide for the cost of fitting all Canadian registered ships, as well as foreign flag vessels, either seized in prize or requisitioned by the Canadian Government, with special defensive apparatus	300,000	$ 788,460	
Design, construction and operation of additional harbour and transportation facilities at the port of Halifax	$ 281,000		
To provide for assistance to the Canadian National Railway Company in the development of the iron ore deposit owned by the Steep Rock Iron Mines, Limited, near Atitoken, Ontario (P.C. 8423 of September 18, 1942)	400,000	681,000	
Government Employees' Compensation Act—			
Administration		61,500	$ 8,435,215
Provision for contingencies			4,887,292
Total estimated war expenditure			$ 3,824,973,336
Active Assets			
Purchase of railway equipment, Canadian National Railways—			
1941 orders	$ 4,883,664		
1942 orders	24,543,000	$ 29,426,664	
Loan to the Canadian National Railways for the development of the Vermilion, Alberta, oil field		600,000	
Canadian Wool Board, Limited		19,500,000	
Wartime Salvage, Limited		6,500,000	
Commodity Prices Stabilization Corporation		5,000,000	
Advance re purchase by Russia of Canadian wheat and flour		4,000,000	$ 65,026,664
Grand total chargeable to war appropriation			$ 3 890 000 000

Colonel Ralston in the other Chamber, on May 14, 1943, gave a very comprehensive study and report of his department's activities. It will be found at page 2696 of Commons Hansard. I know my honourable friend opposite (Hon. Mr. Ballantyne) is interested in these figures; so I will quote from the Minister's speech. He said that we had over 100,000 general service personnel in Canada of suitable age and category—that is, including those in the training centres—for overseas service, either trained or in training, who are available or by orderly withdrawal and replacement could be made available to be sent overseas as reinforcements should the need arise. Since last May, I may add, many of these men have been sent overseas as reinforcements.

The Minister went on to say that we had besides, in the training stream, in the operational units and in the administrative and servicing units, over 50,000 category A personnel called up for training and service, who could be made available if the need arose and action were taken under the National Resources Mobilization Act. Our strength in Canada as of March 31, the end of the last fiscal year, was more than 250,000. These were made up of operational troops—

Hon. Mr. BALLANTYNE: Would the Minister be good enough to give us the figures for

Canada? Do I understand that we have here 100,000 men for overseas?

Hon. Mr. KING: We have 100,000 men of category A available for overseas or for any other service. In addition there are 50,000 men of category A called up, who could be made available for overseas if action were taken under the National Resources Mobilization Act.

The Minister said that the strength of the Army in the North American area was roughly 250,000 of all ranks. These consisted of 80,000 operational troops, over 80,000 in home war establishments and over 80,000 in the training stream. Also included in the 250,000 were both general service personnel and men called up under the National Resources Mobilization Act. The strength of the Canadian Army overseas as of March, 1943, was 193,000. Since then there has been a decrease in the number of men in Canada, but an increase overseas. It is estimated that the number of men required for the Army during the fiscal year 1943-44 is 100,000, of which number 75,000 will be for service overseas. This gives an idea not only of the strength of the Army overseas, but also of the Army as it is composed in Canada.

Hon. Mr. QUINN: Are the Home Guard figures included?

Hon. Mr. KING: No, they are not.

Hon. Mr. BALLANTYNE: I am sorry to interrupt my honourable friend, but although we already have the information, I think it would do no harm to repeat how many fighting divisions we have overseas. This information would be intensely interesting to honourable members. We are supposed to have two army corps. If the whole army took the field, what would be the strength?

Hon. Mr. KING: I will just give this by divisions:

SUMMARY OF CANADIAN ARMY UNITS AND FORMATIONS

OVERSEAS

(Dispatched or awaiting Dispatch)

Unit or formation	Authorized	Announced	Dispatched overseas
1st Canadian Infantry Division	Sept., 1939	Sept., 1939	Dec., 1939
2nd Canadian Infantry Division	Sept., 1939	Sept., 1939	June—Dec., 1940
3rd Canadian Infantry Division	May, 1940	May, 1940	June—Sept., 1941
4th Canadian Infantry Division Converted to— 4th Canadian Arm'd Div., Jan., 1942	May, 1940	May, 1940 Announced as an Arm'd Div., Jan., 1942	Aug.—Nov., 1942
5th Canadian Armoured Division (was 1 Cdn. Arm'd Div.)	Jan., 1941	Mar., 1941	Sept.—Nov., 1941
1st Army Tank Brigade	Feb., 1941		April—June, 1941 (In Canada)
2nd Army Tank Brigade	Jan., 1942		
OTHER CORPS AND ARMY FORMATIONS—			
1st Canadian Corps	Dec., 1940	Dec., 1940	These two Corps H.Q. were formed overseas and are designed to command either Inf. or Armd. Divs. or a combination of both as required operationally from time to time.
2nd Canadian Corps	Jan., 1942	Jan., 1942	
1st Canadian Army (Commands 1 and 2 Corps)	Jan., 1942	Jan., 1942	Formed overseas.
Ancillary units supporting the foregoing formations are:—			
Army troops, G.H.Q. and line of communication units consisting of all arms and services.			Units formed overseas and in Canada as required from time to time.
Canadian military headquarters			
Canadian reinforcement units			
Canadian Forestry Corps			Dispatched abroad, 1939-1942.

SUMMARY OF CANADIAN ARMY UNITS AND FORMATIONS—Concluded

In Canada

Static Coast Defence—		
Coast Artillery— (Fortresses and defended ports)	Authorized and mobilized from time to time since beginning of war.	
Anti-aircraft Artillery— Defending fortresses, defended ports and vulnerable points)		
Fortress Engineer Companies, RCE		
Coastal Command Signal Units		
Unbrigaded Infantry and Machine Gun Battalions— (Defending fortresses, defended ports, and beach and aerodrome defences)		
Supporting the foregoing arms are:— Royal Canadian Army Service Corps, supply and transport units		
Royal Canadian Army Medical Corps, hospitals and mobile ambulances		
Royal Canadian Dental Corps, dental companies and detachments		
Royal Canadian Ordnance Corps, maintenance, repair and supply depots (servicing and supplying mechanical transport, guns, weapons, equipment, ammunition and stores		
Pay, Provost, Postal, Chaplain, Auxiliary and Intelligence services		
6th Canadian Division— (Originally formed as three brigades, later expanded to a complete division)	March, 1942	March, 1942
7th Canadian Division— (Originally formed as three brigade groups, expanded to a complete division)	March, 1942	March, 1942
8th Canadian Division— (Organized as two brigade groups)	March, 1942	March, 1942
A brigade group	March, 1942	

On North American Outposts

Outside Canada

Various army forces are located in strategic areas defending:—	
Newfoundland.	
Labrador.	
Alaska.	
Islands adjacent to the West Indies and the east coast of United States.	Authorized, mobilized and dispatched from time to time from beginning of war.
The composition of these forces varies, depending upon the nature of their duties, and includes:—	
Coast Artillery Units,	
Anti-aircraft Units,	
Engineer Detachments,	
Signal Companies,	
Infantry Battalions with supporting services.	

Hon. Mr. WHITE: May I ask the honourable the Minister a question? Is it the intention to send any further divisions overseas as divisions, or will the troops now in Canada be used as reinforcements?

Hon. Mr. KING: I think it is the intention not to increase the number of divisions, but to reinforce the troops overseas.

At the request of the honourable leader opposite I have had a statement placed on the desks of members so that they might have complete information as to expenditures on the various operations of the Department of Defence. I think it is unnecessary for me to dilate on these expenditures. The Ministers have given a very complete analysis, which is on record in the House of Commons Hansard, and we have had an opportunity of hearing these Ministers before our Committee on Finance. I would only say this. It is to be expected that this year, especially now that the Canadian army has gone into action, expenditures will be greatly increased. As shown by the figures I have given you, the vote this year is nearly $600,000,000 more than it was last year. That is only an estimate, however. The actual figures depend upon the activities of our army and the necessities of that army. One thing I think we can say, and say with some satisfaction: that our troops are well equipped.

Hon. Mr. LITTLE: Hear, hear.

Hon. Mr. KING: They have probably the finest equipment of any army in the world; it is at least as good as any; and I am sure it is the desire of the Canadian people that our soldiers should be provided with everything that it is possible to provide for them.

With regard to the Air Service, honourable members will recall that there was an air conference held in Ottawa last spring, attended by representatives not only of Great Britain and the United States, but of other countries as well. At that time the air training scheme was in operation. Schools had been established throughout Canada, and many students from various countries came to take part in the air training programme, which, I think I may say, is a great credit to those who have had it under their charge. That scheme to some extent increased the estimates for the Air Service. In addition to that, however, the Canadian Government has now arranged to maintain thirty-eight purely Canadian squadrons overseas, and, furthermore, it has undertaken to look after the Canadian personnel in the Royal Air Force. It may be rather startling to honourable gentlemen to learn that, although we have a very sizable air force of our own, for every man in the Royal Canadian Air Force there are eleven Canadians in the Royal Air Force. We are beginning to realize just how much Canadian youth is doing not only for Canada, but for the defence of the Empire in this great war.

In the Naval Department as well we find a considerably increased expenditure. I think it is easily understood why this should be so. We started out as a very humble naval power, but we have grown rapidly. To-day the Canadian Navy is largely responsible for guarding the transport of goods across the Atlantic, and in order that it might be able to accomplish this, not only have we had to build in our own yards ships suitable for that class of work, but we have also had to buy, especially in Great Britain, a larger type of vessel that will give us greater striking power.

The Canadian Naval Service is something of which we may well be proud. From reports of speeches of that great leader, Mr. Churchill, and information we have been able to glean from the Press and what has been said by Ministers in Parliament, it would seem that the Canadian Naval Service has at least put a curb on what at one time was a very serious problem, namely, the submarine menace.

In this work there is a combined effort by the Naval Service and the Air Force. The Royal Canadian Air Force is to-day patrolling convoys out of Halifax, Sydney and Newfoundland. Using British, American and Canadian planes, they are operating half-way across the Atlantic, to where the work is taken over by British planes. The increased efficiency of our Air Force, coupled with the work of the Navy, has had much to do with overcoming the submarine.

Now, I do not wish to continue at greater length. I am pleased to have the honour of presenting this Bill and asking that it be given second reading.

Hon. C. C. BALLANTYNE: Honourable senators, I am sure we are all greatly indebted to the honourable leader of this House for placing before us in such a comprehensive and detailed manner the budget for our three armed forces, the Army, the Navy and the Air Force. We are also indebted to him for arranging to have so many Ministers appear before the Standing Committee on Finance, thus enabling us to secure much interesting and valuable information. We had before that committee the Minister of Agriculture, Hon. Mr. Gardiner; the Minister of Labour, Hon. Mr. Mitchell; the Minister of Munitions and Supply, Hon. Mr. Howe;

Hon. Mr. Macdonald, Minister of Naval Affairs, and Hon. Mr. Power, Minister of Defence for Air. I regret that when the Army estimates were under consideration we did not have either the senior Minister himself, Colonel Ralston, or his deputy or chief of staff. There did appear before the committee a very nice gentleman, who has recently been appointed an under-secretary, Mr. Macdonald. It would have been too much to expect him to be familiar with all the details and ramifications of the Army in Canada and overseas. I wish to express my gratification, first of all, to the Minister of Defence for Air. In accordance with his custom, he was extremely frank. He gave us full information, both on the record and off the record. When any very pointed questions were asked, he merely turned to the Press and said, "This is off the record," and answered the questions. We found out from him the strength of the Air Force—not only the ground crews, but the men in the air—in this country and in England; he told us about the various fields in which they are serving so efficiently and gallantly; he described the types of aircraft, and, as the honourable leader opposite has intimated, informed us about their convoy operations half-way across the Atlantic. After hearing him we could not but feel a greater confidence than ever in the Air Force. The air training plan has been carried out magnificently, and I am very much pleased to say that, so far as I am concerned, I am just as proud of it as my honourable friend opposite.

Now I come to the naval forces. The Minister of Naval Services was just as frank as his colleague the Minister for Air. He told us the number of ships in our Navy, and the number of personnel of all ranks—this last mentioned figure being, I understand, about 40,000. He outlined in some detail the duties that our Navy is performing, both in Canadian waters and overseas, and even went so far as to give us information that I should not feel justified in mentioning at this time, as to the Navy's future plans. The Navy has done a splendid job.

Now I return to the Army. We have never had a clear and concise picture of our Army. We have a splendid military force overseas, which we all know is fully equipped and highly efficient. The Minister deserves credit for that. We are thrilled with pride to learn from the Press of the gallant fight that our men are putting up in Sicily. We knew they would conduct themselves in that way; and when our entire Army takes the field, in whatever theatre of war it may be, we are sure it will give a splendid account of itself in every way.

What Parliament and the Canadian people would like to know is the strength of our fighting force in England. The honourable leader said that the number overseas is 193,000. Of course, not all these can be counted as in the fighting force, nor as among those who will be called upon to perform any active service in the field. We have forestry units over there, necessarily so, but they are not combatant units. Then there are the medical corps and other ancillary troops. According to information that has been given at various times by the senior Minister of Defence, we had in England, before our First Division went to Sicily, five divisions, that is, three infantry and two mechanized divisions, including a tank brigade.

I do not pretend to be a specialist in military affairs. I have had a slight knowledge of the subject in peace-time, and had a very minor connection with it in the last war. But one does not need to be a specialist to know it is generally understood that the strength of each one of these divisions is 16,000. Multiply that figure by five and you get 80,000, included in which total will be whatever ancillary troops there are in an army corps. So I fail to see how we can have anything like 193,000 overseas. I should think that an extreme figure would be 100,000.

The honourable leader states that we have in Canada to-day 100,000 men signed up for overseas. I cannot challenge, and I shall make no attempt to challenge, either the figures given by the honourable leader or those given by the senior Minister of Defence. All I can say is that if we actually have these men here at the present time, that fact is tremendously encouraging to me, as it must be to the army overseas and to the many fathers and mothers and other relatives whose loved ones are in the overseas army.

Out of the total number of men we have sent overseas, 70,000 have returned, on account of illness, wounds and other causes. That is a very large number. There is a constant wastage going on in the army, as any man connected with military affairs knows; so men are continually coming back. Then, at Dieppe, we lost in men captured, wounded and killed, about 3,500. It is no secret now that, immediately after Dieppe, platoons and companies were taken from every unit in Canada, from the Pacific to the Atlantic, and hurried overseas. It is also well known that in England we have, as the honourable leader has stated, reinforcements. He has not given us the

number—I should not expect him to—but I do hope it is considerable. Our men now fighting in Sicily are bound to encounter very heavy casualties, I am sorry to have to say, and when the whole army is fighting the casualties will be much increased. But if we now have in Canada 100,000 trained men signed for overseas, then should even the whole of our army at present overseas be wiped out in battle, it could be replaced from Canada alone.

I congratulate the honourable leader and the senior Minister of Defence on giving us such an encouraging statement as that. We had been led by the Press to believe, and had judged from recruiting figures, that men were not coming forward to join the Army, though they were offering themselves in large numbers for the Navy and the Air Force. Apparently the public was misinformed, and far more men have joined the Army than we were aware.

Information has come to me from all parts of the country—it is not official, and I quote it only for what it is worth—that nearly every available officer, non-commissioned officer or man in our army here has already left for England or is ready to embark, and that all we have left in Canada are the 60,000 men—I notice the honourable leader said 50,000—who have signed up for service in Canada only.

We of course are interested and proud to know that our men are serving in Labrador, Alaska, the West Indies and other places. But the eyes of Canada are focused at present on our army in England. Can we maintain the strength of that army when it takes the field, as it soon will? Mr. Churchill says great things will happen before the autumn leaves fall. This is the crucial year of the war, the year in which the outcome may be finally decided. At all events, we are greatly encouraged to know that the tide of battle has turned. Let the time be long or short, Germany is already defeated, and the war cannot last very much longer. In saying this I do not want to be understood as prophesying, for I really know nothing about it; I am simply stating the probability.

But I want to impress upon the leader of the House and the senior Minister of Defence that among our armed forces and the Canadian people there is a good deal of apprehension that we cannot keep our overseas army reinforced and up to strength. The honourable leader of this House tells us to-day there is not a shadow of a doubt that the reinforcements can be provided. Where those 100,000 men are I do not know, and never shall know. All I would say, without casting any suspicion on what has been stated either by the honourable leader or his colleague, the senior Minister of Defence, is that, while I am gratified, I am also mystified.

I will conclude my remarks by making one more reference to that army of 50,000 or 60,000 men who have signed up for the defence of Canada. In 1940 the senior Minister of Defence had every justification for being apprehensive about the invasion of Canada. To-day he has no such apprehension. True, we require a reasonable force on the two coasts. But we have throughout the country 60,000 young men in uniform, who have been taken out of useful occupations and are being maintained at tremendous cost to this country. My leader, Hon. John Bracken, put the cost at $150,000,000. Apparently the Government does not intend to make any change in its policy, and these men, except for a few that may be let out to work on the farm, will remain in Canada. The other day the senior Minister of Defence said in another place that we should not refer to this military force in Canada as a reserve army, but rather as an active army. It is quite true that these men who are pledged to serve in this country alone can be said to belong to the active army, but I do not know what they will be active about. I think, as I have said before, that the case for the Government and the Minister would be strengthened if these young men, after receiving one year's training, were put back into useful occupations; and then, if we ever have compulsory service under the National Resources Mobilization Act, their military training will prove valuable. But for what purpose do we keep them in Canada when food and clothing are so scarce? I do not know, except for their being physically fit.

I come back to the Bill. Of course everybody on this side of the House is in favour of the $3,800,000,000 of war expenditures. We must back up our armed forces. Canada's effort, by and large, is good. I am not so narrow-minded as to say that it has not been so. I have made these remarks not for the sake of carping criticism, but solely because of my desire, and the desire of the people of Canada, to be assured that we shall have a sufficient number of men overseas to replace the casualties that are bound to occur.

In conclusion, I should like to say that we as Canadians are filled with pride to read in the Press the words of commendation of our troops that have fallen from the lips of General Eisenhower, General Alexander and General Montgomery. Our troops in Sicily are acquitting themselves with great credit.

I thank the Minister for the information he has given me. My only comment on that is that I am gratified, but still mystified.

Hon. W. McL. ROBERTSON: Honourable senators, the honourable leader of the Government and the honourable leader of the other side, drawing on their long experience in public affairs, have touched the pertinent points in connection with this Bill. With your indulgence I should like to deal with an aspect of war expenditure that is more general than specific in its nature.

In yesterday's Montreal Star there appeared a dispatch dated from London with this heading, "Modern War Cost Fantastic." The writer estimated that the cost of the first great war was $186,000,000,000, and that the estimated cost of the present war to all the participants will be five times as great. It is interesting in this connection to note the expenditure of Canada in the last war and in this. For the six fiscal years ending in 1920 our expenditure on the first great war, including the cost of demobilization, was $1,670,000,000; whereas up to the present time our total expenditure, including this amount of $3,890,000,000, the billion-dollar contribution to Great Britain, and the billion-dollar appropriation for lend-lease purposes, has reached the sum of $10,900,000,000—and the end is not yet.

No serious-minded person, honourable senators, can contemplate the magnitude of the effort called for by total war without the gravest misgivings for its possible consequences. The monetary value of the effort being put forth by Canada and the other United Nations, whose economic structure approximates ours, has reached such staggering proportions as to be almost impossible of comprehension; but such is the importance of our objective that no man would say it nay. In the words of Winston Churchill, "Hitler has asked for total war, and total war he shall get." On that point there are unquestioned unanimity and unfaltering resolution.

We should do well, however, as we stand participants in and spectators of this unprecedented and unforseen state of affairs, to contemplate as best we can the possible consequences that may follow in its train. We should, I suggest, give the most serious consideration to the potential danger to the economic structure of our country that exists in these unparalleled conditions, and seek by every means in our power to avert the danger by endeavouring to minimize its effects.

We should, I think, refresh our memories as to the first world war. We won that war, and we are resolved to win this war. But in the period that followed hostilities twenty-five years ago, despite the fact that our efforts were small as compared with what they are to-day, victors and vanquished alike suffered disturbances of their economic structure of a most serious and far-reaching nature. Two economic systems, Russia's and Germany's, collapsed entirely. France for years suffered serious dislocation of her economic structure, and, though in due course the situation was stabilized, it left in its train a heritage of suspicion, bitterness and distrust—factors that no doubt contributed greatly to her present unhappy position. In Britain, the United States and Canada conditions were less serious, but these countries too, in due course, felt the effect of these influences to an extent that we hope we shall not experience again.

Broadly speaking, the effect on each participant falls into two classifications: the loss in human lives, and the effect upon its economy. With the first there is little we can do except to see that our men and women are well trained and are provided with ample quantities of the best equipment for making war and conserving lives that science can devise and money buy. With the second there is, I believe, a direct responsibility for the people of Canada generally, and for Parliament specifically. We should, I believe, address ourselves to it with every energy and resource we have at our command. We owe it to our country, and to those who in due course will proudly return with victory perched upon their shoulders, and to the memory of those who will have given their lives in the defence of our way of life.

So far in this war we have learned much from experience—as indeed we should. This applies both to the battle front and the home front. I have supreme confidence that if we do our share at home as, we know, those on the battle front will do theirs, we shall achieve a military victory. I am by no means confident, however, that we on the home front, preparing for their return, will be equally successful.

I want to suggest to you, honourable senators, that we can emerge from this war, not only victoriously, but with no serious dislocation to our economic structure, if we have the wit to maintain the home front intact. Stupendous as are our efforts on the economic side, they are after all but the products of brains and brawn. The major tragedy is the irreplaceable loss of life. In the economic sense the simple truth is that our productive capacities can provide not only a sufficient minimum standard of living for those at home, but also a huge surplus for the purposes of war, without any serious depletion of any irreplaceable national resources. If we forget for a moment the monetary equivalents and think only in terms of production, the situation is quite

simple. Now and for the duration of the war our productive capacity is very high, and the civilian population at home supplement what they had at the outbreak of war with the smallest possible amount of goods and services currently produced, the surplus production being directed to the needs of war. When hostilities cease, the productive capacity which will still exist can remain high, but the nature of our production will be changed to satisfy the illimitable and delayed needs of our people as a whole.

Unfortunately the problem is not so simple as that, since our economy is tied to monetary standards, which in past wars have radically changed. Up to the moment, however, as a result of the experience of the last war, it has functioned along the same lines, largely because this time, unlike the period of the last war, we have succeeded so far in keeping the price level from radically changing. The key to the future lies in whether we shall continue to do so.

We have reached the stage, I believe, when we should face up to this problem. We should get clearly in our minds what would happen if we lost this battle on the home front, and what we can reasonably look forward to if we win it. To-day the cost-of-living index stands at approximately 116 per cent of pre-war levels. If the dam broke and controls became ineffective, the index would undoubtedly go to the 198 per cent it reached in 1920, and probably much higher, since inflationary forces are much more powerful now than during the last war. As it rose, the position of those on fixed incomes and in the lower income brackets would become increasingly difficult, and their standard of living be constantly depressed. Those with incomes more readily adjusted to the changing conditions would not suffer as much, but, as experience has taught, their standard too would suffer. There is a minority class whose gross income would materially increase, but even in their case it is doubtful if, after the incidences of increased cost of living and heavy income taxes were taken into consideration, even they would gain. It would be difficult for any business to benefit, even temporarily. Constantly increasing demands for higher wages on the part of its employees would largely offset any gains resulting from the price level, and, even if larger profits ensued, excess profits taxes and heavy income taxes would take the major part of them.

Inflation has unpredictable effects on the position of various groups in the community. Some lose and some gain; but the losses and profits are purely arbitrary, have no definite purpose, and produce great hardship and general uneasiness. So far as possible, the war should be paid for in accordance with the democratic decisions of the people at large, expressed in the fiscal measures adopted by the Government.

If uncontrolled inflation should develop, these democratic decisions could not be made effective. The problems of government would be immeasurably increased. Increasing monetary values would increase the amount of money required for war purposes. Revenues from taxation would probably increase, but the constantly decreasing value of the dollar would strike a fatal blow at voluntary participation in Government loans, unless the whole policy of voluntary participation in war loans were abandoned. The only alternative would be higher interest rates, which, in turn, would seriously depreciate the value of the Government's present obligations. All in all, to take the various factors as we have them to-day, if the price level got out of hand the result might well be the use of the printing press; and if it were resorted to, our economy as we know it would pass out of the window.

I should not like to go so far as to say that a serious break in the price level would cost us the war, but I believe it would seriously affect our chances. The effect on the morale of our fighting men would be most pronounced, since they would feel, and rightly so, that the home front had failed them; that the position of their dependents at home would be increasingly difficult; that the resulting labour unrest would seriously interfere with the supply of the weapons of war, and that even on the cessation of hostilities the stage would be set for an economic collapse.

I said the stage would be set for a collapse, and surely that is what would ensue. If, when hostilities cease, a price level of 300 to 400 per cent were to exist, there is not one business in a hundred but would be convinced that the price level was due for a serious drop, and, with that in mind, would be unable or unwilling to assume the risk of undertaking to produce consumer goods. This fact, coupled with the other factors, would precipitate a collapse greater than we have ever known, the consequences of which no one could estimate. I am confident that under these circumstances our system would not survive. Whether what would arise from the ruins and chaos would be better or worse I do not know, but I shudder to think of the suffering in the process, and the bitterness that would inevitably be engendered.

But let us look at the alternative. Let us assume that the good sense and judgment of the Canadian people continue to impel them to resist all temptations to take the easy road, and they resist every impulse that would tend to swerve them from their fixed determination to maintain the present level, both during hostilities and thereafter, so long as the abnormal factors remain which tend to affect it seriously. No individual will find his standard of living seriously affected, even if the war lasts longer than we expect. Businesses will be active during the war, and on the cessation of hostilities can immediately prepare for the requirements of peace, confident that there will be no radical downward change in the price level. Government administration need be no more difficult in the future than in the past, since, with continuing confidence in the price level, the public will not only hold the securities they have, but will, I believe, be willing to subscribe whatever additional amounts may be needed. The morale of fighting men will remain high, as it is to-day, they knowing that their dependents are being well taken care of, that their full requirements in war material are being provided by industry, and that they are coming home to a country which, having demonstrated its ability successfully to maintain the home front in war, can reasonably be expected to achieve equal success in the peace to follow.

Hon. Mr. MURDOCK: May I rise to a point of order? May I ask His Honour the Speaker whether, under the rules of the Senate, it is permissible for an honourable senator to read a prepared speech?

The Hon. the SPEAKER: Under the rules it is not permissible, but since I have been in the Senate I have not observed that the rule was either invoked or very closely adhered to.

Hon. Mr. MURDOCK: The only reason I raise the question is that honourable members in this corner of the House have recently adopted that practice, and I think it is wrong. We should all be very glad to hear what the honourable gentleman has to say, but not what someone else says.

Hon. Mr. BALLANTYNE: May I point out to the honourable senator from Parkdale (Hon. Mr. Murdock) that both the Leader of the Government and the Leader of the Opposition in the other House frequently read speeches, and go into the greatest detail.

Hon. Mr. MURDOCK: Do they?

Hon. Mr. BALLANTYNE: Yes.

Hon. Mr. MURDOCK: I just ask if it is correct.

The Hon. the SPEAKER: On the question put, I would say it is not permissible to read a speech in either House of Parliament; but the rule is more honoured in the breach than in the observance, and I have not enforced it except when a point of order has been raised. I understand that the honourable gentleman is not raising a point of order.

Hon. Mr. ROBERTSON: I intend no discourtesy to honourable senators. With an occasional reference to my notes I shall abstain from reading.

To-day, four years after the outbreak of war, honourable senators, we in Canada can take just pride in the success of our efforts thus far towards maintaining the price level. The courage and resoluteness of the Minister of Finance and the officials directly charged with the administration of governmental efforts to accomplish this are deserving of the highest praise. It must never be forgotten, however, that this could not have been accomplished without the support of the public as a whole. Their thorough appreciation of the desirability and feasibility of such an accomplishment is an absolute essential for continued success.

The more one studies the situation in the abstract, the more one appreciates the fact that the success so far attained has been due, not to chance, but to a skilful utilization of well-recognized agencies set up for the purpose. We have attacked the problem directly through over-all price ceilings, rationing and wage stabilization. We have utilized subsidies, not only to lessen the influence of increased costs on imported goods, brought about by factors beyond our control, but also to compensate large sections of our agricultural population, whose pre-war levels of prices were glaringly out of line. We have recognized, moreover, that, important as they are, these measures would fail if they were not accompanied by indirect methods calculated to draw off part of the tremendously increased purchasing power.

First we set ourselves resolutely to paying a substantial portion of the cost of this war through taxation, the objective for the current fiscal year being 50 per cent, which is remarkably high, considering the level of our expenditures. Canada is financing a larger proportion of the war expenditures by taxation than is Great Britain, whose taxation rates are recognized as being heavy, and our record in this regard, of course, is very much better than that of the United States. The situation

is even more satisfactory than that prevailing at the time of the last war. Then the current taxation provided a very small part of the war expenditures of the various participants, all countries resorting heavily to unsound and inflationary types of financing.

Secondly, we have made the greatest efforts to borrow the largest possible amount of money from individual subscribers, in order to reduce their temporary purchasing power accordingly. Each loan has shown a creditable increase in this respect. During the Fourth Victory Loan campaign 40 per cent came from this source, as against only 15 per cent in the United States for the last loan they floated.

Commendable efforts have been made to restrict the volume of consumer credit. The Wartime Prices and Trade Board reports that a survey of about one thousand stores selling on credit indicates that whereas the total accounts receivable on July 31, 1941, amounted to forty-three million dollars, they were down to twenty-nine million on July 31, 1942—a reduction of fourteen million dollars, or 32·5 per cent.

As evidence of our relative success it is interesting to note that the League of Nations' Economic Section's estimates, as published in the New York Times, July 3, 1943, indicate that between December, 1939, and May, 1943, the rise in the wholesale price indices in various countries was as follows:

	Per cent
India	136
Argentina	87
Chile	85
United Kingdom	59
United States	35
Canada	32
Japan	32
Germany	8

This is very gratifying. It is true that Germany makes a better showing than we do, but it is due, no doubt, to the fact that their price level of December, 1939, shortly after the outbreak of hostilities, reflected years of preparation for war, that she has most effective controls, and, above all, that her people have so vivid a recollection of the effects of failure to control prices that they are grimly resolved to do everything possible to prevent it from occurring again.

But, though we may agree that the control of the price level within reasonable bounds is both desirable and possible, there are powerful influences being set in motion that may weaken our will to exercise the control. With the belief—whether or not it is justified—in the apparent success of our armed forces, there comes to us, rightly or wrongly, a sense of relief from immediate danger, and with it an unconscious relaxation of the self-discipline which was much in evidence when the danger was the greatest. Both in our country and in the United States there are growing instances which indicate that self-restraint and willingness to subordinate individual and group aspirations to the common goal of protecting our way of life are beginning to falter. And therein lies the danger.

I refuse to believe that any people in Canada, except a very small minority, are in favour of uncontrolled inflation through a collapse of our efforts to hold the price level down. A prominent United States public man said recently that Hitler counted on the inability of democracies to control the price level as a factor in the present conflict. I do not know the source of his information, but I can readily believe it. I can believe that every Axis agent in Canada, and in the United States as well, is to-day part of that minority. Any political group who thought their only chance of attaining power would arise from the chaos resulting from uncontrolled inflation, much as Hitler's did in Germany, would be included in the minority, as well as a few human vultures who would feel that their nimbleness of mind would enable them, under these circumstances, to reap tremendous fortunes out of the losses of others.

The vast majority of Canadian citizens, however, want no such condition, and would not consciously do anything to bring it about. That some may unconsciously do so is the danger. It is the duty of all in authority, the great agencies which do so much to mould public opinion, and all citizens of good intention, to lend their moral support in making sure that this battle on the home front is won.

For my part, I believe that it is desirable to continue these controls, not only for the duration of the war, but also for as long thereafter as the danger exists. Indeed, it is possible that the danger will be greater when hostilities cease. The cost-of-living index, which reached 157·6 in November, 1918, at the end of the last war, went to 198 by July, 1920, twenty months later.

When the war is over there will be a tremendous accumulation of purchasing power in the form of increased bank deposits, compulsory savings and voluntary participation in war loans. This ability to buy will be accompanied by a pronounced inclination to do so, since there will by that time be a vast accumulated shortage of consumer and capital goods. Our productive facilities would, of course, turn at once to the satisfying of these demands, but it takes time, and there will be

as well the additional demands of a ravaged and hungry world. The danger may be even greater than it is now.

We are bound to recognize that the machinery of price control is difficult to administer. Many of its provisions are exceedingly repugnant to a people, most of whose lives have been lived in a relatively free economy. It is the simplest thing in the world to pick flaws in the provisions, to point out inconsistencies and unfairnesses that are incidental to its operation. Though most admit the necessity in the abstract, there are literally hundreds of applications aimed to break it in specific cases, and each is supported with excellent arguments to prove the case in point. It is possible that to the ordinary difficulties may be added others. If it should happen that the United States does not attain the degree of success that we do in maintaining the price level, the spectacle of much higher prices for many primary products there, as compared with ours, will create a great deal of unrest. Indeed, there are many evidences that it is occurring now.

It is here that we can render the greatest service. If our efforts to control prices fail, the failure will come from the chain of circumstances which result from one group in our economy seeking and securing increased prices for the goods or services which they supply, and this action in turn prompting other groups to do the same. In the course of time the situation gets out of hand and the attempt at control collapses. In peace, and under normal conditions, it is a natural impulse for everyone to try to get the highest possible return for his efforts. That has been one of the outstanding features of free enterprise. In war, this cannot be, it must not be—indeed, it is not, in my opinion—the guiding principle; and as witnesses to the fact I would call the hundreds of thousands of young men and women who have offered their all for their country on the battle-field, and the thousands of faithful men and women throughout the length and breadth of this land who from the outbreak of war have given unselfishly of their time and talents to their country, without thought of recompense.

But that is not all. I believe that the vast majority of those engaged in the production of supplies, whether as employers or as employees, are animated by the same guiding principle. And, after all, how could it be otherwise, since the boys on the battle fronts, using these materials, are the flesh and blood of those who are producing them? There are, of course, exceptions to this rule, and often the exceptions exercise an influence, far out of proportion to their numbers, over their fellows. But when these exceptions assert that those with whom they are associated—whether they be employers or employees, whether in factory, farm or forest—will only put forth their maximum effort if they secure an ever-increasing return in dollars and cents, it is our duty to suggest to them that they are not truly reflecting the spirit of the Canadian people, and that any effort to wring a peculiar advantage from their country's extremity, when their country is battling for its life, does not present a very edifying spectacle.

I yield to no one in this House in the belief that the price level that existed on the outbreak of war, the level which, for my part, I am seeking to maintain, involves grave inconsistencies and unfairnesses as between not only various economic groups, but various geographical sections as well. I believe that this price level, while normally considered to be the result of the play of forces in a free economy, was in actual fact nothing of the kind. I believe that it represented a basis in which, in the main, the price levels for secondary industry were artificially raised, largely at the expense of, and to the great detriment of, the vast body of primary industry in this country. I believe that in due course the rectifying of this injustice, not only between groups in this country, but also generally in relation to conditions existing south of the border, will be one of the most pressing problems with which Canada is faced. But any general proposal to upset the equilibrium by attempting to rectify it now, when men are dying on the battle-field, is absurd and would be the height of folly.

But there are those who fear that we, as a small nation subjected to titanic world forces, cannot expect to do otherwise than swim with the tide and follow the example of nations larger than we are. May I remind them of the advice of a great public man in the United States, but born in Canada, who recently visited Ottawa, when he counselled us to "have faith—have faith in ourselves."

On the only other occasion on which I had the honour and privilege of addressing this House, I spoke, in part, as follows. I hope honourable members will pardon my quoting what I said:

> Far removed as we are from the racial and national animosities of the old world, perhaps we by precept and example may be able to afford a beacon light to a strife-torn world. . . . Canada's contribution to the prosecution of the war has amazed the world, and often the larger nations among our Allies have sought to emulate our example. . . . Perhaps it is ordained that we shall exercise on the post-war world an influence far out of proportion to our numbers.

Perhaps we can exercise an influence on the world at war as well.

Hon. W. RUPERT DAVIES: Honourable senators, I must confess that I rise with a good deal of fear and trembling, standing over in this corner as I do. I have no desire to offend my old friend the honourable gentleman from Parkdale (Hon. Mr. Murdock), nor do I desire to transgress the rules of this House. There are a few things, remotely related to this Bill, which I want to say, and in order to save the time of the House and not to weary honourable members, I have made rather copious notes. I made those notes, not because I can not handle my subject without them, but because I am so full of it that I am afraid if I do not stick very closely to notes I shall wander all over the place and take up a lot more time than I desire to, probably a lot more time than honourable senators would wish to spare in listening to me. So I hope that while I am speaking my friend the honourable member from Parkdale will keep his head turned away from me.

I listened with a great deal of interest to the speeches of the honourable leader of the House (Hon. Mr. King) and the honourable leader on the other side (Hon. Mr. Ballantyne). They were indeed informative, and what they said does make us proud to be Canadians. When we look at this Bill and realize that it provides for an expenditure of three billion, eight hundred and ninety million dollars, we are made to feel conscious of the fact that we are at war.

This War Appropriation Bill covers expenditures already made for purposes of war and those that will be made in the next twelve months. I assume it will be in order to discuss not only these expenditures, but also some anticipated outlays which may probably come under paragraph (d), clause 2 of the Bill, "the carrying out of any measure deemed necessary or advisable by the Governor in Council in consequence of the existence of a state of war," or be in connection with Pensions and National Health, under the heading "Other Departments," in the explanatory note opposite page 3 of the Bill.

When I addressed this honourable body on February 2, in the debate on the Address in reply to the Speech from the Throne, I said that plans for social security as outlined in the speech would be welcome news to every senator. I stated that I myself was in complete sympathy with the desire of the Government to improve the lot of the underprivileged. I said also that I hoped that when the plan was being prepared this honourable body would have an opportunity to discuss it in detail. I want to take this opportunity therefore of expressing a few opinions on social security, which I hope may be of some value. I had intended to speak on the matter when our Committee on Economic Reestablishment and Social Security presented its report, but, as it made only an interim report, there was no opportunity for discussion.

I have read with great care the evidence given by Sir William Beveridge before the joint session of the committee. I have read also the evidence of Dr. Leonard Marsh, some of which I heard presented before the committee. I want to discuss this question of post-war security for a short time from the standpoint, not of a philanthropist or a new-world economic planner, but of the small business man. Business, honourable senators, is very much alarmed at the present time, and it has good reason to be. What we seem to be doing is making the pattern for our garment before we have arranged to secure the cloth out of which to fashion it.

Naturally the most important witness who has appeared before our committee was Dr. Marsh. He is research adviser to the Government's Advisory Committee on Reconstruction. There are a few things, however, that we have to keep in mind when considering Dr. Marsh's recommendations. First, he is an avowed Socialist. I am not a Socialist, nor do I believe that Socialism is the type of government best suited to this young and growing country. I do, however, sincerely believe that we should do everything we possibly can to improve the social conditions of the masses and the underprivileged. We have here one of the finest countries in the world; a country the resources of which have hardly been scratched; a country whose agricultural and industrial life is capable of tremendous development. Canada was settled by emigrants from France, Scotland, England, Ireland and Wales. From these lands came the pioneers who built rough roads through the trackless forests and founded settlements here and there. Canada is still a new country and the spirit of those pioneers still animates their descendants. The people who founded this great country became great because they fought against fearful odds. They formed their characters by overcoming difficulties, and they laid the foundations of a great nation. We must be careful that our enthusiasm to reconstruct the life of this country after the war does not carry us to the point where we make life too easy and take away the incentive to overcome difficulties.

Now I come back for a moment to Dr. Marsh. I do not know why he was called before the committee. I am rather surprised

that he even thought it worth while to appear and discuss his plan, for he has a low opinion indeed of this honourable body. Dr. Marsh is one of the joint authors of the textbook of the C.C.F. It is called "Social Planning for Canada." It is written by a number of men who think alike, and we are told in the foreword that the book is a joint production. Now, let us see what this book, of which Dr. Marsh is a joint author, has to say about the Senate:

We have so far omitted all mention of the one great change affecting Parliament which must be put in the forefront of the demands of the C.C.F. That is, of course, the abolition of the Senate. Almost every economic and political project which has been advocated in this book and which would require legislative action by the Dominion Parliament would meet with obstinate and bitter opposition in the Senate. In its composition and in its activity it is one of the most reactionary Chambers among all the free Governments in the western world.

Those, honourable senators, are some of the words of Dr. Marsh and his co-authors. The criticism continues:

But, strange to say, the Fathers of Confederation in thus creating a Senate as a bulwark of provincial rights against the central Government entrusted the power of making appointments to the Senate to that very central Government upon whom it was to operate as a check. Those hard-headed politicians of the Quebec Conference must surely have had their tongues in their cheeks when they presented this particular specimen of their handiwork to a credulous populace.

Honourable senators, I suspect Dr. Marsh and his associates must have had their tongues in their cheeks when they wrote those words. For my part, I think the Fathers of Confederation had far-sighted vision when they realized that this honourable body might some day be needed to put a check upon men with the ideas that Dr. Marsh evidently holds. The book, of which, as I have said, Dr. Marsh is an acknowledged joint author, proceeds:

Actually the Senate has never operated to protect provincial rights, unless accidentally. It has steadily acted on behalf of a party recently defeated at the polls to thwart the Government that has just been chosen by the people; and its powers of annoyance in this respect would long ago have compelled some Government to undertake reforms were it not for the fortunately high death rate among its aged members.

A cheerful gentleman, indeed, is Dr. Marsh.

But let us see how near he is to the facts. The late Sir George Ross wrote a book on the Senate of Canada, and I desire to quote this passage from it:

It is commonly said that the Senate has used its political majority adversely to the political majority of the House of Commons when the two Houses were not in accord, and on this supposition the charge of partisanship is made against the Senate. From 1867 to 1903 the Conservative party was paramount politically in the Senate. For twenty-four years of that period the same party was in control of the House of Commons. The analysis of the statement shows but very little difference in the number of Bills amended or rejected by the Senate during those two different periods. For instance, in the twenty-four years of Conservative majority in both Houses—

1. The total number of Bills before the Senate was 2,569.
(a) Amended—673 (or 26·2 per cent).
(b) Rejected—44 (or 1·7 per cent).

In the twelve years with a Conservative Senate and a Liberal majority in the House of Commons—

2. The total number of Bills before the Senate was 1,261.
(a) Amended—282 (or 22·3 per cent).
(b) Rejected—44 (or 3·4 per cent).

In the eight years with a Liberal majority in the Senate and a Liberal majority in the House of Commons (1903-11)—

3. The total number of Bills before the Senate was 714.
(a) Amended—258 (or 36 per cent).
(b) Rejected—17 (or 2·3 per cent).

In the two years with a Liberal Senate and a Conservative House of Commons (1912-14)—

4. The total number of Bills before the Senate was 415.
(a) Amended—60 (or 14·4 per cent).
(b) Rejected—1.

The Co-operative Commonwealth Federation textbook, of which, I repeat, Dr. Marsh is a joint author, continues in this strain:

But in recent years,—

This is awfully good.

But in recent years, the real function of the Senate has been to act as a bulwark of property interests, i.e., of the interests of large property owners, individual or corporate. The remarkable number of company directorships held by senators is the most significant fact about our upper House. No one who has ever watched its sleepy deliberations will be misled into believing that the old gentlemen are appointed directors because of the services they are expected to render at the board meetings of our big corporations. The real motive is, of course, the services they are expected to render in throwing out bills of which these corporations do not approve. The Senate has, in fact, become one additional line of defence for the real ruling classes in this country, and it can be relied upon to express the opinions of St. James street as consistently and as permanently as does the Montreal Gazette. Under present political conditions big business is surely powerful enough in the influence it exercises, directly or indirectly, over the House of Commons. It does not need a second line of defence. The Senate must therefore be abolished.

Dr. Marsh is a young man. So far as I can find out, he has never done anything yet except advise other people how to do things. I know very few St. James street directors. In fact I know nothing about St. James street.

I do, however, know a great many ordinary business men of what might be called the common or garden variety. I am one of them myself. I operate a small newspaper business, and I know a lot of people who operate retail and wholesale and manufacturing businesses of about the same size as my own. These business men are very much concerned to-day as to what is going to happen to them after the war is over. I mention this because the Bill before us is for the purpose of appropriating tremendous sums of money to carry on our war effort. These business men read of committees laying plans involving the expenditure of billions of dollars, and they wonder where the money is coming from. Before the war Federal Government expenditures amounted to half a billion dollars yearly. We now have schemes proposed for health and social security which will cost the people of this country one way and another hundreds of millions a year. I wonder, as I read about these schemes, whether anyone has ever sat down and seriously tried to figure out where the money is coming from. I do not mean that some Government official may sit down and calculate what revenue can be secured from this, that and the other tax. I mean, has any economist ever sat down and tried to figure out just how the poor taxpayer is going to get the money to pay the taxation which such schemes involve.

When Dr. Marsh was before the Senate committee the honourable senator from Saskatchewan North (Hon. Mr. Horner) asked him if he had had any experience in hiring help, and he replied "No." That, honourable senators, seems to me to be the crux of the whole situation. We are having a lot of plans made for the future of this country by men who have had little, if any, experience in business, and who know nothing of the problems, trials and tribulations of the small business man. What do a lot of these planners and theorists know about the running of a business? Do they know anything at all? Did they ever have to sit down on a Monday morning, as many men have to do, and try to figure out what business they could get during the week in order to be able to pay their help in coin of the realm rather than in promises when Saturday noon rolled around? That is the type of man for whom I want to say a few words to-day.

The James brothers seem to bulk large in the life of Dr. Marsh just now. He is afraid of Saint James, he is working for Cyril James, and I should like to suggest that if there is not some curb put upon Dr. Marsh and other men who hold ideas similar to his, the small business man of this country is going to think that Jesse James has come to life again and is astride his horse, with a gun in each hand.

I wonder how many members of this Chamber know the difficulties under which business is labouring to-day. I wonder if they know that hundreds, yes, thousands, of small businesses have had to go to the banks and apologize for not being able to meet their loans, and to plead for extensions, because of the heavy taxes which they are paying to-day. I want to make this statement—and I make it without fear of successful contradiction—that unless business can look forward to a very decided downward revision of taxation after the war, thousands of small businesses will have to fold up. Taxes at the present time have reached an almost confiscatory point. No one has objected, and no one will object. Everyone, let him be one of the money barons of St. James street—whoever they are—a small business man, a farmer, a mechanic or a labouring man, will sacrifice to the limit, both in taxation and in subscriptions to war loans, to back up Canada's army overseas and to provide our Allies with the munitions of war. But once the war is over, what is to become of the small business man? At the present time nobody seems to be worrying very much about him. The small business man is usually a kind-hearted family man, who supports his church and all worth-while community efforts. He does not make large profits, but he makes a living for himself and his family, and he gives good service to his community. He is entitled to consideration, and unless we want him to go out of business after the war, and leave that field to the big mergers and chain stores, some thought has to be given to him.

Along this line, if I may trespass upon your patience, I should like to read a brief editorial from the Saint John Telegraph-Journal of June 19. The Telegraph-Journal is the mouthpiece of the city of Saint John, the largest city in the province of New Brunswick. It is headed, "Blueprinting the Future," and is as follows:

> Very broad topics—the Maritime Provinces' natural resources and their future—are to be aired at the conference opening to-day in Sackville under the auspices of a subcommittee of the James advisory committee on Canadian reconstruction.
>
> It is gratifying to see the intense interest taken in the Dominion's post-war welfare by university educationists, many of whom have the ear of Ottawa. Let us hope that in charting the future, the Government and its advisers take into serious account the experience and views of practical-minded business men who have

demonstrated they possess the "know how" to translate sound theory into productive terms of men and machinery.

So many Canadians have been engrossed in winning the war that the deliberations of ambitious planning groups have not received the close public attention they would in peace-time. This circumstance imposes a great responsibility on the planners: to keep a watchful eye on extremist influences in their midst. Canadians emphatically do not wish to discover on the day of victory that, while they have been sweating and bleeding, their post-war lives have been all mapped out for them along lines of imported theories incompatible with their traditions, theories which they thought they were fighting to get rid of for good. The point is that while we are working with our noses to the grindstone and radical theorists are travelling along with their eyes to the skies, responsible planners should be looking for the real pitfalls straight ahead.

Surveys of public opinion have shown very good reason why at present there is little interest in left-wing thinking among Canadians generally. It is simply that visionary idealism may sound fascinating when discussed in placid pre-war drawing rooms, but when it is necessary in war-time to impose rigid restraints on people to attain victory, they get more than their fill of regimentation and look forward keenly to the day when essential wartime controls may be relaxed and they can breathe freely again. At a time like this, therefore, few Canadians see anything intriguing in the prospect of even tighter restrictions after the war in order to bring about a vaguely outlined millennium.

Millions of words have been written about glittering post-war social programmes; not so well known is the basic fact that the first requisite for supporting them is the re-establishment of trade and industry on a healthy foundation. If far-reaching social reforms are to be introduced, the steadiest, surest headway can be made by a gradual process of adopting plans as they are tested and found workable—a process of evolution rather than revolution.

That, honourable senators, is a very good article, taken from a very excellent newspaper, and I imagine it expresses pretty clearly the opinion of the province of New Brunswick.

Now, let us get one thing fairly into our minds: Canadian business cannot survive for any length of years under the taxation which it has become necessary to enforce during the war. When we are planning for post-war social reconstruction and security, we must plan on a basis that this country can afford.

We are indeed living in a strange age. We are living in an age when speakers are going up and down this country trying to convince our young people that there is nothing immoral about reaping where they have not sown and gathering where they have not strawed. We are living in the age of the hitch-hiker, of the man who will not pay for his transportation if he can possibly cadge it from someone else. We have been so busy concentrating on winning the war that the high ideals of thrift and economy practised by our forefathers are gradually being forgotten. Could any honourable senator imagine for one moment one of the sturdy Scottish pioneers of this country standing on the side of the road jerking his thumb in the direction in which he wanted to go, in the hope of cadging a free ride? No, honourable senators, not if his journey were fifty miles long and he had to walk in his bare feet, would he have so lowered himself as to ask from a casual stranger something for which he could not afford to pay. His pride would not let him do that. Yet, to-day, that is growing to be a common practice among our young people, and, I regret to say, among some of the older people too.

But to come back to the evidence of Dr. Leonard Marsh. Let me make myself quite clear. I do not hold it against Dr. Marsh that he thinks the Senate should be abolished, and that we have become just an additional line of defence of the ruling classes of this country. I have been a member of this honourable body for only six or eight months, but I have been here long enough to know that Dr. Marsh must be a very ignorant and ill-informed man when he signs his name to a book containing such sentiments as I have read to you this afternoon. I wonder, if Dr. Marsh will jointly father such statements as those in the book from which I have quoted, which indicate that he knows very little about the subject he was discussing before the Senate committee, whether he is to be trusted to guide the deliberations of this honourable body as to how it should plan for the social security of the masses after the war. I realize that Dr. Marsh's report has virtually become second only to the Bible. I have read a great deal of it, and I must say there is much in it with which I do not agree.

On page 73 of the proceedings of the special committee we are told by the honourable senator from Ottawa (Hon. Mr. Lambert) that anyone who is interested in social security should by this time be fully aware of Dr. Marsh's capacity to discuss the subject. I quite realize that the honourable senator from Ottawa was sincere in what he said, but I am not at all sure in my own mind whether Dr. Marsh is fully capable of discussing the subject from the proper Canadian standpoint. I must confess that I find some of his arguments a bit confusing; but I always try to keep in mind the fact that Dr. Marsh is a Socialist, and that I am not a Socialist and am not favourable to any scheme which will help on the establishment of a Socialist government in this country. On page 72 of the special committee's report, Dr. Marsh tells us that social security disbursements are in themselves

one means of mobilizing purchasing power. He further tells us that mobilizing purchasing power is an economic weapon which we can use, if we are clever enough, to help out post-war transition. As I said before, I am not an economist, and I may be very dense, but this sounds to me very much like trying to make ourselves rich by taking in each other's washing.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DAVIES: I must confess that I fail to see how much better off a business man is going to be if he pays out $100 in taxes and this amount is distributed among certain people in his community who then come back to him and purchase a hundred dollars' worth of his goods with his own money. As I say, I may be dense, but it seems to me that somehow or other he is going to be out $100.

Dr. Marsh on the same page tells us, in answer to a question from the honourable senator from Alma (Hon. Mr. Ballantyne), that in England they have a budget of six hundred and seventy-nine million pounds for the first year of the Beveridge scheme. They expect insured persons to contribute one hundred and ninety-four million pounds, the employers one hundred and thirty-seven million pounds, and the tax revenue the balance. Dr. Marsh goes on to say that roughly that means that almost exactly one-half comes from Government sources and the other half from employees and employers. But where does the Government money come from in the first place? The bulk of it comes out of the pockets of the taxpayers, of course; therefore, I think it is only fair to assume that the employee and the employer, in addition to their own contributions, will have to provide most of the three hundred and forty-eight million pounds contributed by the Government.

I am merely mentioning these things as they appear to me. If I am wrong, I shall be glad to be corrected. But what I want to know is: Where is the money coming from? Where it comes from in Great Britain is not my immediate concern, but I am very much interested in where it is to come from in this country. In reply to some questions put to him by the honourable senators from Alma (Hon. Mr. Ballantyne) and Peterborough (Hon. Mrs. Fallis), Dr. Marsh said:

> There will always be certain persons who will not submit willingly to a contributory form of insurance; but if it is made compulsory, they cannot refrain.

That statement is open to question. There has been compulsory insurance of a sort in Great Britain for many years. Dr. Marsh may not have had experience of that, but I have. If Dr. Marsh had had experience he would know that so far as the insurance of domestic servants is concerned, much of it is not paid for by the servants themselves. He would know that when domestic servants are hired in Great Britain, where they have compulsory unemployment insurance, it is a common practice for them to make a stipulation that their wages shall be so much a week and insurance, so that the whole burden really falls upon the employer.

I have heard of several cases recently in which employees have asked their employers for increases in wages. They have said: "I want so much in the envelope every Saturday night. I am not interested in taxes; keep those out; do what you like with them. I want so much in the envelope every Saturday night." And that attitude is becoming more prevalent in this country. I have discussed it with Dr. Clark, the Deputy Minister of Finance, who tells me it is illegal, and that his department has not heard much about it as yet. But I know, honourable senators, that that spirit is growing among some of our labouring classes.

On page 82 Dr. Marsh made some references to children's allowances. I am in favour of children's allowances. As a matter of fact, I am in favour of much of the programme of post-war security which is being planned, but I want to see it planned on a basis which we can afford, without putting too heavy a burden upon business and the small income tax payer. I want us to cut our garment according to our cloth. I want to see us adopt social security gradually.

I realize, as well as anyone else does, the difficulties with which we may be faced after the war is over. We shall have hundreds of thousands of young men and women coming back from overseas, and they must be our first care. Also there are a great many workers now engaged in war industries who will then be unemployed, and they will have to be taken care of. In my own city of Kingston there are several industries working twenty-four hours a day at war jobs. I realize, honourable senators, that we must find some method of looking after all these people during the transition period. But what I should like to point out is that in planning for social security we are planning for people of different mentalities and different ideals. It would be a happy solution indeed to many of our problems if we could make absolutely sure that there need never be any more want in this country. But have we yet reached the point where we can afford to do that? Must we not do it gradually?

We all know that those people who need assistance are, to put it as charitably as possible, not any more honest nor perhaps any more dishonest than the rest of us. Welfare workers, however, are well aware that one of their greatest problems is keeping track of the chiseller and the spendthrift. It seems to me that we are going too much on the assumption that all men and women are honest. I regret to say that this is not so.

I have urged that taxation must be cut severely after the war is over, in order that businesses which are being starved to-day can recoup stocks, replace worn-out machinery, pay their debts and build up their reserves. There is another reason why we must cut taxation as drastically as we can, and why, in my opinion, we cannot afford to take upon our shoulders a huge scheme which will cost us hundreds of millions of dollars a year, until business and agriculture have readjusted themselves. That reason is to be found in our prospects for immigration. I am quite sure every honourable senator believes that after the war is over Canada will experience a great wave of immigration, provided conditions in this country are attractive. The obvious reply of some honourable senator might be that the more attractive our social security scheme, the more immigration we are apt to attract. But I do not think we want the type of immigration that is attracted by a social security scheme.

We shall want to attract capital as well as working classes to this country after the war is over. And if we are to attract capital for industrial development, we need two things: cheap power and low taxation. That, to my mind, is another argument in favour of not trying to spend too much money before we have earned it.

In his budget speech delivered on the 2nd of March, 1943, the Hon. Minister of Finance told us that in income tax alone he hoped to raise this year $1,372,500,000, made up as follows: from individuals, $460,000,000; from the national defence tax, $80,500,000; from corporations, $530,000,000; from interest, etc., $27,000,000, and from the excess profits tax, $455,000,000. This is an enormous sum of money and certainly impinges very seriously on business. We are reaching the place where the progressive income tax is becoming so high that more business is not worth getting.

This is not the time to discuss our excess profits tax, but I might mention that I do not think it is a fair tax. This tax has always seemed to me to do two things: it keeps down the man who was down during the four years, 1936, 1937, 1938 and 1939, which are used by the Government in estimating average base profit; and it allows the man who was making big profits during those years to keep on making them without paying any abnormal sum to the Government. The man whose profits have remained fairly stationary, no matter how large, pays a corporation tax of about 40 per cent; but the man whose profits have increased since the war started—whether that increase is due to better management, normal development or expansion due to the war—pays 30 per cent of his base profits to the Government, and 100 per cent beyond that.

As a result many businesses have been very severely crippled. I think it would be much fairer if the Government taxed the profits of every business 30, 40 or 50 per cent, as the case may be, and treated everyone alike. It is my opinion that under the present scheme not all businesses are treated fairly, because the Government assumes that all excess profits are due to war expansion.

In conclusion, honourable senators—and I am sure you will be glad I say "in conclusion"—I want to make a few constructive suggestions. The greatest problem with which welfare workers have to do is ignorance. The honourable senator from Peterborough (Hon. Mrs. Fallis) has had some experience in welfare work, as I have, and I am sure will agree with this. Sir William Beveridge pointed out the same thing in his remarkable report to the British Government. We must do something about this. We must try to raise the level of intelligence among our Canadian people through education. Some years ago, when I was chairman of a board of education, I made a study of criminal statistics with regard to education, and discovered some very interesting facts. I discovered that the great majority of our criminals had never gone farther than the public school. The percentage of our criminals who had had a high school education was very small, and the percentage who had had a university education was practically nil. I do not know what the school-leaving age is in other provinces, but I believe at the present time in Ontario it is sixteen years. Unfortunately this provincial regulation is too often nullified by requests from parents who want their children to start earning. When Ontario raised the age limit from fourteen to sixteen, certain provisos were inserted. I should have preferred to have it raised to fifteen years without any provisos.

In order to improve conditions after the war, I would teach domestic science to the girls of the advanced classes in every school of this land. By making it compulsory and possible for every girl during her last two years at school to learn to cook, to bake, to sew,

and to make up and understand household budgeting, we shall not only improve the financial management of the large mass of the homes of this country, but we shall also improve the health of our people to an extent that it is difficult to estimate.

One more word. Let us, by all means, plan for the physical well-being of the people of Canada, to the extent that we can afford to do so without having to resort to a crippling taxation. Let us plan that every child shall have enough to eat, be warmly clad and have proper medical attention. Let us plan also for more extensive recreational facilities throughout our land: municipal bowling greens, municipal golf courses, municipally aided baseball and hockey teams, and everything which will contribute to the health of our young men and women. But, at the same time, let us not forget the spiritual and cultural side of our national life. Let us plan to encourage the amateur drama, the young novelist and the young artist; let us try to establish art galleries, however small, in some of the smaller as well as the larger cities of our land; and let us look forward to the day when we shall have a happy and contented people, when our cultural life shall have reached as high a standard as that of any country in the world.

All these things we can do, honourable senators, if we proceed carefully and slowly, giving business and agriculture a chance to readjust themselves after the war. But let us not be hurried into plans which we cannot afford by professional planners and those people who are expert at spending the money earned by others, but who themselves have shown no great ability in the matter of building up a business or cultivating a farm.

Hon. A. K. HUGESSEN: Honourable senators, I have only a few words to say, and I think I am bound to say them in view of the remarks which have just been made by my honourable friend from Kingston (Hon. Mr. Davies). As the chairman of the subcommittee on social security, it was I who took the responsibility of asking Dr. Marsh to appear before that body and give evidence. And I am in no way sorry that I did so.

Hon. Mr. LAMBERT: Hear, hear.

Hon. Mr. HUGESSEN: I very much regret the attack which my honourable friend from Kingston has seen fit to make on Dr. Marsh. And that for several reasons. I think if my honourable friend had been longer in this Chamber he would have realized that it is not permissible to make an attack in Parliament upon a public servant, in the pay of the Government, who has no possible means of replying for himself.

In the second place, my honourable friend is attacking a witness who appeared before one of our committees which has made no report to the House other than an interim report.

Now, the bases upon which my honourable friend from Kingston attacked Dr. Marsh seem —if he will allow me to say so in all kindness —to smack somewhat of prejudice. He said that Dr. Marsh was an adherent of the Co-operative Commonwealth Federation party and a Socialist. Personally, I am totally unaware of Dr. Marsh's political beliefs, but I do submit that whatever they may be is not material to the question of setting up a scheme of social security for this country along the lines laid down in the Speech from the Throne at the beginning of this session, along the lines established at the Winnipeg convention of the Progressive Conservative party, also along the lines of the report presented by Sir William Beveridge in Great Britain and approved and to be carried into effect by the Churchill Government. In these circumstances I say that, if a man is an expert on the subject of social security, I am willing to listen to what he has to say, regardless of what his political views may be.

My honourable friend has cast some doubt upon Dr. Marsh's ability to advise the Senate on social security. Of Dr. Marsh's qualifications I have very little knowledge other than that he was for a number of years a student under Sir William Beveridge at the London School of Economics. But I will tell the House this: I discussed with Sir William Beveridge the Marsh report, and he said to me that he was extremely surprised that so comprehensive and able a report had been prepared in such a short time by Dr. Marsh. My honourable friend may disagree with me; he may not think Dr. Marsh has any qualifications for the preparation of a report on social security for Canada; but I tell him quite frankly that, as between his opinion and that of Sir William Beveridge, I prefer the opinion of Sir William.

An Hon. SENATOR: I should not.

Hon. Mr. HAIG: How long has Marsh been in this country?

Hon. Mr. HUGESSEN: At least ten years.

Hon. Mr. HAIG: What positions has he held?

Hon. Mr. HUGESSEN: He was a lecturer at McGill University for several years. I have no particular knowledge of his career.

Hon. Mr. HORNER: What did he lecture on at McGill University?

Hon. Mr. HUGESSEN: Economics.

We were told by the honourable senator that Dr. Marsh was the author of a volume put out by the Co-operative Commonwealth Federation party, in which there were a number of criticisms directed at the Senate. I have not seen the volume. I understand, however, that it was prepared by three or four gentlemen and bears their names on the title page. I suppose to the extent that a man is a joint author of a book he does assume responsibility for its contents, but I do not think my honourable friend was quite fair in leading this House to believe, as I think he did, that Dr. Marsh himself wrote the criticism of this body which the honourable gentleman quoted.

Hon. Mr. HAIG: No; joint author.

Hon. Mr. DAVIES: I think the honourable gentleman from Inkerman is under a misapprehension. The book bears the title of "Social Planning for Canada." The foreword says that the book is a joint production and that the views expressed are the views of the authors—of whom Dr. Marsh is one.

Hon. Mr. QUINN: And you can judge a man by the company he keeps.

Hon. Mr. HUGESSEN: As my honourable friend says, they may be jointly responsible, but I certainly gathered the impression that he thought Dr. Marsh had himself written the criticism of the Senate.

Hon. Mr. DAVIES: So far as anybody knows, he may have written that chapter.

Hon. Mr. HUGESSEN: Whether he did or not is, I submit, not germane to the discussion of the question of social security for Canada. Is not the honourable gentleman really trying to drag a red herring across the trail? Whatever views Dr. Marsh or anybody else may hold about the utility or inutility of this body, I am willing to listen to him if he can give me sound ideas on social security for this country.

Hon. Mr. HORNER: I do not think he has any.

Hon. Mr. HUGESSEN: That, of course, is my honourable friend's opinion.

Hon. Mr. MacLENNAN: I submit that the gist of what the honourable senator from Kingston said in criticism of the Marsh report was that he would not pay very much attention to Dr. Marsh if his knowledge of social security was commensurate with his knowledge of the Senate; and I agree with the honourable senator.

Hon. Mr. HUGESSEN: I can only say, as I said before, that I regret the honourable senator from Kingston should have seen fit to make what seems to me a personal attack upon a witness who appeared in all good faith and at my suggestion before the subcommittee of the Senate to give evidence. It does not say very much for the type of evidence that may be adduced before our committees in the future if later on witnesses are to be subject to attack in this Chamber on the ground of their political views.

Hon. Mr. HORNER: What do you think of the attitude of a man coming before a Senate committee after he had collaborated in writing a book condemning this body and abusing its members?

Hon. Mr. HUGESSEN: In reply to my honourable friend, I would say that the very best way of convincing Dr. Marsh or anybody else that this Senate is not the representative of the vested interests of this country will be for us to take an active and participating interest in the provision of social security for all our people.

I have little else to say, honourable senators. I have spoken without preparation, but I did not want this occasion to pass by without commenting—I hope, not too severely or unkindly—on what my honourable friend from Kingston has seen fit to say.

Hon. Mr. HORNER: Honourable members, I want to say that I very much enjoyed the address of the honourable senator from Kingston. As to Dr. Marsh's accusation against members of this Chamber, surely I shall not be accused of supporting vested interests after what I have said in this Chamber during the past winter.

While Dr. Marsh was being questioned in our social security committee, I was reminded of a political meeting out in Saskatchewan. There was present an old gentleman who could accomplish almost anything in a practical way. One of my supporters was a wonderful speaker who could tell you how to do anything and everything in theory. When the man of theory sat down, the practical man got up and said: "Yes, it is all very well to listen to our friend, but, ladies and gentlemen, he is not practical enough to track down an elephant in seven feet of snow." That about expresses what I thought of Dr. Marsh.

Hon. Mr. HUGESSEN: Did you think that too of the Winnipeg convention platform?

Hon. Mr. MARSHALL: Now, honourable senators, my honourable friend—

Hon. Mr. HAIG: I rise to a point of order. I suggest to you, Mr. Speaker, that it is 6 o'clock.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. DUNCAN McL. MARSHALL: Honourable senators, I am not going to take any longer to-night than I intended to take when I last spoke.

Hon. Mr. HAIG: Hear, hear.

Hon. Mr. MARSHALL: I should be very sorry to have the honourable member from Winnipeg (Hon. Mr. Haig) pretty nearly starved—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. MARSHALL: —but I assure him that if he had begun to look pale, I would have got out of the way.

My only reason for rising was the somewhat invidious comparison made by my honourable friend here (Hon. Mr. Hugessen) as to whose opinion he would take, that of Sir William Beveridge or that of the honourable senator from Kingston (Hon. Mr. Davies). If the honourable gentleman would read, as I do, about three or four farm weeklies published in England and Scotland, he would get some notes on Sir William Beveridge that would make him believe that gentleman is not such a great man after all. These farm journals are all against him, and I believe the majority of farmers of England and Scotland, who lead the world in farming, are opposed to the Beveridge report. Letters and editorials appear every week opposing it, and they are always careful to point out that the Beveridge report has not been adopted. As a matter of fact, it is only a report to the British House; yet we talk here as though this man had done a great job and it had been accepted. If I am any judge of what these people are saying now, as I read it in these farm journals, it will be a long time before the report is adopted in toto, because the opinions of the farming population are entirely against it, and they are going to have a good deal of weight.

My only purpose in taking your time has been to say that, so far as I am concerned, judging from what I have heard and read about Sir William Beveridge during the last six months, I think the opinion of my honourable friend from Kingston is the more valuable.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. MARSHALL: One Sunday afternoon I listened over the radio to a debate between Sir William and the head of one of the insurance companies in Britain, and, though I may not be a judge, there is no doubt in my mind as to who won the debate.

That is all I have to say.

Some Hon. SENATORS: Hear, hear.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

The Hon. the SPEAKER: Honourable senators, when shall said Bill be read a third time?

Hon. Mr. KING: Now.

The motion was agreed to, and the Bill was read the third time, and passed.

PRESS REPORTER OF THE SENATE

REPORT OF COMMITTEE

The Senate proceeded to the consideration of the sixth report of the Standing Committee on Internal Economy and Contingent Accounts.

Hon. Mr. MURDOCK: We are meeting to-morrow, I understand.

Hon. Mr. HAIG: Maybe.

Hon. Mr. WHITE: I move concurrence in the report.

Hon. Mr. HAIG: We are meeting to-morrow?

Hon. Mr. QUINN: Honourable members, I understood that it was agreed this afternoon that the report should be withheld until this evening, if we were to sit this evening.

Hon. Mr. MURDOCK: I agreed this afternoon that if we were to start the long adjournment to-night we would take up the report this evening; but we are not starting that adjournment yet.

Hon. J. A. MACDONALD: Why the delay?

The motion stands.

WHEAT ACREAGE REDUCTION

STATEMENT OF DEPARTMENT OF AGRICULTURE

Hon. J. H. KING: Honourable senators, on June 16 the honourable senator from Vancouver (Hon. Mr. McRae) referred to an article published by the Searle Grain Company, and asked that the Government give some attention to it. I promised at that time that I would make inquiry. In the absence of the Minister, Hon. Mr. Gardiner, the Deputy Minister, Dr. Barton, has written as follows:

It is true that the representatives of the two Departments of Agriculture—

That is the department at Ottawa and the department at Washington.

—have met in committee on two occasions and discussed their respective agricultural programmes with a view to relating them as much as possible.

As far as grain production is concerned, the main understanding developed has been with respect to increased production of coarse grains in Western Canada, with a view to making surplus quantities available to the United States.

Wheat for feed purposes was also considered and it was understood that, if necessary, the United States department would draw on Canadian supplies for feed purposes.

With respect to the wheat production policy as a whole, this was not dealt with specifically, it being recognized that there is provision in this regard under the Wheat Agreement. The recent action of the United States Government to increase their wheat acreage this year is no doubt based on considerations having to do with their own needs for wheat both for human and live-stock purposes, but this action was taken without reference to the Canadian Department of Agriculture.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

Saturday, July 24, 1943.

First Sitting

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

ARMY ADMINISTRATION BUILDING ON CARTIER SQUARE

INQUIRY

Hon. Mr. TANNER inquired of the Government:

In respect to the Army administration building consisting of three storeys of wood construction above basement of concrete, situated on Cartier Square, at Laurier Avenue, in the city of Ottawa, what are provided as safeguards against fire, particularly:

1. Outside fire escapes of wood or metal?
2. Inside fire escapes from each floor, and what they consist of?
3. Stairways, their dimensions, and whether of wood or metal?
4. Number of fire hose attachments on each floor?
5. Number of chemical fire extinguishers on each floor of building?
6. Number of fire watchers on duty day and night respectively?
7. What arrangement or agreement, if any, exists with the City of Ottawa for city fire service?
8. If there is a sprinkler system, is it installed so as to be effective on the outer wooden walls of the building?

Hon. Mr. KING: Answers to this inquiry are submitted as follows:

1. There are no outside fire escapes on the building.

2. There are inside stairways in the building, which act as both fire escapes and passages for daily business. There are inside stairways (12).

3. Stairways and towers are constructed of concrete and are completely fire-resistive. Stair tower, inside dimension, sixteen feet by ten feet. Stairs, four feet, three inches wide. Heavy standard fire doors provided at each landing. Automatic closers are to be provided for these doors.

4. There are no fire hose attachments on floors inside of building.

5. There are sixty units of fire extinguishers in the building, fifteen on each floor, of which six are chemical and nine five-gallon pump tanks.

6. There are seven fire watchers on duty from 0830 hours to 1630 hours (military personnel.) From 1630 hours to 2330 hours, seven fire watchers, one N.C.O. and military personnel. From 2330 hours to 0830 hours, one military guard and three civilian watchmen. There are also appointed from the staff one chief fire warden and one deputy fire warden, two fire wardens and two deputy fire wardens on each floor, and an organized staff who are on duty from 0900 hours to 1800 hours daily, except Sunday.

7. Close co-operation exists in fire prevention and protection matters between the officials and the City of Ottawa Fire Department. Numerous contacts are made with these officials in carrying out inspections and obtaining the benefit of their experience in these matters. City hydrants are located strategically around the building, and a fire alarm box is located at the Ordnance Buildings, Cartier Square. Arrangements have also been completed, and signs have been posted throughout the building, to notify by telephone the City Fire Department in the event of any emergency. Apart from the first-aid fire equipment mentioned above, there are distributed throughout the building a number of stirrup pumps, fire pails and axes. On each floor of the building are provided six water outlets for use in conjunction with fire pails and stirrup pumps. In each court of the building is installed a water tap at the ground level, to be used with garden hose in the event of fire breaking out in those areas. Owing to the fact that the building is still incomplete and is not yet totally occupied, and that the directorates in occupation have only recently moved in, no fire drill has yet been held. Plans are in

readiness, and a meeting has been held between the Fire Marshal and the chief fire warden to co-ordinate this set-up.

8. A sprinkler system is in operation for the interior protection against fire, but does not provide protection for the outer walls, which are covered with fire-resistive asbestos shingles. This sprinkler system is so arranged that in the event of a head blowing off, an alarm is sounded. Arrangements are under way to have the Dominion Electrical Company supervise this system and install a fire alarm system inside the building.

PRESS REPORTER OF THE SENATE

REPORT OF COMMITTEE CONCURRED IN

The Senate proceeded to the consideration of the sixth report of the Standing Committee on Internal Economy and Contingent Accounts, as follows:

1. Your committee have in obedience to the order of reference of the 21st July, instant, considered the second report of the Standing Committee on Debates and Reporting nominating Mr. Georges Langlois to fill temporarily the vacancy on the reporting staff caused by the death of Mr. J. Fortier.

2. Your committee recommend that the Senate concur in the said report, and that Mr. Langlois be paid at the rate of $10 per week during the forthcoming recess of Parliament.

All which is respectfully submitted.

Hon. Mr. WHITE moved concurrence in the report.

Hon. Mr. MURDOCK: Honourable senators, only two or three words. All honourable members know that I am opposed to the principle involved in this motion. I do not know the distinguished gentleman referred to in the report. To the best of my knowledge, I have never met him; so there is certainly nothing personal about my stand. The practice to which I object has been going on, it is said, since 1913, long before I ever dreamt I should be here. If we judge by the past few years and figure the thing out at $1,500 a year, it means that $45,000 has been spent. For what? To boost the stock of the Senate of Canada. That is the people's money. It is true that the committee sat for sixteen minutes yesterday and concurred in the report that is before us. Personally, I am against it. I may be in an absolute minority, but I do not think we should spend the people's money in this way. I think we should stand on the merits of the Senate, and not boost our own stock by hiring, with the people's money, somebody to give us mention from time to time.

The motion was agreed to.

Hon. Mr. KING.

BUSINESS OF THE SENATE

Hon. Mr. KING: Honourable senators, my information is that there is a hope that the work on which the other Chamber is now engaged will be concluded this morning. I would move that when the Senate adjourns it stand adjourned until 2.30 o'clock this afternoon.

The motion was agreed to.

The Senate adjourned until this afternoon at 2.30 o'clock.

Second Sitting

The Senate met at 2.30 p.m., the Speaker in the Chair.

Hon. Mr. KING: Honourable senators, I have nothing further to report. The House of Commons met at 2 o'clock, and I understand it expects to conclude its business this afternoon. I move therefore that we adjourn during pleasure, to reconvene at the call of the bell.

The Senate adjourned during pleasure.

After some time the sitting was resumed.

Hon. Mr. KING: Honourable senators, I thought it only fair to bring you together and tell you that we may safely adjourn during pleasure until 8 o'clock. I would ask you then to remain nearby, where you can be summoned by the bell. I move that the Senate adjourn during pleasure.

The Senate adjourned during pleasure.

The Senate resumed at 10 p.m.

APPROPRIATION BILL NO. 5

FIRST READING

A message was received from the House of Commons with Bill No. 140, an Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1944.

The Bill was read the first time.

SECOND READING

Hon. J. H. KING moved the second reading of the Bill.

He said: Honourable senators are familiar with the fact that earlier in the session we passed two interim supply bills for a third of the appropriation, leaving the remaining two-thirds to be voted at this time. This Bill calls for an appropriation of $161,231,995.62; there

is also a supplementary appropriation of $43,633,933.82. These sums represent the ordinary expenditures required for civil government. It is not the practice in this Chamber to debate money bills.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. KING moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

THE ROYAL ASSENT

The Hon. the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Right Honourable Sir Lyman Poore Duff, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 10.15 p.m. for the purpose of giving the Royal Assent to certain Bills.

The Senate adjourned during pleasure.

The Right Honourable Sir Lyman Poore Duff, the Deputy of the Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Right Honourable the Deputy of the Governor General was pleased to give the Royal Assent to the following Bills:

An Act for the relief of Sheila Joan Milligan Hodgson.

An Act for the relief of John Elliott Cockerline.

An Act for the relief of James William McDonald.

An Act for the relief of William James Chafe.

An Act for the relief of Nettye Steinberg Litner.

An Act for the relief of Mollie Jaslow Mitnick.

An Act for the relief of Eleanore Jeanne Lonn Yanofsky.

An Act for the relief of Ada Lahn Corber.

An Act for the relief of Bessie McKenzie Balfour Whiteley Willard.

An Act for the relief of Marion Catherine Bremner.

An Act for the relief of Feodor Karpenko.

An Act for the relief of Dorothy Platt Vaz.

An Act for the relief of Marion Ellen Topp Dore.

An Act for the relief of Celia Lazarowitz Cohen.

An Act for the relief of Frederick Hubert Fairbanks.

An Act for the relief of Maude May Frances Adlam Clare.

An Act for the relief of Gladys Mae Bond Jarvis.

An Act for the relief of Max Shulman.

An Act for the relief of Walter Pestun, otherwise known as Walter Preston.

An Act for the relief of Sonia Litvack Shalinsky.

An Act for the relief of Evelyn Margaret Cooke Phippard.

An Act for the relief of Muriel Anna Chapman Longmore.

An Act for the relief of Joseph Fernand St. Louis.

An Act for the relief of Alexander Morgan.

An Act for the relief of Norma Mady Albert Chamandy.

An Act for the relief of Gerald Clarkin.

An Act for the relief of Edith Rose Smith Gendron.

An Act for the relief of Alice Bernadette Choiniere Horner.

An Act for the relief of Eva Pearl Gilbert.

An Act for the relief of Emma Cowsill Hill.

An Act for the relief of David Joseph Kennedy.

An Act for the relief of Leopold Boucher.

An Act for the relief of Beatrice Ashwell Dyson.

An Act for the relief of Freda Sybil Nisbet Baldwin.

An Act for the relief of Sam Hadis.

An Act for the relief of Carmen Hilda Olesker Gold.

An Act for the relief of Léo René Doré.

An Act for the relief of Mary Sophia Viora St. Pierre Malhiot, otherwise known as Mary Sophia Viora St. Pierre Mayotte.

An Act for the relief of Violet Victoria Green Auclair.

An Act for the relief of Laurette Jobin Lalumière.

An Act for the relief of Elizabeth Gunn Sparling.

An Act for the relief of Bella Lerner Efros.

An Act for the relief of Kathleen Ena Ball Royer.

An Act for the relief of Margaret Heddrick Lieth Gauld.

An Act for the relief of Elizabeth Alexandra Ida Robb Lewis.

An Act for the relief of Joseph Aloysius Lavigueur.

An Act for the relief of Helen Alissamon Wheeler Baker Macoun.

An Act for the relief of Adele Le Roy Fuller Hardy.

An Act for the relief of Constance Maxine Keating Noseworthy.

An Act for the relief of Alvina Antoinette Bouchard Winterson.

An Act for the relief of Bernice Evelyn Berman Sholomenko.

An Act for the relief of Marjorie Florence Gray Lever.

An Act for the relief of Robert Gordon Shaw.

An Act for the relief of Uuno Ojalammi.

An Act for the relief of Marie Beatrice Arsenault Theriault.

An Act for the relief of Margaret Varga Csabi.

An Act for the relief of Frances Helen Shand Howell.

An Act for the relief of Charles Cardin.

An Act for the relief of Gladys Irene Harrison Mathers.

An Act for the relief of Eileen Grace Shearer Taylor.

An Act for the relief of Maitland Richardson Silvester.

An Act for the relief of Agnes May Jack Jackson.

An Act for the relief of Marie Fernande Broca Taisne.

An Act for the relief of Samuel William Simon.

An Act for the relief of Vera Venning Prestt.
An Act for the relief of Katherine Scott Thacher.
An Act for the relief of Elias Shapiro.
An Act for the relief of Fannie Rubin Segal.
An Act for the relief of Doris Mae Sangster Webster.
An Act for the relief of Charles Joseph Wilfrid Rousseau.
An Act for the relief of Jean Sylvia Murley.
An Act for the relief of Gertrude Mantha Hore.
An Act for the relief of Claire MacLaren Hunter Barlow.
An Act for the relief of Mary Constance Helena Keys Bates.
An Act for the relief of Margaret Anne Richards Johnstone.
An Act for the relief of John Whitehead Casement.
An Act for the relief of Elaine Alice McCormick Desrosiers.
An Act for the relief of Marion Mathilda Heversage Jost Hooper.
An Act for the relief of Phyllis Beatrice Barnett Woodham.
An Act for the relief of Ethel Wendman Lebenstein.
An Act for the relief of John Preble Macintosh.
An Act for the relief of Sonia Libenstein Kolber.
An Act for the relief of Gilberte Piché Ouimet.
An Act for the relief of Irene Maud Pardellian Wright.
An Act for the relief of May Gertrude Russell McCarthy.
An Act for the relief of Geraldine Charlotte Wrangel.
An Act for the relief of Anne Marie Garon Brown.
An Act for the relief of Theodore Panos.
An Act for the relief of Glendon Malcolm Robert MacCallum.
An Act for the relief of Pierre Henri Honoré Paré.
An Act for the relief of Beatrice Belodubrofsky Schiller.
An Act for the relief of Léo Guay.
An Act to incorporate Montreal Shriners' Hospital Foundation.
An Act to incorporate Canadian Alliance Insurance Company.
An Act respecting The Canada North-West Land Company Limited.
An Act to incorporate the Ukrainian Fraternal Society of Canada.
An Act to incorporate The Felician Sisters of Winnipeg.
An Act to incorporate Bethel Full Gospel Assembly.
An Act to amend The Federal District Commission Act, 1927.
An Act respecting the appointment of Auditors for National Railways.
The British Columbia Indian Reserves Mineral Resources Act.
An Act to amend the Department of National Revenue Act.
An Act respecting a certain Tax Convention and Protocol between Canada and the United States of America, signed at Washington, in the United States of America, on the 4th day of March, 1942.
An Act to Confirm the Transfer of certain Lands to Ontario and Quebec.
An Act to amend the Exchequer Court Act.

Hon. Mr. SPEAKER.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1943, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.
An Act to repeal the Japanese Treaty Act, 1913.
An Act to amend the Canada Evidence Act.
An Act to amend the Criminal Code.
An Act to facilitate compromises and Arrangements between insolvent Farmers and their Creditors.
An Act to amend The Unemployment Insurance Act, 1940.
An Act to establish a National Council for the purpose of promoting Physical Fitness.
An Act for granting to His Majesty aid for National Defence and Security.
An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1944.

The House of Commons withdrew.

The Right Honourable the Deputy of the Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Wednesday, January 26, 1944, at 3 p.m.

THE SENATE

Wednesday, January 26, 1944.

The Senate met at 2.30 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PROROGATION OF PARLIAMENT

The Honourable the SPEAKER informed the Senate that he had received a communication from the Assistant Secretary to the Governor General, acquainting him that the Honourable Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, would proceed to the Senate Chamber this day at 3 p.m. for the purpose of proroguing the present session of Parliament.

NEW SENATOR INTRODUCED

Hon. John Frederick Johnston, of Bladworth, Saskatchewan, introduced by Hon. J. H. King and Hon. J. J. Stevenson.

ADDRESS OF PRESIDENT ROOSEVELT ON PARLIAMENT HILL

MOTION TO INCLUDE IN OFFICIAL REPORT OF DEBATES

Hon. J. H. KING: Honourable senators, with the leave of the Senate, I move, seconded by

my honourable friend opposite (Hon. Mr. Ballantyne):

That the address which Franklin Delano Roosevelt, President of the United States, delivered on Parliament Hill, August 25, 1943, be included in the Debates of the Senate and form part of the permanent records of this Parliament.

The Hon. the SPEAKER: Is it the intention to include all the speeches delivered on that occasion?

Hon. Mr. KING: Heretofore in similar cases we have included all the speeches, and I am under the impression that this course will be followed now.

The motion was agreed to.

REPORT OF THE PROCEEDINGS

Members of the Senate, Members of the House of Commons, and the general public assembled on Parliament Hill, Ottawa, at 12 o'clock noon on Wednesday, August 25, 1943, to hear an address by Mr. Franklin D. Roosevelt, President of the United States of America. The President was introduced by the Prime Minister, Right Hon. W. L. Mackenzie King, and thanked by the Speaker of the Senate, Hon. Thomas Vien, and the Speaker of the House of Commons, Hon. James Allison Glen.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. President, Your Excellency, Your Royal Highness, members of the Parliament of Canada, ladies and gentlement,—To-day will be for all time a memorable day for Canada. I need not remind you, Mr. President, how often I have expressed the desire that you might visit Ottawa during your term of office as President of the United States. We have hoped that on such a visit you would speak to the members of the Senate and the House of Commons, either within or without the walls of our Houses of Parliament. You know, too, how frequently His Excellency the Governor General and Her Royal Highness the Princess Alice have expressed the wish that they might have the honour of a visit from Mrs. Roosevelt and yourself at some time during His Excellency's term of office as the representative in Canada of His Majesty the King.

Perhaps I may be allowed also to mention how greatly, for personal reasons, I have looked forward to the pleasure of welcoming to the seat of government and to my own home one whose friendship, in ever closer association, I have been privileged to enjoy over many years. To-day all these hopes and wishes, so warmly cherished by the people of Canada, by their representatives in Parliament, by His Excellency and Her Royal Highness and by myself, are being happily realized.

On behalf of all Canada I extend to you to-day, Mr. President, the warmest of welcomes to the capital of our country. I thank you for having honoured our capital city by your presence at a time which is without parallel in the history of human affairs.

The Canadian people will, I know, wish me to express to you the admiration which they feel for you and for your great career. We recognize in you one who has always had a deep concern for the well-being of his fellowmen. We have long known that your services to the cause of freedom far exceed limits of race and bounds of nationality. We honour you as an undaunted champion of the rights of free men and a mighty leader of the forces of freedom in a world at war. We feel, too, a special affection for a lifelong friend of our country.

This is the first occasion on which a President of the United States has visited Canada's capital. It is particularly pleasing to us that this visit should have its association with your momentous meeting in the ancient capital of Canada with the Prime Minister of Great Britain. Over the past two years your meetings with Mr. Churchill have been the signal for great events. The conference at Quebec just concluded will, I am confident, mark a further advance towards final victory.

The city of Quebec is the birthplace of Canada. Beneath its cliffs, in 1608, Champlain founded a settlement and established a seat of government; upon its height is erected a monument commemorating in a single shaft the chivalry of Wolfe and Montcalm in the decisive battle of 1759. It is the city in which, in 1864, the fathers of the Canadian confederation assembled in conference to fashion the Canada that was to be. We were indeed delighted when we learned that Quebec had been selected as the place of meeting between Mr. Churchill and yourself.

We rejoice, Mr. President, that your visit to Ottawa comes at a moment when for the first time in our long history as close neighbours, soldiers of Canada and the United States have fought side by side. Combined British, United States and Canadian forces have just completed the occupation of Sicily as a first step in the liberation of Europe. Combined United States and Canadian forces have just occupied the last Japanese outpost in the Western Hemisphere.

The rapidity with which the American people gathered their strength, and the momentum and magnitude of their war effort, have filled the world with amazement. All Canada joins in admiration for the efficiency and heroism of the men of the fighting forces of the United States. In the south-west Pacific, in the Aleutians, in North Africa, in Sicily, in the skies over every battle-front and on all the oceans of the world, their deeds are recording a glorious chapter in the history of freedom.

In the combined efforts of the military forces and the peoples of the United States and the British Empire, joined with those of the heroic peoples of Russia and China and of the other United Nations, lies the certainty of complete victory over the forces of tyranny which have sought the domination of the world.

Canada counts it a high privilege to have the opportunity of drawing into relations of closer friendship, understanding, and goodwill, the United States and the nations of the British Commonwealth. We are firmly convinced that in the continued close association of the British Commonwealth of Nations and the United States of America lies the surest guarantee of international peace, and of the furtherance of the well-being of mankind throughout the world.

(Translation): Mr. President, once more, and using this time the other official language of our country, I wish to extend to you the most cordial welcome on behalf of all Canada.

Mr. FRANKLIN D. ROOSEVELT (President of the United States): Your Excellency, Your Royal Highness, Mr. Prime Minister and members of the Parliament, and all my good friends and neighbours of the Dominion of Canada,—It was exactly five years ago last Wednesday that I came to Canada to receive the high honour of a degree at Queen's University. On that occasion—one year before the invasion of Poland, three years before Pearl Harbor—I said:

> We in the Americas are no longer a far-away continent, to which the eddies of controversies beyond the seas could bring no interest or no harm. Instead, we in the Americas have become a consideration to every propaganda office and to every general staff beyond the seas. The vast amount of our resources, the vigour of our commerce, and the strength of our men have made us vital factors in world peace whether we choose it or not.

We did not choose this war—and that "we" includes each and every one of the United Nations. War was violently forced upon us by criminal aggressors who measure their standards of morality by the extent of the death and the destruction that they can inflict upon their neighbours.

In this war, Canadians and Americans have fought shoulder to shoulder—as our men and our women and our children have worked together and played together in happier times of peace.

To-day, in devout gratitude, we are celebrating a brilliant victory won by British, Canadian and American fighting men in Sicily.

To-day, we rejoice also in another event for which we need not apologize. A year ago Japan occupied several of the Aleutian islands on our side of the ocean and made a great "to-do" about the invasion of the continent of North America. I regret to say that some Americans and some Canadians wished our governments to withdraw from the Atlantic and the Mediterranean campaigns and divert all our vast strength to the removal of the Japs from a few rocky specks in the north Pacific.

To-day, our wiser councils have maintained our efforts in the Atlantic and the Mediterranean and the China seas and the south-west Pacific with ever-growing contributions; and in the north-west Pacific a relatively small campaign has been assisted by the Japs themselves in the elimination of the last Jap from Attu and Kiska. We have been told that Japs never surrender; their headlong retreat satisfies us just as well.

Great councils are being held here on the free and honoured soil of Canada—councils which look to the future conduct of this war and to the years of building a new progress for mankind.

To these councils Canadians and Americans alike again welcome that wise and good and gallant gentleman, the Prime Minister of Great Britain.

Mr. King, my old friend, may I through you thank the people of Canada for their hospitality to all of us. Your course and mine have run so closely and affectionately during these many long years that this meeting adds another link to that chain. I have always felt at home in Canada, and you, I think, have always felt at home in the United States.

During the past few days in Quebec, the combined staffs have been sitting around a table—which is a good custom—talking things over, discussing ways and means, in the manner of friends, in the manner of partners, and may I even say, in the manner of members of the same family.

We have talked constructively of our common purposes in this war—of our determination to achieve victory in the shortest possible time—of our essential co-operation with our great and brave fighting Allies.

And we have arrived, harmoniously, at certain definite conclusions. Of course, I am not at liberty to disclose just what these conclusions are. But, in due time, we shall communicate the secret information of the Quebec Conference to Germany, Italy and Japan. We shall communicate this information to our enemies in the only language their twisted minds seem capable of understanding.

Sometimes I wish that that great master of intuition, the Nazi leader, could have been present in spirit at the Quebec Conference—I am thoroughly glad he was not there in person. If he and his generals had known our plans they would have realized that discretion is still the better part of valour and that surrender would pay them better now than later.

The evil characteristic that makes a Nazi a Nazi is his utter inability to understand and therefore to respect the qualities or the rights of his fellow-men. His only method of dealing with his neighbour is first to delude him with lies, then to attack him treacherously, then beat him down and step on him, and then either kill him or enslave him. And the same thing is true of the fanatical militarists of Japan.

Because their own instincts and impulses are essentially inhuman, our enemies simply cannot comprehend how it is that decent, sensible individual human beings manage to get along together and live together as neighbours. That is why our enemies are doing their desperate best to misrepresent the purposes and the results of this Quebec Conference. They still seek to divide and conquer Allies who refuse to be divided just as cheerfully as they refuse to be conquered.

We spend our energies and our resources and the very lives of our sons and daughters because a band of gangsters in the community of nations declines to recognize the fundamentals of decent, human conduct.

We have been forced to call out what we in the United States would call the sheriff's posse to break up the gang in order that gangsterism may be eliminated in the community of nations.

We are making sure—absolutely, irrevocably sure—that this time the lesson is driven home to them once and for all. Yes, we are going to be rid of outlaws this time.

Every one of the United Nations believes that only a real and lasting peace can justify the sacrifices we are making, and our unanimity gives us confidence in seeking that goal.

It is no secret that at Quebec there was much talk of the post-war world. That discussion was doubtless duplicated simultaneously in dozens of nations and hundreds of cities and among millions of people.

There is a longing in the air. It is not a longing to go back to what they call "the good old days." I have distinct reservations as to how good "the good old days" were. I would rather believe that we can achieve new and better days.

Absolute victory in this war will give greater opportunities for the world because the winning of the war in itself is proving, certainly proving to all of us here, that concerted action can accomplish things. Surely we can make strides toward a greater freedom from want than the world has yet enjoyed. Surely by unanimous action in driving out the outlaws and keeping them under heel for ever, we can attain a freedom from fear of violence.

I am everlastingly angry only at those who assert vociferously that the four freedoms and the Atlantic Charter are nonsense because they are unattainable. If they had lived a century and a half ago they would have sneered and said that the Declaration of Independence was utter piffle. If they had lived nearly a thousand years ago they would have laughed uproariously at the ideals of Magna Charta. And if they had lived several thousand years ago they would have derided Moses when he came from the mountain with the Ten Commandments.

We concede that these great teachings are not perfectly lived up to to-day, and we concede that the good old world cannot arrive at Utopia overnight. But I would rather be a builder than a wrecker, hoping always that the structure of life is growing—not dying.

May the destroyers who still persist in our midst decrease. They, like some of our enemies, have a long road to travel before they accept the ethics of humanity.

Some day, in the distant future perhaps—but some day with certainty—all of them will remember with the Master—"Thou shalt love thy neighbour as thyself."

(Translation): Mr. Prime Minister, my visit to the old city of Quebec has recalled vividly to my mind that Canada is a nation founded on a union of two great races. The harmony of their equal partnership is an example to all mankind—an example everywhere in the world.

Hon. THOMAS VIEN, Speaker of the Senate (Translation): Mr. President, I have the signal honour and pleasure of tendering

you in my mother tongue, one of the two official languages of this country, the warmest thanks of the Senate, of the House of Commons and of the people of Canada for having graciously consented to visit our capital at the conclusion of the henceforth memorable Quebec Conference.

The sojourn among us of a President of the United States would suffice at any time to fill us with pride and enthusiasm. Yet we salute in you, Mr. President, more than the highest official of our sister nation and very good neighbour. We hail and acclaim in you a worthy successor of Washington, Jefferson, Lincoln and Wilson, to mention but a few of the great men who symbolize the glory of your country.

Faithful exponent of the spirit that moved the founders of the Republic, you see in the Declaration of Independence a guarantee of freedom not only for your people, but for all the peoples of the earth. Liberal, in the widest sense of the term, you are the friend of man, in whom you behold the image and likeness of our Divine Maker. Having exhausted the resources of a wise and patient diplomacy, you unhesitatingly took up arms to free him from the yoke of oppressors who brutally denied him the exercise of his inalienable rights to life, liberty and the pursuit of happiness. Were you not expressing your own philosophy of life when you so highly praised on a former occasion these words of Thomas Jefferson: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man"?

The British Empire, Canada and the civilized world owe you an immense debt of gratitude, Mr. President, for having come to their assistance on the morrow of Dunkirk, at an hour when the black clouds of defeat gathered threateningly on the horizon. Even before your entry into the conflict, you found the means of supplying Britain with ships, arms, munitions and the incalculable advantages of "lend-lease."

We Canadians are proud of the fact that we descend from the two greatest races in the world. Our hearts and yours, I am sure, shared the overwhelming grief of France, following the defeat of that unhappy country. We shall never forget that, for the second time in the life of this generation, your country has generously gone to the assistance of a France in mortal danger repeating Pershing's undying words: "La Fayette, we are here!"

When, with the proper perspective that only time can bring, the history of this era shall be written, you will stand in the forefront of that brilliant group of leaders—with Churchill, Mackenzie King, Stalin and Chiang Kai-shek—who have so nobly served humanity.

May I be allowed, Mr. President, to express the deep satisfaction I feel in reiterating to you the heart-felt thanks of the Canadian Parliament and people for having honoured us with your presence here to-day and having cheered us with your very comforting remarks. We pray God that He may grant you His favours in abundance, that He may bless you and the great Republic whose destinies you guide, until such time as we may all glorify Him together in final victory on the threshold of a lasting peace.

Hon. JAMES ALLISON GLEN (Speaker of the House of Commons): Mr. President, to-day Canada has been afforded the unique privilege of welcoming to our own capital the first President of the United States of America while still in office. This gathering is the culmination of a long-standing invitation given by the Right Hon. Mackenzie King to one who has been an intimate friend for more years than either of them would care to say. It is well sir, that you should tax the hospitality of your friends occasionally, and I can state confidently that everyone, young and old, in this vast assembly before you, together with that great unseen listening audience throughout the whole of Canada, look upon you with that possessive regard which is bestowed when a much-loved guest honours our home. I hope I shall not be misunderstood when I say that many Canadians affectionately call you "our President."

Canada will never forget the dark and dismal years of 1940 and 1941, nor will it ever forget that unparalleled act when you, as President of your great country, gave that generous and sorely needed lend-lease help which aided Great Britain to withstand and repel a conquering and then a seemingly invincible foe. National as well as human memories, with passing years and other conditions, sometimes fade and become remote, but it would be an indelible blot on our escutcheon if at any future time Canada or the democracies forgot the noble help your country afforded us.

It is therefore with real pleasure we behold in our capital your unmistakable figure and listen to that bold and confident voice so familiar to our ears. And what makes this day so memorable to us is the knowledge that it is to Canada particularly you speak. We have shared with the world in those intimate so-called fireside chats which you have addressed to your own people but which really encompassed the world and belong to the ages. Those fireside chats, clothed in language simple, ex-

pressive and enduring, the product of a gifted mind and balanced judgment, made their striking appeal because they are based on the eternal verities without which, as we believe, nothing is. To-day, sir, your speech is an outstanding example of those utterances which have endeared you to our people and caused dismaying fear to our foes.

The road still may be long and dreary and the end not yet in sight, but the issue is no longer in doubt; and upon you, sir, the tremendous responsibilities of victory will be part of your destiny. You will require the assistance of all who, like you, believe that good is the final goal of ill. We are confident that in Canada you will find that co-operation in peace which we have shared in war. All we desire is the right to exercise the four freedoms upon which an enduring democracy must be based. If I may say so, your own phrase—now a household word—"the good neighbour," definitely embodies these principles. We invoke the blessing of Almighty God upon you. May He strengthen and sustain you until victory is achieved and peace and happiness restored to this war-torn world.

Mr. President, in the name of and for Canada I thank you most cordially and sincerely for your presence with us to-day, and for your noble address.

The Senate adjourned during pleasure.

PROROGATION OF PARLIAMENT

SPEECH FROM THE THRONE

The Honourable Thibaudeau Rinfret, Chief Justice of Canada, having come and being seated at the foot of the Throne; and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Speaker of the Senate informed members of the Senate and of the House of Commons that His Excellency the Governor General had been pleased to cause letters patent to be issued under his sign manual and signet constituting the Honourable Thibaudeau Rinfret his Deputy to do in His Excellency's name all acts on his part necessary to be done during His Excellency's pleasure.

The Honourable the Deputy Governor General was then pleased to close the Fourth Session of the Nineteenth Parliament of the Dominion of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

When the present session opened a year ago, the initiative taken by the United Nations gave promise of impressive victories. During the year, that promise has been fulfilled.

The Axis forces in North Africa have been destroyed. The European mainland has been invaded. Italy has surrendered unconditionally. On the long Russian front the armies of the Soviet Union have relentlessly driven back the Nazi invaders. The Japanese advance in the south-west Pacific has been definitely halted. The invasion threats to Australia and New Zealand have been removed. On the mainland of Asia, the Chinese armies and people have continued to hold back the Japanese tide. The destructive enemy submarine campaign in the north Atlantic has been brought under control. On both sides of the globe the United Nations have maintained supremacy at sea and gained ascendancy in the air.

To-day, in Italy, German forces, despite stubborn resistance, are being compelled to yield ground. In Russia, great German armies face unparalleled destruction. In south-eastern Europe, there is growing unrest among Germany's satellite states. In the occupied countries, the people await the signal for open resistance. An ever-increasing aerial bombardment is destroying the war potential of Germany. It is bringing the war home to the German people.

In the campaign against the U-boats, Canada's Navy has had a prominent part. It has helped to maintain the bridge of ships across the Atlantic on which offensive action in Europe depends. During the year, all Allied naval forces in the north-west Atlantic were placed under a Canadian Commander-in-Chief. Units of the Canadian Army were among the first to land in Sicily, and again on the mainland of Italy. In hard battles won and hundreds of miles of difficult ground taken, our soldiers have had their full share in the accomplishments of this important campaign. They have made a record unexcelled by fighting men. On the opposite side of the world, Canadian forces joined with those of the United States in the occupation of Kiska in the Aleutians. In the attacks upon the U-boats, in the aerial assaults against Germany and occupied Europe, and over battlefronts around the globe, increasing numbers of Canadian airmen continued to take a telling part.

During the autumn, the Minister of National Defence visited Canada's overseas forces in Britain and in Italy. The transport of mail to the forces overseas has been greatly improved by the establishment of air mail services.

Provision of aid to our Allies continued to be a major factor in Canada's war effort. War supplies are being sent to Russia, to China, to French forces in Africa, as well as to the United Kingdom and other nations of the Commonwealth. They are supplied under the mutual aid legislation enacted during the present session, and are allocated by the Mutual Aid Board in accordance with strategic need. A considerable portion of Canada's mutual aid has been transported across the seas in Canadian built ships, manned by Canadian crews.

For more than a year, Canada has been sending wheat to Greece every month to aid in relieving the starving population. To assist in relieving famine conditions in Bengal, the Government has also taken steps to ship Canadian wheat to India.

During the year production reached the highest level in Canada's history. About half of the total has been devoted to war purposes. Farmers and fishermen have splendidly maintained the production of foodstuffs. No less devoted service has been given by those engaged in lumbering, mining, transportation and all branches of manufacture and distribution. Despite inevitable shortages, essential manpower needs of the armed forces, of industry, and of agriculture have been filled by voluntary methods and by national selective service. This has been facilitated by the patriotism and the skill of the vast majority of workers, both men and women, and by the co-operation of the provinces, local authorities and voluntary organizations.

When Parliament adjourned in July, a measure had been enacted to provide for the establishment of a national council to promote physical fitness. Unemployment insurance had been extended to additional groups of workers, and provision had been made for an increase in the amount of old age pensions. Provision was also made for the collection of income taxes on a current basis.

In the session just concluded, careful study was given by select committees of both Houses to the problem of full employment after the war and, in particular, to the establishment in useful and remunerative employment of the men and women of our armed forces and in war industries. Careful study was similarly given by select committees on social security to the most practicable measures of social insurance, and the steps which would be required to ensure their inclusion in a national plan which itself would include the establishment of a nation-wide system of health insurance. My ministers have given close attention to the recommendations of the select committees and to other investigations in the fields of post-war reconstruction and social security.

During the course of the year, the price ceiling has been splendidly maintained. My ministers have reaffirmed their determination to do all in their power to prevent inflation and to safeguard a basic standard of living. To this end the Wartime Wages Control Order has been simplified and strengthened. It will continue to be administered by the National War Labour Board. Consultation is proceeding with the several provinces regarding the enactment of a comprehensive code of labour relations which will be administered by a wartime labour relations board, and which will include the principle of compulsory collective bargaining.

Recognition of Canada's growing stature in international affairs has found expression in the expansion of our diplomatic and consular services, and in the agreements to raise Canada's missions to the United States, the Soviet Union, China, Brazil and Belgium, as well as the legations of these countries in Canada, to the status of embassies. Direct relations have been established with the French Committee of National Liberation. A Canadian representative with the personal rank of ambassador now represents Canada at Algiers. The year has also witnessed increased representation of Canada at international conferences and on international boards concerned with wartime and post-war problems.

In the month of August, the Government was host to the President of the United States and the Prime Minister of Great Britain and their advisers at a conference at Quebec. The Quebec Conference, like the earlier conference at Washington and the later conferences at Cairo and Teheran, was one of the milestones in the strategic planning of the war. Following the conference at Quebec, Ottawa was honoured by a visit of the President. It was the first occasion on which a President of the United States has visited the capital of Canada.

Members of the House of Commons:

I thank you for the financial appropriations you have made for the prosecution of the war. Their magnitude is again without precedent.

I am pleased that you made special provision for the appointment of parliamentary assistants to ministers of the Crown. I am glad that the hopes entertained of this development in the organization of Parliament have been so fully realized.

Honourable Members of the Senate:

Members of the House of Commons:

You will have been deeply gratified that, despite the increased level of taxation, the fourth and fifth Victory Loans met with an unprecedented public response. Clearer evidence could not have been given of the determination of the Canadian people to do their utmost in the winning of the war.

In bringing the present session to a close, I join with you in humble thanks to God for His merciful providence and for the increasing hope vouchsafed to the United Nations throughout this year of war.

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