DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FOURTH SESSION—NINETEENTH PARLIAMENT

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OTTAWA
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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1943

CANADA

House of Commons Debates

OFFICIAL REPORT

Thursday, January 28, 1943

FOURTH SESSION—NINETEENTH PARLIAMENT—OPENING

The parliament which had been prorogued on the twenty-seventh day of January, 1943, met this day at Ottawa for the dispatch of business.

The house met at three o'clock, the Speaker the Honourable James Allison Glen, in the chair.

Mr. Speaker read a communication from the Governor General's secretary, announcing that His Excellency the Governor General would proceed to the Senate chamber at three p.m. on this day, for the purpose of formally opening the session of the dominion parliament.

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Excellency the Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly the house went up to the Senate chamber.

And the house having returned to the Commons chamber:

OATHS OF OFFICE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved for leave to introduce Bill No. 1, respecting the administration of oaths of office.

Motion agreed to and bill read the first time.

GOVERNOR GENERAL'S SPEECH

Mr. SPEAKER: I have the honour to inform the house that when the house did attend His Excellency the Governor General this day in the Senate chamber, His Excellency was pleased to make a speech to both houses of parliament. To prevent mistakes, I have obtained a copy, which is as follows:

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 program 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 coordinate 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 reestablishment, 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.

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the speech of His Excellency the Governor General to both houses of parliament be taken into consideration on Friday next, and that this order have precedence over all other business, except the introduction of bills, government notices of motion and government orders, until disposed of.

Motion agreed to.

THE OFFICIAL OPPOSITION

RESIGNATION OF MR. HANSON AS LEADER OF THE OPPOSITION AND APPOINTMENT OF MR. GRAYDON—CHANGES IN PARTY LEADERSHIP

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, yesterday,

before concluding the business of the late session, in accordance with parliamentary procedure I announced to the house certain changes which had taken place in the ministry since this house had adjourned some six months earlier. To-day I take it as a part of my duty as leader of the house to draw attention, not to changes in the ministry, but to changes which have taken place in the opposition, in particular in the position of leader of the opposition.

May I say that had my hon. friend the former leader of the opposition, the member for York-Sunbury (Mr. Hanson), not told me personally on Tuesday evening last that he had definitely made up his mind that he would insist upon asking his followers in this house to relieve him immediately of the duty of leadership of the opposition and that his followers were meeting the day following to consider the situation, I certainly would have been very greatly surprised at the announcement which came over the radio last night and which also must have surprised all hon. members of this house. However, as we now know, the members of the official opposition met yesterday and, very reluctantly I am sure, accepted the resignation of the then leader of the opposition and later on selected for appointment as leader of the official opposition in this house my hon. friend the member for Peel (Mr. Graydon). I should like, therefore, immediately to extend to the new leader of the opposition my warmest personal congratulations and to extend to him in equal measure the heartiest congratulations not only of all members on this side of the house but, may I say, of all hon. members of this House of Commons. My hon. friend is to be greatly congratulated on the expression of confidence which the members of his party have given him in the choice which they have made. May I say I think the choice is one which members of the House of Commons of all parties will greatly welcome.

The hon. member for Peel has been in parliament now for some seven years, if I am not mistaken. He came into the house in 1935 and has been here continuously ever since. He has been a whip of his party. He has also been the chairman of the national committee of his party. He has a wide experience not only in political life generally but particularly in this house, and he brings to his position as leader of the opposition exceptional qualifications. He has—perhaps he will allow me to say it—great charm of manner, a pleasing disposition, also fine intellectual attainments. He has participated in the debates freely and always in a manner which I think has met with the general approval of the house. I can say to him with very great confidence that I am sure he will do honour to himself in the position which he is now holding.

I must say to him that I wonder now that, when the convention of his party was held at Winnipeg recently, he was not made the choice of his party at once, instead of the party taking two or three bites of the cherry —in this case it might perhaps be called a plum. For its own reasons the party thought best to make other arrangements.

My hon. friend has this also certainly to his credit, that he is neither too young nor too old for the position. May I say to him that I can speak with some degree of authority as to the position of leader of the opposition, because I held the post which he now occupies, for a period of some seven years and the experience which I had at that time gave me a very full understanding not only of the great responsibilities of the position but of its anxieties as well. I say to him immediately that I shall welcome opportunities of conference with him concerning matters which pertain to the business of the house. I hope in that connection he will not hesitate to make any demands upon me which at any time he may find advisable.

While I am speaking of the change of position in the leadership of the opposition of this house I think it might not be inappropriate for me also to make reference to the change in the leadership of the party of which my hon. friend is a member. When we met in this house at the beginning of a new session a little over a year ago the party of which my hon. friend is so distinguished a member, had just chosen a leader who, however, never made an appearance in the House of Commons, and for a year my hon. friend the member for York-Sunbury (Mr. Hanson) was in the position of having to lead the opposition and his party in the House of Commons but of not being the leader of the party in the larger sense of the word. I notice that at the convention of the party in Winnipeg that same procedure has been repeated. As a result we have to-day my hon. friend the member for Peel leading the opposition in this house while the chosen leader of the party is without a seat in the house. I mention this because in connection with our parliamentary institutions I hope that such a practice is not going to be permitted to grow into a custom. I take no exception to the compliment which the party of my hon. friend pays us on this side of

the house, in having two or three leaders.

I do believe that the British parliamentary system more or less demands that a political head of a party which occupies the position of an official opposition, should be occupying a seat in parliament. Although I do not wish to have my hon. friend believe that we are anxious to see him leave the position he now occupies, I hope that in the interests of parliamentary practice the chosen leader of the opposition will seek a seat in the house at an early date.

In speaking of changes, I should perhaps mention also the change that has been made in the name of the party opposite. However, I have been long enough in this parliament to see six changes in the name of the party, so evidently change of name so far as it is concerned has grown into a custom. I shall not say more on that at the present moment.

Now, Mr. Speaker, may I say a word in reference to my friend the hon. member for York-Sunbury (Mr. Hanson), who has held the position of Leader of the Opposition in this house since the early spring of 1940. When Mr. Hanson undertook to accept the position of Leader of the Opposition in this house he did so, I know, only because of the highest sense of public duty. At that time, he told me personally, and I know as well from his intimate friends, that he was not feeling any too strong physically and had reason to know that he must take particular care of his health if he were to be able to carry on for any length of time in public life. I know too that, after having been in the position of leader for a year or more, my hon. friend was anxious then to give up the leadership of the opposition because of the strain which that position involves; and now, in the third year, he has found it imperative to ask that he should be relieved of its duties.

As I have said, I know something of the anxieties and the responsibilities of a leader of the opposition as well as of a leader of the government. I must say frankly to my hon. friend that I have been amazed at the successful manner in which he has carried on his duties in this House of Commons over a period of three years, for I know something of the strain that he was undergoing all the time. However much any of us may have differed in our political views, I believe the entire membership of this House of Commons has had the greatest admiration for my hon. friend in the sense of duty he has shown. He has been an example to us all in the manner of his fulfilment of the duties of his high office and for the way in which he has carried on from day to day, month to month, and now as it has become from year to year. I think his performance all circumstances considered has been simply wonderful, and I am glad to have this opportunity to tell him so. Many times from this side of the house my colleagues and myself have marvelled how he found it possible to be in his seat the moment the house opened and to be there throughout the sessions, afternoons and evenings, almost without exception. I think it is true that no other member of this House of Commons has been as continuously in his seat during the past three years as the former leader of the opposition.

May I also say to him that I think this house and the country are alike indebted to him for what he has contributed in that time to the discussions and to the carrying on of the business of parliament. He came into the leadership of the opposition with an experience almost second to none of the members on his side of the house. He brought not only his wide business and legal experience but also a knowledge of parliamentary affairs gained over a long period as a member of parliament. For some fourteen years my hon. friend had been a member of this house before he became leader of the opposition; since that time there have been added three more years. He had served as a minister of the crown; as we all know, he is one who is widely read in matters of government and well informed on the questions of the day; and he has greatly contributed to the work of this house. May I say that I thank him warmly for the manner in which he has cooperated with myself and my colleagues in the business of the house during this period of war. There has been no period of history comparable to the present; there has been no time in the affairs of the world when there have been so many problems of the gravest nature, and the business of this house could not be carried on at all at a time such as the present if there were not a spirit of real cooperation between the government, the opposition and other members in parliament. Now I want to say quite frankly, while not taking exception to much in the way of criticism, that the criticism which the government has met with from outside of parliament, where persons are not as well informed on the public questions of the day as are most hon. members of the house, has been much more severe than the criticism in relation to the management of affairs in these years of war which has come from the members of this house, regardless of the party to which they belong. I put that down to the sense of real responsibility which my hon. friend himself has had, and which has been shared by other members in the house.

I do hope that, in giving up the position which he has held with such distinction, my hon. friend will find in the relief from the heavy burdens of that office an opportunity to gain full restoration of his health and that he will be spared many years to enjoy some of the rewards of the service which he has given to this parliament and our country.

In the name of parliament and of the country I take great pleasure in saying to my hon. friend that I think he has merited the thanks of both.

Mr. M. J. COLDWELL (Rosetown-Biggar): There are a few rare occasions in this house when the measure of a man can be taken and when tribute can be paid to a person apart altogether from the views which he may hold. I am glad, therefore, this afternoon that the Prime Minister (Mr. Mackenzie King) has paid tribute to the hon. member for York-Sunbury (Mr. Hanson). We have disagreed sharply in principle and on policy from time to time, but I think the hon. member for York-Sunbury has won the respect of all members of the house regardless of our political opinions and other affiliations.

The Prime Minister has eulogized his faithfulness to duty, which he has performed so well, and I am not going to enter into any details of that description. All I wish to say to the hon. member is this, that we join in wishing him many years of life in which he may look back upon this occasion, which I think must be to him a source of real personal gratification.

The leadership of the opposition is a very important position in our British and Canadian parliamentary institutions. Upon the shoulders of the leader of the opposition there devolves a responsibility which is perhaps exceeded only by that of the Prime Minister himself, and I am quite sure we all feel that the hon. member for York-Sunbury has fulfilled that high office ably and well.

I should like to congratulate the hon. member for Peel (Mr. Graydon) upon having been selected to act in the capacity of house leader in the absence of the leader who was chosen at Winnipeg. The hon. member has been here for the same length of time as I have been myself, and during the seven years we have grown to know him, we have grown to like him. Although I disagree sharply with the point of view of the Conservative party, nevertheless I appreciate the fact that to-day the party itself has chosen, to lead it in this house, a young man who has a great deal of charm of manner and who has always shown to all of us a keen sense of fair play. I wish him a long tenure of his office.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, if there is one thing in this country which we can very well afford to get along without from this time forward it is playing politics. I have been favourably impressed, since the hon. member for York-Sunbury (Mr. Hanson) assumed the responsibility of leader of the opposition, with the degree to which it seems to me he was free from ulterior political motive in the things he said. I desire to congratulate him upon that fact. Many times he was frank and sincere in his expressions to the point at which, perhaps, from a political point of view, he may have been described as indiscreet; but anything which he might have lost through any apparent indiscretion as a result of frankness was more than made up, I think, by the respect which was engendered, at least so far as I was concerned, by his frankness, his sincerity, and his sense of honour in carrying out his duties in this house. Everything else that I should like to say in this regard has already been said, and I therefore simply associate myself with those who have already spoken.

May I also congratulate the member for Peel (Mr. Graydon) upon the assumption of duties which he will find anything but pleasant as the days go by. I have no doubt he is public spirited enough to exert himself to the very limit in the discharge of his responsibilities. I doubt that in the whole history of the Anglo-Saxon race there has ever been a time when we needed more than we do to-day men of vision, men of open mind and men of honour, men who are capable of learning new things and learning from the old where that is found necessary. I wish to congratulate the hon. member upon the degree to which I believe he possesses the qualifications which are necessary to enable him to come under the classification which I have indicated. I may say, as I remarked to him this afternoon when I congratulated him personally, I shall be listening most attentively to all that he says.

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, I should be a little less than human and have an entire absence of pride and vanity in my make-up were I not deeply touched by the kind expressions with respect to myself to which utterance has been given here this afternoon by the Prime Minister (Mr. Mackenzie King) and by the leaders of the two groups to my left.

My first words to you, sir, and to the Prime Minister are, many thanks but not good-bye. If I have contributed in any measure to the

government of this country and to the national effort during this trying time of crisis, I shall feel amply repaid. I unbosomed my soul to the members of this house on May 16, 1940, when I said that in accepting this position even temporarily I did not intend to engage in a day-to-day dog-fight over political subject matters. I have tried to keep to that path. How far I have succeeded in aiding the government in its war effort, in a constructive manner, and at the same time tempered by criticism which may have been sharp at times, I shall leave you to judge.

I should like to extend my personal thanks to the members of this house and to you, sir, for the courtesy which has been extended to me at all times. One of the efforts which I made was to maintain and, if possible, to enhance the dignity of parliament. Parliament is a great institution and, if it is allowed to degenerate, it will but deserve the condemnation of the people who have sent us here. It is one of the fundamental duties of members, and those of us who are entrusted for the time being with the responsibility of leadership, to make parliament not only the vital thing it ought to be, but an institution which will command the respect of the whole country. That is one of the very bases of our democratic institutions, and I hope, indeed I am sure, that my worthy and able young successor will make that one of his main objectives.

I am not here to-day to pronounce any swan-song. I am not leaving the precincts of this house. But I felt that I could not carry on the responsibilities of leadership of the opposition for any further period. I hope to make some contribution to the discussions and to the work of the committees of the house as long as I am a member. In leaving the official position which I have held I trust I shall carry with me the respect and friendship of every individual member of this house, and I shall value that more than the applause of the multitude.

I have lived now a fairly long life. I have had my full share of the ups and downs of public life and of political battle, and I may say to you, sir, that in the declining years of my life the thing that I crave most is the respect and regard of my fellow citizens, which I have had in such full measure from the people who sent me here. I thank you.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, my first word as leader of His Majesty's Loyal Opposition in the House of Commons perhaps should be a word of appreciation of the help and guidance that my predecessor, whom you have just honoured by expressions of appreciation, has given me from time to time. I share fully the sentiments which have been voiced in that regard this afternoon. I am perhaps not able to express them as well as some who have spoken before me; but from the bottom of my heart I say to the hon. member for York-Sunbury (Mr. Hanson) who retired yesterday from the onerous duties of the office of leader of the opposition, that I join in the hope that he may be spared to enjoy a long and happy life as a private member of this house—at least until such time, if I may say so to the Prime Minister (Mr. Mackenzie King) without discouraging him—until such time in the very near future as we on this side of the house shall form the government.

At this time of course I did not intend to enter into any matters of controversy. But the Prime Minister was of a somewhat different mind, and for that reason I want to express one or two opinions before I proceed to what in the first instance I had intended to say.

The Prime Minister has a great and natural charm in dealing with young men like myself. I fancy that I should be careful and beware of the blandishments of the Prime Minister, lest I fall into some trap, which I know he would not purposely lay for me. But let me say this to the Prime Minister, with the courtesy that I learn from him—because of that he is a master. He spoke about the absence from the house of leaders of the opposition who are really leaders, as compared to acting leaders such as I—temporary leaders, if you like. Well, even those of us who are rather young can remember the days when the present Prime Minister was himself in similar situations. I remember very well, when I was younger and perhaps more impressionable than I am now, feeling that on two occasions at least the position in which the present Prime Minister found himself was a very difficult one. Sir, I take heart from what the Prime Minister has said this afternoon with respect to our outside leadership and inside leadership more perhaps than from anything else he could have said; because if we have the same success with ours that he had with his, I warn him to beware in the years to come.

The Prime Minister made some complaint about the custom or practice that had grown up. I take it he saw the growth of that practice beginning in the South York election. There are those in the country—certainly I would not want to subscribe to this view myself—who then felt that at that time the

Prime Minister himself contributed in no small measure to the growth of that custom and practice. In calling that to his attention may I assure him at once that it never was my view.

However, I wish also to say this—and with it I shall have finished with these perhaps facetious observations. We have had such a rush of progressive legislation since December 11 last that many persons across Canada are calling for an annual convention of the Progressive Conservative party. They feel that that is the way to cause progressive legislation to be brought forward by the present government. The Prime Minister may perhaps say that we have been having almost annual conventions. Let me say, Mr. Speaker, that if I thought another convention would help to prod the government into greater action, such as was so greatly needed, we would always be glad indeed to assist and cooperate in any way we could.

Seriously, sir, I do deeply appreciate and have been greatly moved by the kind words of the Prime Minister. Sitting in this House for seven years I think I have learned to sift the wheat from the chaff, and I believe there was a good deal of the wheat of sincerity in what the Prime Minister said this afternoon with respect to myself. I want him to know how very deeply I appreciate it, and what a great comfort and help his words are to me as I assume this exacting office.

To the leaders of the other groups I wish to say a similar word of appreciation. One of the things that I think a man treasures and prizes most highly in public life is the friendship he succeeds in building up not only among those of his own party but among hon. members all over the chamber. One of the things I value most highly is that I believe I have as many friends throughout this chamber as perhaps any other hon. member in the house —at least I like to think I have. For this reason I particularly like the tone of the utterances of those who spoke this afternoon. I did note in the remarks of one of the speakers an expression of the hope that I should have a long tenure of office as leader of the opposition. Perhaps it was a veiled but pointed hint that someone in any event was hoping Mr. Bracken would not find a seat in this house too soon. I always remember a close personal friend who sat where the Minister of Mines and Resources (Mr. Crerar) now sits, the late Right Hon. Ernest Lapointe. For him I had an exceedingly high regard. When I was appointed national chairman of the then Conservative party, he came over to my seat and, calling me by my first name, as he did on all occasions outside of the house, said: "I have been thinking what I should say to you. It has taken me some time to make up my mind. But, Gordon, I have this to say to you now: in your new job as national chairman I wish you success, but not too much!" I think perhaps that sums up pretty well what many hon. members in the house might like to say to me.

While in times of peace one might regard elevation to the high office of leader of His Majesty's Loyal Opposition as a great personal honour, and even to-day one cannot overlook that aspect of it, I regard my appointment at this time not as a personal honour but rather as a widened and extended opportunity for service at a critical time in Canada's history. It seems to me that transcends all matters of personal honour. May I go further and say that when one talks of service, and the opportunities for service, I think one is saddened and sobered by the realization of how little we actually do in this chamber as compared with the members of our armed forces who, in zones much more dangerous than this, are rendering service of a kind that we cannot approach here. Therefore this afternoon, when I think of the honours that may come to any civilian and the opportunities for service which may present themselves to any of us from time to time, my thoughts go back to those other services being rendered.

This afternoon I feel very humble as I undertake this responsibility. You, Mr. Speaker, will understand the reasons underlying that humility, because this position carries with it no small responsibility. Particularly is that so for one who has been in the House of Commons for only seven years and who has never occupied a position in the cabinet or government of this country. I am, however, at least fortified by my resolve to give to the extent of my capacity, my ability and my energy, limited though they may be, in the interests of our dominion and of the war effort generally. May I add that I hope I may have the health and strength to lead this party, temporary though that leadership may be, in such a way that we as a party may be able, without taking anything away from any other classes in this country, to do something worth while for the armed forces, for labour and for agriculture. For them, I hope I may be a spokesman.

With those objectives clearly in mind, I am now dedicating this Progressive Conservative party to these and such other aims as we may feel would make for a greater contribution by this country in perhaps the greatest time of stress through which this nation has had to pass.

I thank you, Mr. Speaker, for your indulgence this afternoon. It has not been easy for me to make my maiden speech as leader of the opposition, but my task has been made much easier by my feeling that this house has given me an indication of a confidence which I shall not lightly forget in the days that lie ahead.

STANDING COMMITTEES

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a special committee be appointed to prepare and report with all convenient speed, lists of members to compose the standing committees of this house, under standing order 63, said committee to be composed of Messrs. Mackenzie (Vancouver Centre), Michaud, Casselman (Grenville-Dundas), Johnston (Bow River) and Taylor.

Motion agreed to.

INTERNAL ECONOMY COMMISSION

Right Hon. W. L. MACKENZIE KING (Prime Minister) presented the following message from His Excellency the Governor General:

The Governor General transmits to the House of Commons a certified copy of an approved minute of council appointing the Honourable T. A. Crerar, Minister of Mines and Resources, the Honourable J. L. Ilsley, Minister of Finance, the Honourable J. E. Michaud, Minister of Transport and the Honourable J. A. MacKinnon, Minister of Trade and Commerce, to act with the Speaker of the House of Commons as commissioners for the purposes and under the provisions of chapter 145 of the revised statutes of Canada, 1927, intituled An Act Respecting the House of Commons.

On motion of Mr. Mackenzie King the house adjourned at 5 p.m.

Friday, January 29, 1943

The house met at three o'clock.

EXTRADITION TREATY

ARRANGEMENTS BETWEEN CANADA AND THE UNITED STATES GOVERNING EXTRADITION OF CRIMINALS

Right Hon. W. L. MACKENZIE KING (Prime Minister): On the concluding day of the last session the then leader of the opposition, the hon. member for York-Sunbury (Mr. Hanson), asked me a question with respect to the treaty between Canada and the United States governing the extradition of criminals. I said I would give my hon. friend the information at an early day this session. The fact is that the treaty, as the hon. member for York-Sunbury mentioned at the time, was signed on April 29 of last year. It was tabled in this house by my colleague, the Minister of Justice (Mr. St. Laurent), August 1 last. The treaty has been approved by the senate of the United States but it has not yet been ratified. It will be presented to this house for approval before it is ratified.

I might give the house this additional information with regard to the present position. Following the publication of the provisions of the treaty, the government received representations from many organizations in Canada who are interested in the marketing of securities. Extensive briefs were filed asking among other things for a modification of the provisions in so far as they might touch upon matters which could properly be regarded as legitimate Canadian business. These briefs and other representations, some of which have been recently received, have been the subject of careful study by the interested departments of the government. These studies are continuing. It is not possible at present to state the position which has been reached in this matter. Before ratification, the treaty will, as I have said, be submitted to parliament for approval, but it is unlikely that it will be possible to present it to parliament at an early stage of the session.

BUSINESS OF THE HOUSE

STANDING AND SELECT COMMITTEES—REVISION OF RULES

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Prime Minister if the government will take appropriate action to expedite the establishment of the various standing and select committees of the house.

I recognize that the rule has been that these committees are not officially constituted until the debate on the address in reply to the speech from the throne has been concluded. However, at this first opportunity I should like to indicate that it is the desire of the opposition members to have all the committees formally constituted so as to begin work this session with a minimum of delay. Too frequently in the past there appears to have been a great time lag between the formal constitution of the committees of the house and the actual commencement of their work. Indeed, some standing committees, having within their jurisdiction very important subject matters, have failed on some occasions to hold more than simply pro forma organiza-

tion meetings. Last session standing committees were formally constituted on February 19. The first committee to meet was the committee on printing, on March 4. The committee on agriculture and colonization met first on March 17; the committee on standing orders on April 30. The committee on banking and commerce did not meet until May 13; the committee on miscellaneous private bills did not meet until June 5; and the committee on railways, canals and telegraph lines held its first meeting on July 8. Six standing committees, namely, those on privileges and elections, public accounts, marine and fisheries, mines, forests and waters, industrial and international relations, and the debates committee did not meet at all during last session.

On March 2 of last year I asked for the appointment of a select committee on radio broadcasting. The committee was appointed on March 13, and did not hold its first meeting until almost two months later, on May 6. The first evidence was taken in that committee on May 14, and considerable criticism of the delay in this instance was voiced in the committee itself when it met. While I am on this point I wish to urge upon the government the acceptance of the recommendation of the last radio broadcasting committee's report, that a committee of the house review the policies and operations of the Canadian Broadcasting Corporation annually from now on, and particularly as soon as possible this session.

The fact that six of the committees did not meet last session and that other committees held very few meetings indicates the urgent need for some better plan of enlisting the services of members generally in the work of the committees of the house. The need is more apparent than ever in a war-time session of parliament, and I ask the government to take immediate steps in this direction.

Some early consideration, in my opinion, should also be given to reviewing and modernizing the whole of our parliamentary procedure. The war is bringing many changes in the lives of our people and in our entire national structure. Parliament, therefore, in my opinion should not only bring itself abreast of these changes but should show that it is not afraid to give leadership to them in its own internal conduct.

I ask the Prime Minister if he will give sympathetic and careful attention to the points which I have raised.

Right. Hon. W. L. MACKENZIE KING (Prime Minister): I am pleased to say to my hon. friend that I heartily approve the suggestions which he has made. Indeed, the government itself has felt that it was most desirable to have committees meet at an early day, and care will be taken to see that they are constituted as soon as the debate on the address is concluded, if not, by arrangement with my hon. friends opposite, before that time.

As to some of the committees not having met last session, that in no sense is a reflection on the government. As my hon. friend is aware, any member of the house has a right to ask that certain matters should be referred to the appropriate committees. If no request is made for a committee to meet, and matters are not thereby referred, there is obviously no need of calling a committee together.

My hon. friend has spoken about some delay in constituting the committees. I am quite prepared that we on this side should take our share of the blame, if such is to be given, for any delay; but I wish to point out to him that time and again the appointment of committees has been delayed because of the inability to get from my hon. friend and his supporters opposite the names of the members of his party whom they desired to have serve on committees. However, he no doubt intends to see that they act promptly in these matters and we may be spared that delay on this occasion.

As to the number of committees that are to meet, I imagine that a good deal of the time of members of the house this session will be taken up by service on the different committees, because there are some committees the work of which will require considerable time. I do not think the business of the house is expedited at all by having a very large number of committees, with members serving on two or three committees at one and the same time. Rather, I should think it would expedite matters to have the committees properly attended by limiting their number. I might mention immediately the committees which this year will be of special importance.

My hon. friend has asked that the committee on radio broadcasting should be appointed again this year. The government fully intends to see that it is reconstituted. The speech from the throne has mentioned the reconstitution of the committee on rehabilitation and reconstruction. It also indicates another committee, a very important committee, on social security. The committee on war expenditures will also be reconstituted, as well as the committee on the Defence of Canada regulations. In addition to these there will be the committee on railways and

shipping. It is possible there may be a committee on canteen funds. I do not think it will be necessary this year to have a special committee on land settlement, or one on vocational training, nor will there be the necessity of a special committee on the plebiscite. My hon. friend will recollect that that subject took up a large amount of time last year, and it accounted in very large part for the delay in constituting some of the other committees.

While I am speaking on the question of committees, I may say that the government has had under consideration the appointment of a committee on estimates, but before making any final decision in the matter I should like to have a word with the leader of the opposition and the other leaders in conference together.

There is one other committee to which reference has been made: a committee to revise the rules of the house. We have, as I stated on a former occasion, thought that a time of war was not the best time to revise the rules of the house. The rules of the house are designed to apply in ordinary times; in a time of war they have to be modified considerably. We hope the war is not going to continue for so many years that the house will be embarrassed in any way by having its rules remain as they are for the present, modified by agreement to such extent as has been the case in previous sessions. However, I do not wish to say a final word on that just now. But it is the present view of the administration that this is not the best time to have a committee consider the rules of the house.

NATIONAL WAR LABOUR BOARD

QUESTION AS TO APPOINTMENT OF CHAIRMAN

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I direct a further question to the Prime Minister? In the press of January 25 of this year there appeared a report with regard to the settlement reached in the steel strike, and one of the points mentioned was the appointment of a new chairman of the national war labour board. I was wondering if the Prime Minister would acquaint the house with the progress that has been made in that regard.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I may say to my hon. friend that the government is in communication with a gentleman who I hope will find it possible to accept the position. I hope to be able to make an announcement of his name to the house on Monday.

[Mr. Mackenzie King.]

FUEL

SHORTAGE IN WESTERN CANADA—DELIVERIES IN SASKATCHEWAN AND ONTARIO

On the orders of the day:

Mr. J. G. DIEFENBAKER (Lake Centre): I wish to direct a question to the Prime Minister in regard to the serious fuel shortage, particularly in the prairie provinces. What steps are being taken by the government to relieve that situation and to ensure that adequate deliveries, or at least some deliveries, are made to cities and towns in Saskatchewan that are almost out of fuel?

Mr. FRASER (Peterborough West): Ontario also.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Perhaps my hon. friend will be agreeable to having his question stand as a notice. A committee was appointed by the cabinet some little time ago to deal with the problem just referred to. Steps have already been taken to meet the situation, but I should prefer not to make a statement offhand as to what those steps are.

GRAIN POLICY

STATEMENT WITH RESPECT TO CROP YEAR BEGINNING AUGUST 1, 1943

On the orders of the day:

Hon. J. A. MacKINNON (Minister of Trade and Commerce): Mr. Speaker, I desire to make a statement with respect to the government grain policy for 1943-44—that is, with reference to the crop year commencing August 1, 1943.

This policy relates, in part, to the marketing problem and programme and, in part, to the production programme already announced by the Minister of Agriculture (Mr. Gardiner).

I shall deal first with the marketing aspects. Later, on behalf of my colleague, the Minister of Agriculture, I shall refer to phases of grain policy for the coming year that have to do especially with production.

My purpose in making a statement on this subject at this early date—so far in advance of the actual commencement of the next crop year—is to assist producers, as far as possible, to plan their 1943 crops. The government has arrived at its 1943-44 grain programme after very careful consideration on its own part; after full discussion with the Canadian wheat board; after having received the recommendations of the advisory committee to the Canadian wheat board; after a conference between federal agricultural officials and provincial agricultural officials and the Cana-

dian federation of agriculture; and after consultations between the United States and Canadian agricultural authorities.

The 1943-44 programme involved some important adjustments as compared with the 1942-43 programme, but retains the same general objectives. The marketing policy is definitely related to the general farm production programme announced by the Department of Agriculture.

1. The fixed initial price of wheat under the Canadian Wheat Board Act will remain at 90 cents a bushel for No. 1 northern wheat basis in store Fort William-Port Arthur or Vancouver.

2. Marketings of wheat in western Canada in 1943-44 will be restricted to 14 bushels per authorized acre. The limitation of marketings to 14 bushels per authorized acre, instead of using a total marketable quantity, will greatly simplify administration and each producer will know exactly how much wheat he can market.

3. The most important change in policy is in connection with wheat deliverable in 1943-44. Under the present regulations only wheat grown in 1942 may be delivered against the 1942-43 quota of 280 million bushels. Under the new programme any wheat which the farmer has on hand produced in 1943 or in any previous year will be deliverable within the quotas fixed for the crop year 1943-44. The government feels that this feature of its 1943-44 policy will result in a further reduction in wheat acreage and will enable producers to devote more of their land to the production of other crops which are required. Most producers in the west will have wheat on their farms at the end of the crop year, and consequently will be able to further reduce their wheat acreage in 1943 and still fill their 1943-44 delivery quotas. The general farm production programme contemplates a reduction of at least three million acres in the area sown to wheat in 1943 as compared with 1942.

4. Minimum prices for oats and barley in 1943-44 will be continued at 45 cents a bushel for No. 2 C.W. oats, basis in store Fort William-Port Arthur, and 60 cents a bushel for Nos. 1 and 2 C.W. barley, basis in store Fort William-Port Arthur, with lower grades in their proper relationship. Old crop as well as 1943 production of oats and barley may be delivered during the coming crop year.

5. The fixed price for flaxseed in 1943-44 will be continued at $2.25 a bushel basis in store Fort William-Port Arthur.

6. In connection with its policies in respect to delivery quotas, the use of available storage space and shipping facilities, the Canadian wheat board will give first consideration to the movement of those grains or grades of grain which are most in demand in 1943-44.

May I now turn to those aspects of the grain policy for 1943-44, which relate primarily to production and in regard to which, on behalf of my colleague the Minister of Agriculture, I wish to state the main decisions that have been reached.

The agricultural programme for 1943 announced following the conference held in Ottawa on December 8 and 9, 1942, required that there be an increased production of hog, cattle and poultry products in 1943 which should be continued into 1944.

The considered opinion of those best informed in the United States and Canada is that if we are to reach our objectives in live stock production in 1943 and 1944 there must be an increased acreage of coarse grains in Canada in 1943.

We are asking a 12 per cent increase in oat acreage and an 11 per cent increase in barley acreage. This is being encouraged by guaranteed minimum prices on barley and oats as last year.

In order to make provision for the required acreage we are asking farmers to reduce their wheat acreage by not less than 3,000,000 acres. To encourage this, the Minister of Agriculture will submit amendments to the Wheat Acreage Reduction Act, 1942, to provide payment of $2 an acre on each acre by which land seeded to wheat in 1943 is less than land seeded to wheat in 1940 based on the same acreage. If there is new breaking involved, 80 per cent of it will be counted as wheat and 20 per cent as coarse grains. No payment will be made in respect of abandoned land.

There is no assurance that flaxseed from an additional acreage can be disposed of in 1943. We are, therefore, not asking farmers to increase flax acreage over 1942. If there is any change in the requirements of flaxseed, farmers will be notified later.

Some difficulty is experienced in disposing of rye. We are, therefore, suggesting that rye acreage be reduced by 31 per cent.

Finally I wish to make a statement on the question of wheat farm storage payments, from this crop year of 1942-43. Due to altered circumstances affecting the marketing of this year's crops, it has been decided on the strong advice of the Canadian wheat board not to make payments for the farm storage of wheat.

In the past two crop seasons, farm storage payments were made because of congestion of country elevator space early in the crop year. At the beginning of this crop year, there were about 170 million bushels of empty storage

space, less working space, in western country elevators for the receipt of the new crop. Apart from a few persistently troublesome districts, it has been possible to advance quotas rapidly. Over one-third of the western delivery points now have their full wheat delivery quota of 14 bushels per authorized acre. Only 154 out of 2,149 points remain on an 8-bushel basis. In addition to wheat deliveries of 152 million bushels, western farmers have been able to sell 10 million bushels of flax and 100 million bushels of other grains. These alternative and additional revenues and the advance in the price of wheat have helped the farmers' position so that the conditions of 1940-41 were not applicable.

If farm storage had been paid this crop year, serious difficulty in accepting deliveries of 280 million bushels was anticipated. In all probability, the payments would have had to be accompanied by a required delivery date on certain percentages of the farmer's quota and this feature, in turn, would have been a considerable offset to the scheme. It has already been necessary for the Canadian wheat board to urge producers to deliver grain within their existing delivery quotas wherever there is available space at their local delivery points.

Prompt filling of available storage space has two important advantages. It brings forward more of the kinds of grain and grades which can be quickly disposed of in domestic and export markets, and thereby serves to increase the total sales of grain by having them on hand for shipment forward when required. It also helps the Canadian wheat board in making it possible for producers to deliver 280 million bushels of wheat in the 1942-43 season. This cannot be accomplished if producers withhold a substantial volume for delivery in June and July.

Mr. MARK C. SENN (Haldimand): There is one point on which I am not clear. Do I understand that there is to be a bonus of $2 an acre on any increased acreage of spring grains, that is coarse grains; and will that apply only west of the great lakes or throughout Canada?

Hon. J. G. GARDINER (Minister of Agriculture): The statement made on behalf of the Department of Agriculture was that legislation will be introduced in the house to provide for the payment of $2 an acre. There will be an amendment to the present act, which provides for payment only in the western provinces on the reduced wheat acreage.

Mr. E. E. PERLEY (Qu'Appelle): I am sure this house, the west and the country generally will appreciate getting this statement from the minister at such an early stage of the session. On no previous occasion has it been brought down so early, and I think it is a fine thing. I am sure, however, the minister could not expect us to follow the lengthy statement closely enough to ask questions on it now, but in one or two points I think it will be very disappointing to western Canada. I should like to ask a question or two. Did I understand the minister to say that about one-third of the delivery points have received the full 14-bushel quota that they were to receive on the seeded acreage of last year?

Mr. MacKINNON (Edmonton West): I did not say that. I said that over one-third of the western delivery points now have their full wheat delivery quota of fourteen bushels per authorized acre. In other words, the quota is there for the farmers to deliver.

Mr. PERLEY: Could the minister state when it would be possible for the other points to take the full fourteen bushels? There is a serious situation in certain districts, where the quota is only eight bushels.

Mr. SPEAKER: Order. I would direct the attention of hon. members to the fact that this is a statement by the minister, and there should be no debate in connection with it.

Mr. ROBERT FAIR (Battle River): There is one question which I believe is of vital interest to a number of farmers in western Canada who, because of weather and labour conditions, have not been able to get their 1942 crop threshed. I should like to ask the Minister of Trade and Commerce (Mr. MacKinnon) if he will not immediately bring in an amendment to the wheat board act permitting farmers to deliver, on their 1942 quota, any grain they may have in their bins, whether grown in 1940, 1941 or 1942.

Mr. SPEAKER: That is a question which should be placed upon the order paper.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY, MOVED BY MR. W. E. HARRIS AND SECONDED BY MR. MAURICE HALLÉ

The house proceeded to the consideration of the speech delivered by His Excellency the Governor General at the opening of the session.

Mr. W. E. HARRIS (Grey-Bruce) moved:

That the following address be presented to His Excellency the Governor General of Canada:

To His Excellency Major-General the Right Honourable the Earl of Athlone, Knight of the Most Noble Order of the Garter, a member of His Majesty's Most Honourable Privy Council, Knight Grand Cross of the Most Honourable Order of the Bath, Grand Master of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Cross of the Royal Victorian Order, Companion of the Distinguished Service Order, one of His Majesty's Personal Aides-de-Camp, Governor General and Commander-in-Chief of the Dominion of Canada.

May it Please Your Excellency:

We, His Majesty's most dutiful and loyal subjects, the House of Commons of Canada, in parliament assembled, beg leave to offer our humble thanks to Your Excellency for the gracious speech which Your Excellency has addressed to both houses of parliament.

I should like first to express my thanks to the Prime Minister (Mr. Mackenzie King) for the great kindness he has shown in asking me to speak to this motion. It is an honour which he has conferred upon the constituency of Grey-Bruce; but I know that every elector in that constituency will join with me when I say that the honour was actually conferred upon the armed forces of the dominion, for in all probability, as the Prime Minister has said, in 1943 all our armed forces will be in action, and for that reason this will be perhaps the most memorable year in the history of the dominion.

Up to the present time the Canadian army has not taken a prominent part in the war, but this year it will reach the peak of its strength, when it will be composed of two army corps. When it goes into battle it will have more tanks and more mechanized equipment than any other army of like size in the world, and in most instances, if not in all, the equipment which it will take into battle will have been made in Canada. It will be led by young officers, most of them younger than I am, who, along with their troops, have been trained for that day by one of the greatest soldiers of the British empire. More than that, our army has been planned and equipped by one of the ministers of this government who knows what an army ought to be, and who has created it accordingly.

The admiration and respect for the Canadian army which I met on all sides in Great Britain were based to some extent, it is true, on the reputation made by the Canadian corps in the last war, and I must say that every member of the Canadian army hopes that he will measure up to that standard. If he does, the Canadian army will take a leading part in the effort of the empire in this war.

While I was overseas I had the pleasure of being principally with English army units and in English schools, but I did get around to the Canadian army at various times. If I were to mention only one incident in particular it would be the three delightful weeks I spent with the regiment from the home town of the hon. member for Three Rivers (Mr. Ryan). That regiment was placed under, I suppose, rather strange circumstances. The boys were keen for battle and were prepared for it. Their morale was exceptionally high. May I state generally that the morale of the Canadian army was high when I went over there, and it was much higher when I came back, a condition I believe entirely due to the Dieppe raid. In that battle we found that the heroism of the Canadian soldier under the most trying circumstances is equal to any task he may be given. If there is one thing which does depress a soldier it is to find, after he has been completely trained, that he must spend a period of inactivity, during which time he is not being used in battle. Nevertheless when I say this, I am not saying that the Canadian soldiers in Great Britain are dissatisfied with the present condition. Each one, without exception, appreciates the great honour the war office has conferred upon him in saving him to act as the spearhead of the attack when we seek to liberate the peoples of Europe from German domination. That understanding of his ultimate goal and ultimate honour has made the Canadian soldier curb his impatience, and eager to train against that day.

Naturally when overseas I took the opportunity to compare the three armies, that of Great Britain, the United States troops which were present, and our own. I also had some time to see what the civilian population was doing, and if the house would permit I should like to tell briefly what I saw. The male civilian in Great Britain is either in war industry or medically unfit for that work, and is carrying on an essential civilian occupation. He is a member of the home guard and takes his turn at fire watching, checking blackouts and performing similar duties. As a member of the home guard he drills on at least one and sometimes two nights a week, and in the summer months from Saturday afternoon until Monday morning he is in the field with the active army receiving instruction in further defensive tactics. That is a weekly programme sufficient to test the strength of many people listed as category A in the active army. His duties, however, are increasing rather than diminishing, because each member of the home guard in Great Britain realizes that in a short time nearly all the armed forces of

Great Britain and her allies will leave those islands, and that they will then have to defend themselves against possible German invasion.

The women of Great Britain are in war industries. They have replaced the men in civilian occupations, particularly those in the transportation systems. They belong to Red Cross organizations and more particularly to organizations distributing food and clothing sent from this country and the United States. So perfect is their organization that when a family is bombed out, but is fortunate enough to survive, although deprived of all their belongings, with the possible exception of the few clothes they may be standing in, within an hour or so, no matter what time of the day or night the bombing may have taken place, the family is placed in new quarters and supplied with a variety of clothing of the correct sizes and provisions for the coming day. This is done by married women who probably in the day time have looked after the children of other married women in war industry, have done some Red Cross work and have managed to keep their own households going. I can think of no contribution being made in this time of war equal to that of the married woman of Great Britain who not only works the hardest and is the lowest paid, but who is doing her work cheerfully, and in full realization of the dangers just across the channel. Therefore, if this afternoon I make some comparisons, I do so with a full knowledge of the great efforts being made not only by the civilian population but by the three armies of which I have spoken.

Having all that in mind, I should like to tell the house that from what I have seen the Dominion of Canada can be justly proud of her civilian war work as well as of the fighting qualities and numbers of her troops. We have overseas over 200,000 soldiers, sailors and airmen, and we shall have more shortly. We have another 200,000 under arms in Canada either in training for overseas service or on active service defending our country. To the very last day of the war we shall require a considerable number of them, to defend our coasts from Alaska to British Columbia and from the maritimes to Newfoundland, and shall have to keep troops in those localities. That is essential, and the duty they are performing is equal to any contribution that will be made.

I understand that last year our enlistments exceeded those of 1941. What is even more important is the fact that the enlistments of the last half of 1942 exceeded those of the first half. That is a record which this country did not have toward the end of the last war, and one of which we may be exceptionally proud.

It does not seem long ago that the Minister of National Defence for Naval Services (Mr. Macdonald) announced in the house his programme for the expansion of the Royal Canadian Navy. We now have 46,000 men and over 500 ships in the Royal Canadian Navy. The duty they are performing, if not greatly publicized in this country, is one which the people of Great Britain fully realize. They have a great appreciation of the protection afforded the transportation of food which has maintained that country. I do not know of any person engaged in war who undergoes a strain equal to that of the man serving in the navy. Those of us in the other services undoubtedly have moments of danger; but for long continued danger there seems to be none equal to that of the man who goes to sea over long periods of time and under a constant submarine menace.

In the Royal Canadian Air Force we have 150,000 men, a force which I believe fully justifies the planning in the fall of 1939 and justifies the hope of the Prime Minister expressed at that time that the training programme would expand and might very well be the largest single contribution of this country to the war effort. The Royal Canadian Air Force is now growing in the number of squadrons under its command, and in addition to that we have a great many men in the Royal Air Force. There is something exceptionally comforting in the knowledge of a fighting man that he has friends overhead in time of danger.

I understand the Royal Canadian Air Force has served on every front and at all times, and has performed the perhaps less glorious but nevertheless essential and important duty of going far out to sea in the protection of our coasts.

I understand that we have enlisted and enrolled over 700,000 people for military service in this country. On any basis of population we may wish to take, that is a record which will compare most favourably with that of any of our allies. In addition to this I believe we have over 900,000 people directly engaged in the war effort through the manufacture of munitions, and the like. Another 150,000 are engaged indirectly in the services essential to these manufacturing concerns. This makes a grand total of people directly engaged in the war effort in the Dominion of Canada of well over a million and a half. That again is a record of which we need not be ashamed. On the contrary, while pride is not expected of our own efforts, I assure you, sir, that all this is appreciated in Great Britain and by everyone there to whom I have spoken.

The speech from the throne indicates that this will be a session of post-war planning along with the maintenance of our present war effort, and in this connection I should like to say that one of the greatest things that we can do is to continue the close relationship that we have with the United States. We are greatly indebted to the United States for the efforts she has made in this war, and we shall be more indebted as time goes on. At the same time the United States is indebted to us for having maintained Great Britain with food and supplies from the fall of France to the end of 1941. In this mutual respect for each other's contribution lies the greatest hope for our future relationship, in particular in connection with our trade arrangements with the United States.

Some three years ago the people of this dominion were called upon to choose a leader for the coming four or five years. At that time many reasons entered into the choice, but I think there was one on which we all agreed, that is, that at that critical time in our history it was essential that we should have as a leader of this country some one who was well known and whose talents and honour were respected in the United States and in Great Britain. If that were true then, as it undoubtedly was, it is equally true at the present time, because in the post-war period, being among the united nations which will plan the future, Canada will need someone with experience and who is held in the same high regard by the nations which will make the decisions.

There has been some undue optimism about the duration of the war. There has been some quite sound optimism over the conclusion of the war, but it is unfortunate that many people, some of whom have the public confidence, have been making guesses as to the duration. This past summer the German army launched one of the greatest offensives in military history and caused grievous loss to our Russian allies and made great gains. If at the present time the German army is retreating and forfeiting most of those gains it is not due to the cracking of that army; it is due to the heroism and military wisdom of our allies and the material support which this country, Great Britain and the United States have given to Russia. There is no sign in my opinion of the German army cracking permanently, nor is there yet any sign of the morale of the German people cracking. We should carry on the war on that basis and with that belief.

As the war proceeds it will be inevitable that along with our allies we shall redeem certain lands now occupied by Germany. The north African campaign demonstrated that along with carrying on military efforts it is necessary to supply food for the civilian population, and this will be necessary with other civilian populations that we temporarily take under our control. Only the United States and Canada have the means to do this. It is fortunate that we have set up a joint committee of our agricultural departments so that we may work in conjunction with the United States.

It seems to me that despite the discussion this afternoon about our surplus of wheat, it is essential that we produce more food in this country, perhaps of other kinds, in 1943 and 1944. To do this it is necessary that the farmer obtain more labour than he has at the present time. I am sorry to say that in my own constituency the production of food fell off slightly during the past year. It would have fallen off more had it not been for the extra efforts of the farmers themselves. I know that this is a great problem, but I know that the government realizes its importance. It is a man-sized job, and I notice a man-sized man is taking care of it. But if my own riding is to be taken as a sample of rural Ontario, I assure the government that they cannot expect increased production unless some labour is provided for the farmers.

I do not presume to make suggestions to the committee on post-war planning, but I should like to refer to the great numbers of people in Europe who undoubtedly will want to come to this country when the war is over. Many look back upon the period of 1900-1910 as the period of greatest progress in the dominion, but many people said that we could not assimilate the people who came here at that time. After the last war there was a similar opinion that the large numbers of people who entered the United States could not be properly assimilated into their population. The test of both these worries has come during this war. Many of the people who came to this country from Europe and many of their descendants are in our armed forces, as great a percentage as the percentage of those who came from the British isles. The same condition obtains in the United States. I do not think we need to fear the coming to this country after the war of the people of various races. As has been said many times, we have exceptionally large quantities of raw materials which are awaiting manufacture and export. It seems

to me that these can be turned to profit by creating a population here much larger than we have at the present time.

If I may, I should like to say what I think the Canadian soldier expects when the war is over, and I intend to give the thoughts of soldiers with whom I have been in contact for the past thirty months. He is fully aware that at the present time his pay and dependents' allowances is on as high a level, if not higher than that of the soldier of any other country. He knows the standard of living in this country is as high, if not higher than that of any other country. Therefore he expects that the income to himself and to his dependents will be on a like level. I know the government is well aware of this. I suggest, too, that pensions might be reconsidered because it may be that the present pension level does not bear the ratio it should to the pay and allowances.

However, when the Canadian soldier returns—I include also the Canadian sailor, the Canadian airman and all the women who have joined the auxiliary services—he will naturally expect his old employment back. We have provided for that by statute. But the house will understand that few soldiers who come back after three years of war will want to reengage in the employment they left. Their horizons have widened, and their ambitions are greater. They would like better employment and, without resentment, they hope they will get it. That is all that the Canadian soldier expects. His own talents are sufficient to do the rest.

I am very glad to see that social insurance occupies a prominent place in the government's programme. Our soldiers in Great Britain have learned that in Great Britain milk and fresh fruits are rationed to hospitals and children, and as a result the health of the children in Great Britain has shown a decided improvement. I suggest to this house that it should be our purpose to see that all children born in Canada have a sufficient supply of these foods at least so that the health of this nation will improve greatly within the next twenty years. It is surprising that with our good climate our health standard was not so very much higher than that of other armies of the world. It is a first essential that the health of this country should be improved, and may I make bold to say that if it requires the expenditure of public money, whether by way of subsidy to maintain the production of domestic foods or to purchase foodstuffs from abroad, it is our duty to provide the money.

[Mr. W. E. Harris.]

Mr. Speaker, we have demonstrated in this country that two great races can live side by side and progress so long as the minority respects the majority and so long as the majority is zealous to maintain the rights of the minority. That is a lesson which has yet to be learned in Europe, and it is a lesson which we should try to teach many peoples. Along with the United States we have shown that political differences do not need to interfere with mutual trade and mutual respect, and I am sure that our two countries can show that we have a higher standard of living on this continent and that we have also the proper approach to post-war planning.

In connection with many of the speeches one hears about democracy I suggest to the house what I said last year, that we represent democracy as it is known in Canada, and in our name there are going to be many sacrifices made this year. I hope, indeed I am sure from the past record of this house, that its deliberations and the decisions made at this session will be on a sufficiently high plane to justify the sacrifices which are going to be made this year, and those decisions I am sure will be directed to making a greater Canada, not for the sake of greatness, but because we can contribute something to the welfare of humanity.

Mr. MAURICE HALLE (Brome-Missisquoi) (Translation): Mr. Speaker, it is with great pleasure that, on the occasion of my maiden speech in this house, I second the motion which the hon. member for Grey-Bruce (Mr. Harris), my brother in arms, has just made with such ability and eloquence.

I believe the Right Hon. Prime Minister (Mr. King), when he charged me with this pleasant task, intended first to pay a tribute to the electors of Brome-Missisquoi, who, in this war, as in the 1914-18 conflict, elected to this house a member of His Majesty's armed forces. In both cases, the people of my constituency, willingly forsaking their immediate interests, knew that by returning a soldier they would in all probability have to do without the services of their representative for an indefinite period of time.

Only a few hon. members of this house have been personally acquainted with the valiant representative of my constituency in 1914; but I am sure that every one of us has had the opportunity of admiring the splendid bronze monument erected near the entrance to this house to the memory of Lieutenant-Colonel George Harold Baker, member for Brome, commanding officer of the 5th C.M.R.,

fallen on the field of honour on June 2, 1916. On behalf of all my constituents, I have to-day the honour of publicly rendering to his memory the homage of our admiration, and his name will ever remain for us a symbol of patriotism and devotion to duty.

May I be permitted to add, on behalf of all the sailors, soldiers and airmen hailing from the picturesque valleys and mountains of Brome and the fertile plains of Missisquoi, that we shall have no rest in the present conflict, until the enemy has been vanquished again and we hope, rendered powerless to start another war.

The people I represent do not differ from the population of any other agricultural constituency; they are peaceful, industrious, frugal, loyal, slow to enthusiasm and anger; however, once they realize that they have to deal with a cruel and ruthless enemy, bent on systematically destroying all the free institutions which they respect and consider as being essential to life and happiness, this same people suddenly become warlike and thirst for vengeance and, for them, peace would henceforth be but an empty word, unless it were brought about by a victory as complete, as total, as the war itself.

Personally, I aspire to one thing only, the privilege and honour of being worthy of such electors and of such a predecessor as Colonel Baker.

Mr. Speaker, on many occasions since the outbreak of war I have had the privilege of meeting my electors, publicly and privately, in their homes or on my own farm, in workshops, in army camps, in places of amusement, at exhibitions and on the street. I have always made it a point to discuss with them the serious problems which confront us at this time and I am sure that I understand quite well their reactions.

I have had lengthy conversations with people who own prosperous farms and large herds of cattle, whose sons are in the army and who often must, together with their wives, their younger sons and their daughters, and with what little farm help is available, toil from five o'clock in the morning to eight o'clock at night in order to maintain their normal production or reach the output which is so earnestly requested of them by the Minister of Agriculture (Mr. Gardiner). Transportation facilities are very much curtailed, spare machinery parts are almost impossible to obtain, feed is expensive and scarce, amusements are non-existent, expenses are high while income is low, but nevertheless those farmers and their families have told me that they considered themselves fortunate to be able to make at least some contribution to victory.

I have talked with railroad men, who are numerous in my constituency, men who, night and day, on Sundays or week days, in fair or foul weather, and under conditions which are sometimes almost intolerable, are endeavouring to cope as efficiently as possible with the tremendous task of transporting the army, the civilian population, the war material and the ordinary trade goods, and they have assured me that, in their opinion, no sacrifice will be too great for the triumph of our cause.

On various occasions I have endeavoured to ascertain the opinion of the workers in factories and workshops, of merchants, civil servants, clergymen, barristers and physicians, and from all of them I have had the same reply: "We will do whatever is necessary to win this war—we will do our utmost."

A deep significance underlies those outspoken and gratifying utterances, for our people are not unlike others, and if they accept all the sacrifices requested of them, it is because they are firmly convinced that such sacrifices are absolutely necessary. Mr. Speaker, I wish to convey to this house the inner thoughts of my constituents, so that my fellow members may compare them with the feelings of their own electors, for provided a spirit of self-sacrifice in the face of the dire needs of war is shown from the Yukon to Nova Scotia, among French- and English-speaking Canadians and in the various classes of people, we shall then be able to assert unhestitatingly that such a population is united and shall never be vanquished.

The nefarious work of the axis powers has been described as follows by one of our church leaders, His Eminence Cardinal Villeneuve:

> An attempt at world-wide destruction, morals of barbarous ferocity, a philosophy substituting greed for judgment, a despotic enslavement of all liberty by fire and sword, an atheistic cult glorifying brutal force and selfishness.

The Canadian people, Mr. Speaker, realize more and more how this description carries no exaggeration with it and has now come to appreciate the fact that the future existence of our free institutions both Christian and democratic are at stake, perhaps for centuries to come. Surely, in such great peril, any thought of personal ambition and professional gain does seem futile and despicable. One thing now matters: national welfare—and I mean national as opposed to sectional interests.

Such is the first of the motives I had referred to, motives which prompt our people willingly to accept all sacrifices required of them by our leaders.

Such success as the leaders of enemy countries have attained until now they owe to their diabolical ability to instil into the minds of the unfortunate people under their domination a boundless faith in their nefarious doctrines. Against this powerful and fertile root of evil works, against this faith, if we want to win, we must set up a faith that is stronger still—a faith in liberty: political liberty, liberty of conscience, liberty of thought and action, all liberties which appear so natural to us nowadays that it took a long time and irreparable catastrophes for a great number of people to realize that civilized nations such as Germany, Italy and Japan had deliberately planned their destruction. Such is the faith in liberty which dwells in the hearts of our people.

War has taught us a great lesson in solidarity—that is to say that liberty is the common good of all peoples—and that should one nation have its liberty taken away we are immediately threatened with the loss of our very own. Without liberty for every people on earth, peace is unthinkable, and without peace can there be no question of true liberty? If we would continue to enjoy peace and liberty we must suppress once and for all time every source of aggression and domination. We must immediately devote all our efforts to that one end. We must cease right now wasting our vital energies in futile and dangerous demands for advantages which in final analysis are but the normal consequence of the liberties enjoyed in common by all Canadians.

Such are the principles which inspired our gallant Canadians at Dieppe with the courage and heroism which they so brilliantly displayed. The opposite principles are those which inspire certain exponents of theories having nothing whatever in common with the successful pursuit of the war. Fortunately, their subversive ideas find no adepts among us, for the people I was referring to a moment ago and who, in their humble sphere, endeavour to cooperate to the best of their ability in the common enterprise, who willingly accept more and more sacrifices for the sake of victory and who were telling me there was nothing they would not do, are quite convinced that the present struggle is directed against principles which are destructive of all freedom, against totalitarianism, that is, against the absolute negation of what we claim to be our rights as free men, as free partners in the task of establishing a Canadian nation.

[Mr. Hallé.]

Such is the deep conviction which makes it possible for them to carry stoically the growing burden of taxation, the material restrictions in ever increasing numbers and the prolonged absence, sometimes without hope of return, of some members of their family.

Those who see in the present conflict nothing but a struggle for commercial or territorial gains are greatly mistaken. Our foes' ambition shall not be so easily satisfied. They aim at something far more dangerous to our national life, for there is no secret about the axis plans and they are in every way opposed to our national aspirations.

A new order would be established all over the world, in Canada as elsewhere, an order wherein there exists no room for liberty as we understand it. When liberty is mentioned before us, we immediately visualize a sacred and fundamental privilege which the Canadian people have cherished above all else ever since the beginning of their eventful existence and even before ever having set foot and settled in the New World. It has been said, as a matter of fact, that the vast majority of settlers who left France for Quebec in the 17th century did it from a love and spirit of freedom and to escape the growing encroachments of an absolute government. They loved freedom and liberty more than riches, more than security, more than life itself.

Ever since they settled in Canada, there followed a ceaseless struggle for self-government and a minimum of interference from Metropolitan France and the Sovereign Council. One need but read the history of Canada under the French regime to realize the marked difference already existing at the time as between Frenchmen and Canadians. The French considered Canada as a crown property and meant to be its undisputed masters. The Canadians claimed that this was their homeland and in their non-cooperation policy they went as far as to refuse to wear the king's uniform. The government authorities had even found themselves compelled to describe the Canadians under the name of "habitants" instead of "subjects," the latter term applying only to Frenchmen temporarily residing in the colony. When they waged war, and they were efficient soldiers, they did so alongside France and as Canadians, not as Frenchmen. That struggle was still going on in 1759. I believe that my English speaking fellow-citizens should ponder the fact that even under the French rule, we were inclined to have our own way.

The English rule which prevailed at the end of the 18th century and the political evolution of the 19th century did not bring about any

change and to-day a similar touchiness is evidenced among the various classes of our population. That is why, at the beginning of this war, and probably on account of the fact that it seemed impossible, nowadays, to witness the disappearance of freedoms we had gained through the course of time and by dint of hard struggles, it has seemed that the French-speaking population considered the present conflict as just another imperial venture conducing solely to more favourable geographical arrangements and to trade adjustments.

However, our church, government and military leaders; I mean our real leaders, Lapointe, Godbout, Power, Cardinal Villeneuve, Mgr. Charbonneau, Vanier, Leclerc, Panet, LaFlèche, to mention only those that readily come to my mind, those leaders, I say, were quick to tell our people that the present conflict is a total war threatening the political, social and moral institutions of all countries of the world, without excepting Canada or the province of Quebec; a war which is the most serious challenge to our civilization based on human freedom.

Our population then realized that it had the same reasons to oppose Hitler as had heroic Russia who now amazes the world by its marvellous courage, its incredible tenacity, its military prowess and its victories. The time had come for the axis countries to meet on their destructive march another people prizing freedom above life itself. My constituents greatly admire the Russians and the same feeling is noticeable in the ranks of every unit of the Canadian army.

The history of the world shows very clearly that American countries are privileged. All but a very few were founded and have lived in freedom. They have not, as Russia, been forced to tear down before rebuilding. To them freedom comes as naturally as the air they breathe or the rays of the sun that give them light and comfort. If they are generous at heart, and who would claim they are not, they should lead the fight for the rights of a free and Christian world. That is exactly what our town and country people understand and which gives them the courage to face the difficulties of the hour.

In October, 1942, I was permitted, as an observer, to be present at the American army manoeuvres in the state of Tennessee. In a few weeks, I soon learned the extent of the common aspirations and convictions of the nations of America, how well the gigantic and planned effort of Canada in this war was valued and admired, and also what the Americans will expect from us when our troops finally come into contact with the common enemy. I also became gradually aware of the real meaning of the expression: brotherhood of nations, for the American is truly the brother of his Canadian neighbour.

I was very much impressed by the rapidity with which that great nation built its military and economic organizations, but what impressed me most was the following opinion expressed by a sergeant of the American army:

> When every free man will understand that his mind be in unison with the mind of those who give their lives for liberty on the battle fields, when every free man will understand that the main goal of all free men calls for the same fervour, the same perseverance, the same firmness and the same toughness that we find in our armed forces, it will then be the beginning of the end of the war, not before.

I sincerely think, Mr. Speaker, that the Canadian people have reached that stage and when the moment is ripe for action, nothing will stand before them. Speaking for my comrades overseas and myself, as I shall be with them in a few days, may I express the wish to witness that hour very soon.

The French speaking Canadians of my riding have gone through the same evolutions of thoughts and sentiments as their English speaking neighbours, and it is with joy and pride that they have learned of the steps personally taken by the Minister for National Defence (Mr. Ralston) to give them, in the conduct of the armed forces of our country, a share proportionate to the increasing number and experience of our French speaking soldiers. Accordingly, we have witnessed the creation of infantry brigades, artillery regiments, and I am proud to be in command of one of them, battalions of engineers, tank regiments, army service corps and signals, hospital and field ambulances, of one bomber squadron, also of camps, naval stations and training schools for sailors, soldiers and airmen of French language, in command of French speaking officers. This task is carried on every day; but for its final achievement we still need the unanimous and unreserved support of all my French speaking fellow-countrymen, including those who are at present more worried about post-war conditions than about the efficient pursuit of the war itself.

I can only mention here the complete co-operation existing between the officers of the two great races of this country. Indeed, this

valuable cooperation is maintained between all the races found in the armed forces. I want to mention this fact because it seems to be ignored by some of my compatriots. In my estimation, it is no overstatement to say that owing to the direct influence of the Minister of National Defence, the problem of the French-speaking minority has become practically non-existent in the Canadian army. I wish to thank him therefor publicly. He may be assured that this new measure of unity will have a strengthening influence upon our army.

I have spoken so far on behalf of my electors, who, I know, share the views of Canadian citizens in every other section of Canada. I have also spoken as a soldier—and here again I am convinced that both the soldier and the civilian have but one object in view —victory. Before bringing my remarks to a close, I wish to say how gratified we felt upon hearing that immediate provision is to be made, in order that the post-war period may be one of well-controlled readjustment, because both the members of our armed forces and the civilian population are somewhat apprehensive, and justly so, at the thought of the difficulties they will have to face.

We do not need any inside information, Mr. Speaker, since the Casablanca meeting, to realize that the war is coming to a climax. Our Russian allies are hurling back to the border the German armoured legions. Rommel has been driven out of Egypt and Libya. Tunisia has become one of the world's most important battlefields. Japan is ready to pounce again in the Pacific. In western Europe the rumble of approaching battle is in the air. The Dieppe raid was a double warning, a warning not only to the enemy but also to us; for the breaking into the occupied continent will exact a heavy price from us, no less than it will inflict punishment on them. In Great Britain our Canadians who have until now been playing a defensive role are being transformed rapidly into an army of assault. In Canada the people are being told to brace themselves for less food and more work. I have shown that they are ready for this. On every side and in every way we are turning out for the fight to a finish. As this climax draws nearer it is well to ask ourselves this most important question: Is our present leadership equal to the task? Speaking for my constituents and for myself, speaking as a soldier in the Canadian army, I say to the government: Go on with the good work. We feel that every single minister in the cabinet is doing a great job and doing it in the right way.

I have only this to add. Many of us in Canada and overseas have as yet done little or nothing for victory. Some of us are better off than we were before; some of us are even working less than we used to and being better paid for it. It is unlikely that we shall be lucky enough to get off, in the end, as lightly as we have done so far. We have a lot of slack to take up, not only in rations and privileges and money, but in physical sacrifice as well.

It is well to remind ourselves, as the climax of the battle of freedom approaches, that this government will demand from us greater endurances and sacrifices than most of us have hitherto suffered, or even contemplated. Unless we count that cost, we are paying less than our share of the heavy price of victory. But we are all ready to accept it. All we need is for this government to go on telling us what to do.

On motion of Mr. Graydon the debate was adjourned.

On motion of Mr. Mackenzie King the house adjourned at 4.45 p.m.

[Mr. Hallé.]

Monday, February 1, 1943

The house met at three o'clock.

JOINT DEFENCE PROJECTS

EXCHANGE OF NOTES BETWEEN CANADA AND THE UNITED STATES AS TO POST-WAR DISPOSITION

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I wish to table, in English and French, an exchange of notes between Canada and the United States, dated January 27, 1943, relating to the post-war disposition of certain defence projects, installations and facilities constructed in Canada by the United States.

To carry out joint plans for the defence of this continent, and to facilitate the transportation of war materials to fighting fronts, the Canadian government has agreed to the stationing of United States military units at certain places on Canadian territory. This is part of the same programme of war-time co-operation which has resulted in units of the Royal Canadian Air Force operating from Alaskan bases.

In carrying out the defence programme, moreover, arrangements have been made whereby the United States government has supplied materials for, or has defrayed the

cost of, the construction of a number of projects, installations or facilities on Canadian soil.

The arrangement under which this programme has been effected is of a purely wartime character. It is not contemplated that the contribution which the United States is thus making to the common defence will give that country any continuing rights in Canada after the conclusion of war. Indeed, with regard to most of the projects that have been undertaken in this country by the United States, agreements have already been made which make the post-war position completely clear. An example with which hon. members will be familiar is to be found in the text of the exchange of notes providing for the construction of the Alaska highway.

In order that there may be no possible doubt as to the principles to be followed in the post-war disposition of the various defence projects to which the United States has contributed, the permanent joint board on defence recently recommended that the two governments approve a formula which would state these principles in clear terms. The formula which was proposed by the defence board was examined by the two governments and was approved by both. It has now been embodied in the exchange of notes I am about to table.

An examination of the notes will make it apparent that the agreements with the United States do not prejudice in any way Canadian post-war liberty of action. I ought to add that I am informed by those most directly connected that with respect to these projects, not only is Canada free from any post-war commitments, but that we have not at any time been asked by the United States to enter into such commitments.

The terms of the exchange of notes will make it clear that should Canada undertake to contribute to the joint defence by constructing installations or facilities in Alaska or elsewhere on United States territory, the same principles would reciprocally apply.

Mr. GRAYDON: May I ask the Prime Minister if he intends to have these notes printed? How will they be distributed?

Mr. MACKENZIE KING: It might be advisable to have the exchange of notes printed in the *Votes and Proceedings* of to-day. A similar statement is being made at Washington this afternoon. That was my reason for being anxious to make to the house to-day the statement which I have just made.

Mr. MacNICOL: May I ask the Prime Minister if what he has said in reference to the Alaska highway applies also to the roadway being built from Peace River to Providence? The United States at the moment are building a roadway north of the Peace river through a place called Notikewin to Providence, on the Mackenzie river. Does the same agreement apply? When the war is over will they retire from there also?

Mr. MACKENZIE KING: It applies to all projects, which relate to the war, which the United States installs or constructs in Canada during the period of the war.

CHIEF JUSTICE OF CANADA

EXTENSION OF TERM OF OFFICE FOR FOUR YEARS FROM JANUARY 7, 1940

Hon. L. S. ST. LAURENT (Minister of Justice) moved for leave to introduce Bill No. 2, to amend an act respecting the Chief Justice of Canada.

He said: The purpose of this bill is to extend for four years from January 7, 1940, instead of for three years, as had been provided, the term of office of the chief justice.

Motion agreed to and bill read the first time.

DIVORCE

AMENDMENT OF ACT OF 1930—JURISDICTION OF COURTS IN PROVINCE OF MARRIED WOMEN'S DOMICILE

Mr. GEORGE BLACK (Yukon) moved for leave to introduce Bill No. 3, to amend the Divorce Jurisdiction Act, 1930.

He said: This bill has been on the order paper now for two sessions under public bills, and as public bills have not been dealt with for the past two sessions it remained as it was. Before introducing it two sessions ago I discussed the bill with the late minister of justice, the Right Hon. Ernest Lapointe, and after considering it he pronounced it proper legislation and legislation that should be passed.

As the Divorce Jurisdiction Act stands now, an applicant for divorce must bring the action in the province in which desertion takes place. For instance, if a British Columbia man marries a girl in Ontario, takes her back to British Columbia, and there deserts her, she may be obliged to return to her home in Ontario. She has the evidence which would entitle her to a divorce but she must go back to the province in which she was deserted in order to bring action. The proposed amendment will enable the applicant to bring action in the court of the province in which she is domiciled, provided that she has lived in that province for two years or more.

LABOUR CONDITIONS

VISIT TO OTTAWA OF REPRESENTATIVES OF MONTREAL DISTRICT AIRCRAFT WORKERS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I desire to make an inquiry of the Prime Minister with respect to a matter that has come to my attention this afternoon. Some thirty representatives of Montreal Aircraft Lodge No. 712, covering a jurisdiction of about twenty thousand aircraft workers in four plants in the Montreal district, are in Ottawa, and from conversations I have had with them I rather think the situation there has deteriorated to such an extent that I am compelled to ask the right hon. gentleman if he will be good enough to make some intervention in the matter so that in the national interests the position will not become worse. I make this request in all sincerity of purpose because in my opinion it is greatly in the national interest that the Prime Minister should see these men and perhaps intervene so that the situation will not develop into something which will be detrimental to our war production. I wonder if he would give consideration to this suggestion.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend and to hon. members of the house that at this time of war there is of course no more important service, next to that performed by our armed forces, than the continuous production of war industries in this country, and wherever it has been possible to do so, I have done my utmost to help to further both these large objectives. With respect to the specific request of my hon. friend, that I should of my own initiative, I take it, see some members of the aircraft industry, employees who are in the city at the present time, I would say to him that, as I am sure he will understand, in matters of this kind I have to consider not merely the immediate situation but what may come to be looked upon as the course of procedure which is to be the regularly recognized and adopted one. The Department of Labour is the department of government which primarily has to do with industrial disputes. I am aware that some members representing employees of the aircraft industry were in the city on Saturday of last week and that others were here to-day. On Saturday I communicated with the Department of Labour to ascertain what steps were being taken towards conferring with these representatives. I was told at the time I communicated that three or four of the representatives were then in conference in the Department of Labour with one or more officers of the department and that consideration was being given to their representations. I believe it is also true that the matter to which my hon. friend has referred is one which comes in part at least within the jurisdiction of the regional board which is located at Quebec, and I understand that an officer of the Department of Labour has been in Quebec, and possibly is there to-day, looking into the situation.

I should like to have it understood and known that if it is necessary for me personally to intervene in industrial disputes it must be only after the matter has been carefully considered by the cabinet as a whole. I cannot as Prime Minister, with the obligations I have to meet, much as I should like to be able to be of assistance, undertake to meet delegations that come to the city to discuss industrial disputes. Moreover, there is, I think, reason why the greatest possible caution should be exercised in having the government as a government intervene in any dispute which it is possible to have settled between the parties themselves, or under the machinery which is provided by the government.

I will carefully consider my hon. friend's request, but I have to make it clear that all these matters should follow a line of procedure which is definitely known and which has been framed with a view to facilitating adjustments.

Mr. GRAYDON: My information is that this suggestion is made only after other avenues of approach have been thoroughly explored. May I also point out, in case the Prime Minister is under any misapprehension as to the basis of the dispute that in this instance it is not a dispute between employers and employees. I should like to ask the Prime Minister whether it is possible for him to give any undertaking that the question will come before the cabinet, if he is not able personally to intervene.

Mr. MACKENZIE KING: I have pleasure in saying that I shall see that the matter is considered immediately by the government. As a matter of fact, it has been before the government already.

REPORTS AS TO UNEMPLOYMENT IN THE CITY OF WINNIPEG

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): I should like to ask the Minister of

Labour if his attention has been called to the reports of large numbers of persons unemployed in the city of Winnipeg, many of whom have been laid off from plants engaged on war work. What steps are being taken by his department to deal with this serious situation?

Mr. HANSON (York-Sunbury): That is a matter for the order paper.

Mr. SPEAKER: I suggest that the hon. member place his question on the order paper.

Mr. COLDWELL: May I suggest that to these eight thousand people who are reported unemployed in Winnipeg the matter is urgent?

Hon. HUMPHREY MITCHELL (Minister of Labour): The subject matter of my hon. friend's question has received the consideration of the Department of labour for some time. It is true there are registered in Winnipeg some eight thousand unemployed men and women—I speak from memory—of whom five thousand are women, largely made up, I am informed as a result of the registration, of married women. It is also a fact that work has been continuously available in the Winnipeg district for able-bodied men, in the bush, in the mines and on the farms. Only this morning the regional superintendents of the unemployment insurance commission were in my department when the whole matter was discussed, and we are rapidly working out a solution. Since we tackled the problem, fifteen hundred women have been transferred to the east, and we expect to be able to transfer some of the men. My hon. friend, who comes from the city of Winnipeg, cannot but know of the difficult times we have had there in the past, particularly with single men. I think it is fair to say that many of these unemployed men are of a kind that you get in every country in the world, many of them near the unemployable class, which in itself presents a difficult problem.

With respect to the women, for some months past the armed forces have been recruiting many women for the navy, the army and the air force. That is an avenue of approach to employment at this time.

Not only in Winnipeg but in other large centres of population in this dominion, by the very nature of things there are the seasonal conditions with which we are confronted at the moment, causing what might be called pockets of unemployment. The Department of Labour is working in close cooperation with the Department of Munitions and Supply in an effort to place these people where they can be most useful.

CONTROVERTED ELECTIONS

CONSTITUENCY OF STANSTEAD—INQUIRY AS TO REPORT OF PRIVILEGES AND ELECTIONS COMMITTEE

On the orders of the day:

Mr. J. S. ROY (Gaspe): I should like to direct a question to the government. In consequence of a motion moved by the Prime Minister on July 30 last, the committee on privileges and elections was asked to fix a date for the election in the constituency of Stanstead, Quebec. Has this committee reported on the matter, and if not, will the next committee be compelled to do so?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The committee to which the Stanstead election was referred did not make a report before the conclusion of the last session. The committee on privileges and elections will be reconstituted as soon as the debate on the address is concluded, and I purpose, as soon as it is reconstituted, to move to refer to it the matter of the Stanstead election, which comes under controverted elections.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Friday, January 29, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I am sure I shall have the sympathy of most hon. members of this house when they realize the trepidation with which the average member of parliament first of all makes his maiden speech in this house, and then—which does not happen to so many—makes his first speech as leader of the opposition. As I said on Friday, I approach this undertaking with great humility. It marks the commencement of a new task, in a new field, and under almost entirely new auspices.

In opening my remarks I shall do something which I had intended not to do, namely, extend congratulations to the mover (Mr. Harris) and the seconder (Mr. Halle) of the address in reply to the speech from the throne. Lest this should be taken as a precedent, may I say at once that having sat in the house for seven years, I think I can conscientiously condemn the practice of filling *Hansard* over a period of some two months, with congratulatory remarks to the two hon. members who

have made their contribution in moving and seconding the address in reply. But I should like to make an exception on this occasion, because we had as mover and seconder two members of the armed forces, and I want not so much to congratulate them as to pay tribute to what they represent in our national life and what they mean to every one of us.

I have also a personal note to sound with respect to the hon. member for Grey-Bruce (Mr. Harris), who was an old school chum of mine. As the Prime Minister (Mr. Mackenzie King) and I approach more mature years, we like to recall those who were our friends in the past.

I am sure I echo the thoughts of hon. members generally, when I say that there is another very good reason why I should mention these two hon. members. I should like to associate myself with the principle that we cannot do too much in these times to create and foster unity between the great French-speaking and English-speaking sections of our population. I have been as fortunate, I believe, as most hon. members throughout these years in having had many close friends in both groups in this house. I wish to pay tribute to both of them, and I do so on this occasion by saying a word of congratulation to the mover and seconder, although otherwise I would not have followed the practice which has been traditional.

I think if we are to add to the prestige of this chamber, a number of things similar to the customary congratulatory remarks which are merely traditional, which mean very little and which sometimes embarrass those to whom they are addressed, might very well be dispensed with. There is no better time than the present to start to sweep away some of the cobwebs of the past and clear out some of the underbrush, particularly in a war-time session of parliament.

The Prime Minister and members of the house generally will I think be interested to hear some declaration from me as temporary leader of this party in the house as to the policy of the official opposition in the house during this session. If I may say so, I do not think any hon. member will deny that throughout the years in which I have occupied a seat as a private member here I have always avoided narrow, old-fashioned, mean and petty partisan politics. At least I have tried to do so. And I have no desire on this occasion or on any other to depart from that well-established personal principle. Today, when Canada is fighting for her very life, is no time for stress to be laid upon any artificial divisions. Surely that is fundamental. Our duty, I think—certainly I conceive it to be mine—is to treat every man, whatever his political views may be, as a Canadian first, last and always. For I say to the Prime Minister in all sincerity: we must not forget that this government is our government, the government of the Canadian people, and that it is charged with exceptionally heavy and exacting responsibilities, particularly in time of war. The new Progressive Conservative party, which at the moment I am leading, will try earnestly during this session to avoid unnecessarily dogging the heels of the present incumbents of office while those incumbents are engaged in the serious business of winning the war. This nation and this empire have too much at stake for us to play any little games while the enemy threatens us all.

Lest anyone mistake declaration of our intentions for a blanket approval of misconceived policy, misguided administration, or inefficiency and waste in the carrying on of the war effort, I desire to make it clear that where we feel it is in the national interest to do so, and for that reason and on no lesser grounds, we shall criticize constructively and meet the policies of the administration in head-on collision. Of scarcely less importance than the government itself, is His Majesty's Loyal Opposition. My conception of the duty of that opposition during a time of war centres in an insistence upon clear and practical principles, effective and adequate measures designed to bring about a full-out effort to win the war, and a meticulous audit of governmental expenditures. If there be one thing above all others an opposition should endeavour to do, either in peace or in war, it is to ensure that every dollar collected from the taxpayers of Canada is expended without waste. That, we as an opposition shall try to do this session.

I have tried, as I am sure all other hon. members in the chamber have tried, to maintain some ideals in public life. There may be some who will joke about ideals. There may be some who will lightly spurn the idea of men in public life having principles. Sometimes our ideals and principles may become clouded by the issues which confront us, but I really believe that every public man must have ideals and that they must be high ideals. One of the ideals which I think must permeate all of us, every man in public life and every party, is complete willingness to render service to our country and our people. Once the ideal is accepted, the opportunity to render the service will come just as surely as night

follows day. I do not apologize for having some ideals in public life. If we are to have an effective democracy, one that is worth fighting for, we should not be ashamed to proclaim certain high ideals to the men and women throughout the country who are asking us to give leadership.

For a good many months in Canada, a new progressive and aggressive movement has been growing among the common or garden variety of people, like those of us here in this House of Commons. I do not want the Prime Minister to misunderstand any expressions I may use, but it is obvious that for some considerable time there has been in this country a lively dissatisfaction with certain aspects of the present administration. In all fairness to the Prime Minister and to the government I may go further and say that very often in war time a government may be condemned as much for its good deeds as for its bad deeds. Nevertheless the fact remains that the masses of our people have been trying to find a voice to express their protest against the present administration, other than through that which sponsors a socialistic state in Canada. I say that with no desire to reflect upon the personalities of those who sit to my left. In a young nation like this, where people desire to retain initiative and individuality, and crave freedom from too stringent government controls, it will be readily seen why a new movement should have taken root somewhere between the dissatisfaction that exists with respect to the government on the one hand, and the failure to act on the part of those who have been most vocal in their protests. The new Progressive Conservative movement, which began many months before Port Hope, found its voice at that conference last September. No doubt the proposals adopted at Port Hope were startling to many people in Canada holding old ideas. But they formed the basis of a new charter for the common people of the dominion. It was no old-line party manifesto. It was no ivy-covered political structure. Rather it was a spearhead, giving expression to a rapidly-growing public sentiment not confined to any single political party but drawing its adherents from all.

The choice of Hon. John Bracken, then premier of Manitoba, at the Winnipeg convention, was the natural result of this people's movement. The policy laid down by that convention at Winnipeg further exemplified the extent to which the demands of the common people were being appropriately met. The new movement led by Hon. John Bracken represents an honest attempt to find a satisfactory solution of the major problems which face this country in a war-time period, and which will require solution when the war draws to its close. If there is one thought above another I should like to leave with the house this afternoon, it is this. Whether or not hon. members agree with the programme and policy which was approved at the Winnipeg convention, there can be no doubt of the sincerity of purpose of those who advance that programme at this time. We may be proved wrong; we may be proved right. But those considerations do not matter quite so much as the fact of our honesty in advancing and promoting this programme.

There will be some who will think in terms of political yesterdays, and who will facetiously raise some question respecting the double name of our party. We are not ashamed of the alliance indicated by our party name between the Progressives and Conservatives. More than that, may I say that for a long time I have not been interested personally, nor do I think the people throughout the country are greatly interested, in artificial party labels. In the final analysis the new Progressive Conservative movement will be accepted or rejected by the people of Canada, not on the basis of the label it wears on the sleeve of its coat, but on the basis of the service it gives to the dominion and the ultimate results achieved.

It has long been advocated that a strong opposition makes for a stronger government. Most people in Canada believe that the unmistakable strengthening of our party throughout the dominion has already achieved results which in extent are almost amazing. Within the period of a few days after the close of the Winnipeg convention, which called for better financial treatment of members of our armed forces and their dependents, the government effected changes which in the main were a reflection of the policy our party adopted—and I congratulate the government upon that action. The call by our new leader, Mr. Bracken, for the adoption of a system of parliamentary under-secretaryships has met with some results, as indicated in the speech from the throne. It may be, of course, that the Prime Minister's answer will be that great minds think alike. But it is good to be the first great mind, the one that begins thinking ahead of the other one.

The emphasis laid in Winnipeg upon active social pioneering in Canada has also met with some response in the speech from the throne. That response may be feeble, but at least we have the honour of recognition. Measured from every other angle the Winnipeg con-

vention was a successful war-time achievement, and one which has been beneficial to the whole of Canada.

I come now to another subject which is of grave importance to all of us. Since the last meeting of parliament the Canadian troops have gone into action in the much discussed Dieppe raid. Having no reason to constitute myself an arm-chair critic with respect to army strategy and tactics, I shall leave for others the privilege of discussing those matters. But this afternoon on behalf of the party I lead in the house I do wish to pay tribute to the courage, the valour and the bravery of our men under what to many of us, who perhaps do not understand military tactics, seemed almost insuperable difficulties.

Canada emerged from the last war heaped with honours won on the field of battle. Her first contest with the foe on land in this war has brought to one of our greatest Canadian soldiers, Lieutenant-Colonel Merritt of Vancouver, no less an award than the Victoria Cross itself. Many other officers and men received high awards and decorations for valour on that occasion. Dieppe at least displayed to the world that the same quality of Canadian soldiering abroad which added so much to the prestige and reputation of Canada in the last war, has been well maintained, preserved and promoted in this one. I pay that tribute to Canada and to her fighting men.

In recent days the news has come of the momentous meeting at Casablanca of Mr. Churchill and Mr. Roosevelt. I should like the Prime Minister in his address to make clear several important points arising from the Casablanca meeting. Perhaps if he has time this afternoon he will be good enough to answer these questions, because to my mind it is of the utmost importance that the public should know the answers. The questions are these:

(1) Was the Canadian government kept fully informed of the course of the discussions, and consulted with respect to the decisions reached?

(2) Is the Canadian government a party to the decisions arrived at, and does the government fully concur in those decisions?

(3) Was an invitation extended to the Prime Minister to attend this conference?

(4) Has the government advocated to any or all of the united nations the setting up of a supreme war council, in which all the allied nations shall be represented, so that there may be coordination of the efforts being put forth in this common cause?

[Mr. Graydon.]

I believe the Prime Minister will at once agree upon the necessity for such a council; or, if such a council is not possible—and there may be many reasons which it may not be proper to state as to why it is not possible—would the Prime Minister indicate whether there is any prospect of the setting up of an empire or imperial war council, so that a closer liaison may be maintained between the various members of the British commonwealth of nations?

It would seem to the public generally that closer coordination of the war effort throughout the world must be achieved by the united nations. It is a necessity which becomes more apparent every day. Such a supreme war council, or a master plan for the defeat of our enemies, would instil into and induce a great measure of courage among our people. And, Mr. Speaker, unity in war time would be followed by unity in peace time, a consideration which I suggest is of grave importance at this moment.

What is the position with respect to our own armed forces overseas? I would ask the Prime Minister to give an answer this afternoon to this question. I am going to warn the government at this stage that only in the rarest circumstances during this session, and only when we are dealing with the most confidential matters will the official opposition stand idly by and allow the government to hide behind five words which are well known throughout the country—"not in the public interest". I know that certain information the government has cannot be divulged because it might give comfort to the enemy. But in many instances where no comfort would have been given to the enemy by disclosure of the information sought, the government has nevertheless hidden behind those five words.

I know the Prime Minister will not feel badly if I say that throughout the country the words "not in the public interest" have become almost a joke. I heard a story the other day and I think perhaps it is true. A lady was giving evidence in one of our Ontario courts. When the crown attorney asked her how old she was—I am sure the Minister of Pensions and National Health (Mr. Mackenzie) would have known better than to do that—she replied, "I am just thirty years of age." He said, "You gave evidence in this court five years ago, and I have it on record you said then you were thirty years of age." She replied, "There is nothing wrong about that, because I am not one of those who say one thing to-day and another thing to-morrow." When he pressed the question and asked her point blank just what her age

was, she replied—evidently she was an omnivorous reader of *Hansard*—"It is not in the public interest to give the information."

We must be given all information that is not of a strictly confidential character. Let us understand that it is the public of Canada who are paying the shot, and they have a right to know what is going on and how their money is being spent. Therefore I ask the Prime Minister in his address this afternoon to give the public full information as to how our present military requirements are being met. Has our army sufficient men overseas, and have we sufficient reinforcements to maintain our military strength at what it should be? I want him to give the facts and the figures on that point. As the session progresses we shall expect to have unfolded a further man-power plan. The whole problem of man-power—I say this guardedly and advisedly—has never been tackled courageously by this administration since the war began. The Prime Minister has been good enough to accept many of our policies; he should not be disturbed if I ask him to accept another. Here is the policy that was adopted by the Progressive Conservative party at its convention in Winnipeg on December 11:

> Recognizing that the world struggle in which Canada is engaged requires a total war effort, we believe in compulsory national selective service, and that all those selected to serve in the armed forces should be available for service wherever required. We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry and finance,—

I ask some of my friends to my left to listen to that last word.

> —as well as man-power, and that our aim should be at all times to bring about so far as human means can achieve it, an equality in sacrifice.

Others of our party will perhaps deal more fully with the question of man-power and our armed forces than I intend to do on this particular occasion. It can scarcely be gainsaid that the government's policy on man-power has failed. There has been no courageous, no determined and no effective plan for a complete and scientific utilization of our man- and woman-power since the war started. There has been no master plan. There has been no coordination. Indeed, it seems to me from watching affairs in the house that industry, agriculture and the armed forces, instead of working in coordination, have actually been in competition with each other for the man- and woman-power available in Canada.

The selective service policy, while it was pretty long in promises, has been pretty short in performance. Its enforcement, especially in recent days, has been weak and timorous. The lack of a master man-power plan in Canada has had a disastrous effect, and has contributed in no small degree—this is the sad part of it—to the weakening of our general war effort. The haphazard, hit-or-miss system which has been followed throughout these critical years has resulted in a drift from agriculture into war work, and enlistment in the armed forces, thus creating one of the most dangerous problems in connection with food with which Canada has ever been faced.

Actually there are many to-day in rural districts who believe that we will face an agricultural production crisis in Canada in the months that lie ahead. In war time the necessity becomes apparent of every man and woman in the dominion doing the job which will enable him or her to make the maximum contribution toward the winning of the war. In this connection the responsibility of leadership rests very largely upon the government of the day. The failure of the government to adopt and to provide an adequate plan for the effective use of Canada's man and woman power stands as a serious obstacle to a full national effort at this time. It is late, and much of the damage has been done, but there is still time to retrieve some of the losses. I plead earnestly with the government to deal with this matter immediately and with determination. The omission from the speech from the throne of any measures to meet this urgent national problem is hard to understand, because the crisis is here.

I should like to preface my remarks on the subject of labour with a strictly personal note. Labour and agriculture have been responsible for my election to the House of Commons on two successive occasions. I have, I believe, a clear perspective of the problems of the working man and his family. I believe it is essential to have a personal understanding of those who comprise that great section of our population. I have been fortunate in having lived in a working man's district in my home town, and I still continue to do so. So that when I speak of labour I speak of it not in theoretical terms; I speak of the working man as a neighbour of mine. The working man is a loyal and constant friend of those whom he trusts, and he realizes very quickly and very well those he can trust. His lot has not been what it should have been through these years, and in my opinion he has not enlisted the degree of sympathy and understanding in public men and the public at large to which he is justly entitled. Those of us who have pleaded his cause through the years in parliament have done so in the full knowledge that if ever a

section of our population needed active champions in the legislative halls of Canada, it was the working man. Far too often his efforts to band together with his fellows for the purpose of seeking justice for himself and his family have been misrepresented and misunderstood. Never let me hear any intelligent body of public opinion say that labour in Canada is dangerous. I deny that. Labour has never been dangerous to any true democratic principles, and if I know labour it never will be.

Leading the opposition for the first time, it gives me no small amount of satisfaction to raise my voice in the House of Commons as a champion of labour; and more than that, it is not a new experience for me to do so. Nothing pleased me more than to see the stand taken by the Progressive Conservative party at the Winnipeg convention. If I may refer again to that—in the hope that the Prime Minister will be listening—this is what it says:

In order that free enterprise may be retained as the economic system best calculated to provide stability, prosperity and security and as a necessary part of that system that freedom of association and organization may be guaranteed to workers and in order that confidence may be restored between industry and labour and that sound labour relations may be established, this convention recommends:

I think I had better call this to the attention of my friends to the left.

Mr. BLACKMORE: Which ones?

Mr. GRAYDON: Well, as far as I know, all of you had better get under this umbrella. I want to point this out particularly to those who sometimes suggest that they are—which I deny—the special champions of labour:

1. Uniform labour relations shall be established throughout the dominion by dominion-provincial agreements, appropriate legislation, or by vesting jurisdiction in industrial labour matters in the dominion.

2. Collective bargaining is desirable and necessary in the interests of labour, industry and the social welfare of the people.

3. Workers shall have full freedom of association, organization and designation of representatives of their own choosing for the purpose of negotiating the terms and conditions of their employment and, when requested, employers shall be required to bargain collectively with their employees.

4. Well-defined machinery shall be established for the election and certification of the agency which is to be entitled to represent employees in collective bargaining negotiations, where there is a dispute as to the collective bargaining agency.

5. Discrimination against any employee or prospective employee on account of his activities in respect of any labour organization shall be prohibited.

[Mr. Graydon.]

6. The Department of Labour shall establish a comprehensive conciliation service for the prompt conciliation of disputes.

7. A national labour relations board with equal employer and employee representation and with a chairman appointed to represent the public interest shall be created, such board to be judicial in its functions and leading to the establishment of a well recognized labour jurisprudence.

8. Industrial disputes which cannot be conciliated or otherwise settled, shall be referred for decision and report to the national labour relations board whose hearings shall be public.

9. The national labour relations board upon complaint received or on its own volition shall have power to investigate any labour organization or employers' organization to ensure that its activities are not prejudicial to the interests of its members and do not interfere with the democratic right of men to work, and that they are not prejudicial to the national interest, and that coercion or domination of any labour organization or its members does not exist.

10. Labour shall be accorded representation upon governmental boards and commissions—

I shall say something further about that in a moment.

—which deal directly or indirectly with matters concerning the interests or welfare of workers.

11. Governmental encouragement and assistance should be given to the establishment of labour-management production committees in the interests of maximum war production and permanently sound labour relations.

12. Adequate holidays with pay shall be granted to employees where applicable.

The people of Canada of course have become uneasy over the restlessness of labour in certain industries; but too many of them are anxious to lay all the blame on labour. Let us be fair about that.

Mr. MacINNIS: Hear, Hear.

Mr. GRAYDON: I am glad I have one supporter, at any rate, in that quarter of the house.

Mr. MacINNIS: They are all here, not over there.

Mr. GRAYDON: Then they had better speak up now. In any freezing arrangement, injustices and inequalities may readily be extended rather than adjusted. It is the duty of this government—and with great deference I suggest that that duty is not being discharged—to see to it that the causes of restlessness, sometimes ending in concerted action, shall not be allowed to exist or continue. I call upon the government to alter its policy with regard to labour, and to adopt and carry through a rational labour policy which will ensure maximum production and give to labour its rightful position as one of the major partners in Canadian democracy.

I come now, sir, to another of our very important national activities, one which pre-

sents many of our thorniest problems. There are many in rural Canada to-day who feel that Canadian agriculture is actually one of our war casualties. The surplus products, excluding wheat, which were so widely heralded in peace time have now become a thing of the past in many sections of rural Canada. Is it not, Mr. Speaker, a shocking thing to contemplate that in one of the world's greatest agricultural producing areas, ration cards should be used for butter, with some hint that rationing of beef is to follow? I think I need do no more than simply point out the fact. Is it not a shocking condition of affairs? Every butter ration coupon that is handed to a grocer to-day is mute but irrefutable evidence of faulty planning by our agricultural and our war-time prices boards. I suggest to the Prime Minister—I hope I am not making too many suggestions to him—that he drop into a few rural homes in Canada, talk to some of the farmers' wives and see what they say of a plan which requires not only consumers to have ration coupons before they can get their butter, but the farmers' wives as well. I ask the Prime Minister to get the right point of view with respect to that. I am sure it must have escaped his attention; otherwise he would not have allowed a thing of this kind to be done. It is one of the most monumental examples of lack of government foresight that we have had in Canada for many a long day.

Someone has said that patriotism is the last refuge of a scoundrel, but certainly rationing is the last refuge of governmental inefficiency. I should have thought that the conditions existing in agriculture to-day would have so greatly concerned the government that the speech from the throne would at least have mentioned it. Apparently, however, his excellency has been wrongly advised in the only advice which his ministers have given him. They have told him—and this is our plan for agriculture; this is what we are going to do for the farmers—that they have begun to explore the situation. Well, exploration is a good thing, but you have to have something more than exploration for agriculture just now. The speech says that the government—

> —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.

It will not be very good news to the farmers of Canada if this means that the war must cease before these injustices are remedied. The farmer has felt, at any rate a good many of them have told me, as they have told other members of this house, that he is the forgotten man in Canada's economy. I am sorry that we are not remembering the farmer, more particularly in the speech from the throne.

When prices were frozen for the purpose of avoiding a spiral of inflation in Canada during this war-time period, that policy actually froze, so far as agriculture is concerned, an inequality in national income, in a way which left agriculture no longer in a position to make its proper contribution to our war effort. We should regard the production of food in much the same way as we regard any other sort of production of war materials. If it has been so regarded by the government, then agriculture has been treated differently from other types of war industries. From the beginning of the war until now, experienced labour on farms has gradually but surely disappeared. It is almost a thing of the past to get an experienced man for farm work. I do not know where you will find such a man; certainly you will not find him where I come from, and I do not think you will find him in any other area in Canada. The ceiling price on wholesale farm products has operated in many instances towards a reduction in the production of necessary agricultural commodities in Canada. I do not think hon. members, particularly those who come from rural sections, need to look into dry statistics, to establish the fact that farmers in the aggregate are receiving a ridiculously low and inadequate share of the national income. As a matter of fact, over thirty per cent of the population—for that is what agriculture represents—has less than fifteen per cent of the national income diverted to it.

It is, I think, a mild statement that there is grave dissatisfaction in rural Canada at the moment. It is all very well to say that the prices of farm products have gone up. Of course they have gone up in some instances. But I say to the Prime Minister that it is not a healthy thing for the Canadian farmer to pick up his newspaper and see the striking difference between the price he receives for his cattle and his hogs and that which his American farmer cousin across the border is receiving in the Chicago and Buffalo markets.

Right now the government's programme is of course for greater production in some lines of agricultural commodities, but the farmer looks with grave concern upon that appeal. Last year we were unable to meet our agreement with Britain, in certain periods in any event, so far as bacon and eggs were concerned; and meat and butter are now providing a serious shortage problem in the domestic field. The farmers, through their organizations and individually, have from time to time, since the war began, called for a reasonably long-term agricultural production

policy. How many times must it be pointed out to this government that the farmer cannot plan for to-morrow with only a policy laid down for to-day? That is putting it in bold terms.

Subsidies have been paid; but in many instances they have not been paid in time or they have been too small. Because of that, pressure has been put upon the ceiling from time to time, and encouragement has almost been given to a black market.

Without making a blanket criticism of the wartime prices and trade board, which the Minister of Finance (Mr. Ilsley) champions—he is watching me carefully and is noting every word I am saying on this subject—I think it is fair to say that its operations, so far as they affect farm products, have fallen far short of success. While the price ceiling programme has its advantages, a method of price control which results in shortages otherwise avoidable, endangers in my opinion the whole principle of the programme itself. The bald fact is that the farmers are belligerently dissatisfied with the present administration of the programme by the wartime prices and trade board. Having this well in mind, the government, in my opinion, would be well advised, and I strongly urge them, to set up without delay a food ministry in Canada. It would appear that only by this change of policy, for which there are examples in Great Britain and the United States, can there be any hope for a coordinated plan of production and distribution of farm products.

The wartime prices and trade board is not adequately equipped in its membership to handle efficiently these two problems, which automatically, if not officially, come within their jurisdiction—that is, production and distribution. It could never have been intended that the operation of the wartime prices and trade board should reach so far into the realm of production and distribution of the products of the farm. In my opinion, time must not be wasted in making this change if an abundance of food is to be produced for the varied requirements of a country at war. Looking further ahead, it seems to me that unless this problem of agricultural production is tackled now we are going to be faced with an even more serious problem than that of wartime shortages itself.

Our great leaders have said that when this war is over, we, with the other great producing countries of the world, will be under obligation to feed a war-torn hungry world to which peace will have come. If we do not develop our agricultural economy and production in such a manner as to enable us to do that, are we playing fair with the countries to whom we have given that guarantee? We must have some plan for agriculture, and prepare it at once, which will meet the conditions which lie ahead. I believe I voice the opinion of a great majority of the farmers of Canada when I say that the government has failed to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

Before leaving agriculture I want to make another suggestion. I shall not enter into any extended discussion this afternoon with respect to wheat; that can come later. But I do wish to mention a significant Canadian press dispatch which was carried in many of the papers this morning, emanating from the annual convention of the Canadian Federation of Agriculture at Calgary on Saturday last. It indicates that some improvement in the liaison between the agricultural organizations and the government is required. For that reason and for no other I read the following item:

Farm federation protests Ottawa's 1943 grain policy

Calgary, January 31.—Delegates to the annual convention of the Canadian Federation of Agriculture observed one minute's silence at their closing session Saturday in protest against the federal government's action in announcing its 1943 grain policy before consulting representatives of organized agriculture.

Main point of the announced wheat policy provides for the maximum delivery of fourteen bushels per authorized acre for the 1943-44 crop at a basic price of ninety cents a bushel.

The convention also sent protest telegrams to Prime Minister Mackenzie King, Agriculture Minister Gardiner and Mr. MacKinnon.

The wire said delegates regarded the action "as an indication of the government's intention completely to disregard the viewpoint of organized farm producers of Canada."

It said further that for the past two years directors and officers of the C.F.A. had met with the Prime Minister and government members immediately following their annual meeting. "This has provided an opportunity for farm representatives to bring before the government the considered opinion of organized agriculture from coast to coast dealing with its problems."

The telegram added:

"On previous occasions the Prime Minister and members of the government have stated that they welcome the presentation of our views. . . . We believe that at no time in the country's history has the need been greater for the closest possible cooperation between government and people.

"This will be impossible to attain if government creates impression that it proposes to ignore reasonable representations of organized producers.

"If the 1943 food goals as recently announced by Canadian government are to be met, some upward revision of the income from grain should be considered."

Without going into the policy in detail or expressing an opinion on it at the moment, I raise the point for the purpose of showing what organized agriculture seems to think about the necessity for a closer liaison between the Department of Agriculture, the Department of Trade and Commerce and the organized activities of agriculture itself.

In dealing with the reference in the speech from the throne to national social insurance, I shall not have much to say at present except this: I was surprised to note that the policy with respect to national social insurance, one of the most important problems injected into the dominion political arena for many a day, has been given to a select committee of the house to determine. Perhaps the Prime Minister will be able to explain it—I know he will be able to explain it; whether successfully or not is the only question—but I should have thought the necessary legislation would be brought down in the form of bills, as has been done in the past, the bills, fitting as they would into a national plan, then to be referred to a select committee for review and report back to this house. I think the government should have presented to the house and to the country a policy of national social insurance, rather than leaving it to a committee of the house. I may be wrong in the assumption, but I know there will be a great many people in Canada who think the way I do. This would not by any chance be the answer, would it?—that there was no time after the adoption of the social security programme at the Winnipeg convention for legislation to be drafted for submission to the house? I leave the question with the Prime Minister, because it naturally arises and perhaps offers the explanation of the existing situation.

Having regard to the situation that has arisen out of this reference in the speech from the throne I think a great national plan for Canada is essential, a plan which will guarantee to all our citizens freedom from fear and from want. The less time we take to reach that objective the better for all of us. Right now democracy is going through a severe testing time. Democracy must show that it can meet modern conditions by the use of modern remedies. There is no reason under the sun why this democratic state cannot be in the forefront of world reform, and show the other systems, sometimes so highly praised, not only that they are not as good as ours but that they fall far behind the results that democracy can and will produce. We shall not be satisfied in Canada until we have worked out, not merely as good a plan of social insurance for our people as exists elsewhere, but the best there is in the whole world. Our citizens deserve it, and the government must recognize their deserts.

The Progressive Conservative party has taken a definite stand with respect to several points in connection with national social insurance. I should like to take a moment to read one or two of those points:

1. Every person able and willing to work must be assured of gainful occupation with sufficient means to maintain a home and family. The objective is full employment at fair wages under progressively improving standards. We oppose relief as a substitute for work.

2. For the achievement of that objective—full employment at fair wages under progressively improving standards—and for the welfare and development of society, we strongly advocate the strengthening of the basic Canadian tradition of individual initiative and individual enterprise and opportunity, and the freeing of economic activities from bureaucratic controls. Government authority, however, should be maintained and exercised wherever necessary to protect primary producers, workers and consumers from exploitation through such abuses as price-fixing combines, monopolies and patent cartels.

To those ends we believe that government should seek to create conditions under which the maximum volume of employment and the maximum national income may be assured through the initiative and enterprise of the people themselves.

3. It is the duty of the state:

(a) to maintain at high level the income and standard of living of the individual citizen, whose interests must always be paramount.

(b) to maintain the principle of private initiative and enterprise.

(c) to initiate, undertake and control projects of public and national benefit in those fields in which private enterprise is precluded from serving or is unable to serve the public interest.

4. Consideration should be given to the problems of the workers-on-their-own who comprise a large percentage of the people of this country and who lack the benefit of organization to protect their interests—the small retail merchant, the man or woman in services of various kinds, such as the carter, truck-driver and taximan, the odd-jobber, the handyman and the salesman on commission. Recognition must be given to their enterprise and initiative and to their threatened security and a way found by properly constituted authority to protect their interests as essential workers, consumers and taxpayers.

5. (a) Youth should be educated, trained and given equal opportunity to equip themselves for life.

(b) Those of working age should be provided with ample opportunity for adult education.

6. We believe that the reconstruction of post-war Canadian economy must be based upon the following principle set forth in section 5 of the Atlantic Charter:

> "Fifth: 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."

A social security programme, the adoption of which we advocated, would include in a unified system:

(a) Unemployment insurance;

(b) Adequate payments for the maintenance of unemployables;

(c) Retirement insurance;

(d) The payment of increased old age pensions, at a reduced age, until such time as the retirement insurance scheme becomes fully operative;

(e) Adequate pensions for the blind;

(f) Adequate mothers' and widows' allowances.

7. We advocate the appointment of a Minister of Social Security and Reconstruction, charged with the administration of social security in this country.

8. The state's share of the cost of the social security system should be borne by the dominion.

9. We recognize the obligation of government to make available to every citizen adequate medical, dental, nursing, hospital and pre-natal care, and to further advance public health and nutritional principles so that health may be safeguarded and preserved. This programme is to be financed under a contributory system supplemented by government assistance.

I think it would be of interest to the house and to the country also to have repeated here a paragraph from the nation-wide address of our leader, Hon. John Bracken, delivered on December 21, 1942; it is pertinent to the subject under discussion. Mr. Bracken said:

Every human being that is born into our society has a right to feel that he is welcome in it; that he has a share in Canada; that he is a member of the Canadian team, with a part to play in it, as a citizen in his Canada; that he will be expected to make the most he can of his own life and to make the maximum contribution he can to society; that he is entitled to a job and will receive a reward in relation to his enterprise, and that, in the event of old age, ill-health or other misfortune overtaking him, he will have the assurance of a reasonable standard of social and economic security.

All these minimum standards, however, guaranteed as they may be, are not sufficient. I believe on this occasion I should raise my voice on behalf of the industrial workers across Canada who have one thing very clearly in mind, and justly, I think; that is, if we as a country are able to keep the wheels of industry turning in order to destroy people and property, we must see to it that we keep the wheels of industry turning to provide goods which are not destructive in character, for the peace-time happiness of the people of the world. No matter who may be administering the government at the time, one thing is abundantly clear, namely, that the worker who is now employed must be kept employed when this war is over, making consumer goods instead of the destructive goods of war. Such work will be just as necessary and just as urgent then as the work in which these men are now engaged. The worker must have the guarantee that the days of the dole, of relief and of national charity for him are over; that in a new plan our people will have work and will have wages, with good standards of living and happiness, under a democratic system, so that the war shall not have been fought in vain.

Something else must not be forgotten. There are hundreds of thousands of men and women in the armed forces of our dominion, both overseas and at home. Are we thinking of them? To-day these men and women are inarticulate so far as our public affairs are concerned. We do not hear much from the man who has donned a uniform, for very good reasons; but what is he thinking? When the war is over, his thoughts are going to crystallize into one or two very pertinent questions which will be asked of all of us. One of the questions he will ask when he takes off his uniform will be this: "While I was prepared to sacrifice life and limb if necessary for the maintenance and preservation of a democratic system which I thought worth while, what did you do at home which would measure up to a reasonable approach to equality of sacrifice?" Our plans must be so comprehensive and far-reaching that not one of these men, by virtue of having worn a uniform, shall, when he comes back, be in an inferior position, either financially or as to opportunity, than he would have been had he continued in civilian life. Rather he should be in a preferred position, and that must be part and parcel of our plan. If these objectives and many others are not attained, we may yet win the war and fail to win the peace. In the interests of a civilized state and in the interests of democracy it is important that the serious thought and consideration of the government, and of every person in this country, should be directed to what I think is this most worthy and most essential end.

I come now to a matter which has to do with those of us in this chamber; that is, the question of the position of parliament. The War Measures Act gives a somewhat new complexion in a war-time period to our parliamentary procedure. The enabling powers which the act confers upon the cabinet are, I take it, primarily intended for the purpose of meeting emergencies which may arise in the course of the war. Once the government has these powers, I fancy the temptation is great to use them more abundantly and more frequently than was originally contemplated. The result has been that while, theoretically, parliament is still

in control—and I think no one will argue against that—for all practical purposes the position of parliament has deteriorated considerably from its peace-time position with respect to legislation. Few will argue against the enactment of the War Measures Act. I have heard no one question its enactment, but I have heard many question the use to which the measure has been put.

It has been my opinion that it is right and proper that the government should have extraordinary powers in an extraordinary period. But let us examine the manner in which legislation is to-day enacted. Only a comparatively small trickle is ever offered for the attention of parliament. Practically all of the major legislative changes in the past three and a half years have been brought about by order in council, sometimes when parliament was sitting, and sometimes when parliament was adjourned or prorogued.

The cabinet, however, has gone much further. It has allowed its boards, controllers and administrators to do a little legislating on their own, as well. With the situation we have to-day where, I ask, is the boasted supremacy of parliament? Theoretically, it is supreme, yes; but is it in practice? I ask every hon. member to examine the position. As a private member I had difficulty myself in trying to keep up with the legislation. How many hon. members have the time either to read or to digest the great numbers of books and gazettes containing war orders and regulations? I venture to say that if I were to take a poll of the cabinet I would find that even they are not entirely conversant with all the legislation that has gone through. How then do they expect private members in parliament to be in a superior position?

We must watch most carefully that this trend does not increase. I know the Prime Minister has been most anxious to avoid the growth of certain customs and practices throughout Canada, but this is one custom or practice on which he had better keep an eye, himself. While perhaps in some instances there may be justification for a situation of this kind, we must watch that it does not get out of hand.

If legislation is to be passed by other than the people's representatives in parliament, then it seems only fair that great sections of our population—groups, if you like—should have adequate representation upon these new boards and new bodies which are to pass our laws.

Let us look at the cabinet. I draw the attention of the house to its personnel. Let us look them over. We find that nineteen men hold portfolios. Bearing in mind that labour and agriculture are two of our most important classes of citizens, let us see how they are represented in the cabinet which sits across the way. Well, the closest approach to a farmer among these nineteen men is, of course, the Minister of Agriculture (Mr. Gardiner). I have heard it said that he was a much better school-teacher and politician than he was a farmer, even in his palmiest days. I hasten to add that I cannot subscribe to that extreme view.

Then, turning to the Minister of Labour (Mr. Mitchell), who, by the way, laughs at the moment at my reference to the Minister of Agriculture, we can say that the only representative of labour among the nineteen members of the cabinet is a man who was once closely identified with labour.

Mr. MITCHELL: And still is.

Mr. GRAYDON: It appears there is one man in the house who says he is—and that happens to be the Minister of Labour himself. We know that in recent years he was an employee of the present government and, if one were to listen to at least some branches of organized labour, it would seem that he does not voice the views of labour quite as accurately as perhaps he should. I have such high personal regard for both of the gentlemen I have mentioned that I hesitate to go further in my criticism. I call the attention of the house to this condition only to emphasize the fact that in war time and through the medium of the War Measures Act we have here a group of men who are doing much of our legislating. They are doing extensive legislating for farmers and working men across Canada. Is it any wonder there is much restlessness among these two groups, when they see the inadequate representation in the cabinet, or representation much less than that to which they are entitled? I do not make these observations with the thought of casting any reflection upon other members of the cabinet. This is entirely a question of occupational differences. I must point out, however, that unless this condition is changed, unless more responsibility is given to those who actually represent the people, and so long as this inadequate representation of these two great sections in our community continues, we are going to pay a big price, a dear one, in the days ahead.

I shall not discuss in detail the various boards and public corporations, but I might be permitted to refer to two examples in order to show what is happening. Since the wartime prices and trade board is perhaps best known, I shall deal first with it. This

board functions actively under the jurisdiction of the Minister of Finance (Mr. Ilsley). It is a board consisting of ten members, including a chairman. Occupationally they run all the way from a leading banker to a former university professor who, I might add, is perhaps the nearest approach to an agricultural representative on the board. So far as I can see, however, labour is not represented. I ask this question: who comprise the great consumer population in Canada if it is not the working men and their families? Because production, distribution and consumption are to a great extent controlled by the board in a fashion which affects the everyday lives of these two great classes in the community, surely from an occupational point of view there should be a different set-up on the war-time prices and trade board. There are some excellent men on the board; I shall not make a single comment about any one of them. But I do urge that from the occupational point of view much is left to be desired, if the board is to hold the confidence of the producers—yes, and of the consumers in our country.

I now come to an organization which is the subject of discussion of people throughout the country and sometimes of hon. members. I refer to the Canadian Broadcasting Corporation. Here is a body which ministers, or should minister, to the needs of the people I have mentioned. The majority of its listeners are to be found in those areas where working men and their families abound, and in the rural areas of the dominion. It is controlled by a board of governors, the personnel of which includes, first of all, its chairman who is a trust officer. Its vice-chairman is a motion-picture man. There are on the board two men of the church as well as an authoress and, I believe, three lawyers. During last session the radio broadcasting committee brought down a report to this house, in which report the board of governors was censured. I believe the hon. member for Renfrew South (Mr. McCann) will corroborate me in this. They were not censured as much as I should have liked to see them censured. I think they should have been asked to resign. However, everyone did not see as I did, and the result was that they were not specifically asked to resign. Even at that, I think the hint should have been good enough.

Mr. HOMUTH: Not with salaries like that.

Mr. GRAYDON: I am not going to say that they get high salaries, because I do not think they do. That was not the point I was trying to make. When they came to appoint a new general manager, these nine members of the board of governors could not find anybody in the whole eleven and one-half million people in Canada to appoint except one of their own members. The hon. member for Waterloo South (Mr. Homuth) can now make his interjection about the high salary paid to that official.

The report of the committee went further and asked that on the board there should be adequate representation of farm and labour. Where is it? When Doctor Thompson left the board a vacancy was created which has remained ever since. No working man has been appointed to the board. When great authority is placed in the hands of government owned corporations, the government should be particularly careful about the composition of the boards from occupational and other points of view. This care has not always been exercised.

I ask the government to give consideration to a policy which will bring back the supremacy of parliament once more, not just in theory but in practice, in order that some abuses which apparently have grown up shall not be allowed to continue and to extend. For quite a long time a clamour has arisen from all parts of this house for a better distribution of work. That clamour has not arisen just from one or two members on a certain side of the house. It has not been confined to any one political party. It echoes pretty generally the feeling all over the house that appropriate use should be made of the membership of the House of Commons, to say nothing of the embarrassing position in which the members of another chamber find themselves during this time. If the government's policy for the efficient use of man-power is demonstrated by the way in which it uses the man-power in this and in another chamber, then I think some criticism must be offered of this master man-power plan.

There is another matter which has been in my thoughts for a long time. As members of the house we have a responsibility which perhaps we do not always shoulder, which perhaps we do not always realize. With every ounce of emphasis at my command I say that we should try to elevate the prestige of this chamber to a point higher than it is to-day. If we are to be proper instruments of democracy, we should so conduct ourselves in this chamber—we are all sinners in this regard and what I am saying applies to myself as well as to other members, but that should not stop me—that the men and women who fill these galleries, whether they be from the farming sections, whether they represent labour, or

more particularly whether they represent the branches of our armed forces, may be proud of the proceedings of the chamber. This is more important now than it has ever been.

I have a feeling that in many instances people do not go away with that thought in their minds. If democracy is to approach perfection, I think we must go a long way yet. There never was a time in the history of Canada when the people watched this chamber more carefully and with more interest. Everything we do, everything we say is recorded in the minds and in the thoughts of great sections of our people. I ask the Prime Minister and you, Mr. Speaker: Can this chamber meet that test at the present time? If it cannot, then we must see that it does meet that test no matter what reorientation or changes may be necessary. It is essential for the strengthening of the democratic state in this dominion.

There are many reforms which members of this house could suggest. I cannot agree with the answer given to me last Friday by the Prime Minister when I asked for a modernization of the rules and procedure of the house. He said that we should not do it in time of war; but it does not make any difference whether we are at war or at peace, the obligation faces us. We cannot delay in bringing this chamber to the point where it will be an exact and perfect reflection of the men and women across Canada whom we represent. I am so completely convinced of this that I hope you will accept my apologies for being so vehemently insistent. This chamber should be the reflection of a great dominion, but is it the true reflection that we would want it to be? That is a challenge which we have to meet. We are anxious to contribute wherever we can to creating a condition whereby this chamber will be a more exact reflection of what the ordinary man and woman across Canada expect in their representative body. Therefore I say to the Prime Minister and the government, let us be very careful how we conduct ourselves in this house. All of us make mistakes. Perhaps, being an amateur as leader of the opposition, I shall make more mistakes than a good many others. But whatever mistakes we make, let them be honest mistakes. The people of this country do not mind mistakes, but they want to know that when they are made, they are made with good intentions.

In Great Britain the prestige of parliament is high, because the leaders have kept it high. Perhaps there is no closer relationship anywhere in the world between parliament and people than in Britain to-day. I do not wish to make comparisons between our own house and the British House of Commons, but we have an example over there which we should try to emulate. I should like to see the Prime Minister and all members of this house make every possible effort to measure up to what is expected of the parliaments of the British commonwealth of nations.

I like to think of that peerless leader of Britain in this period of war. I like to think of the prestige he has given to the British house, and of what he has done for public morale in his own country and others which are fighting along with it. I recall the closing words of the British Prime Minister's speech in the spring of 1940 when he assumed the leadership of that great nation, at a time when it looked as though the whole world were collapsing, when it seemed as though democracy were about to perish from the face of the earth, when Britain seemed in imminent danger of invasion. With the thunder of battle overhead, without a shudder, without a shiver, with the grim determination and courgae for which he is noted, he lifted the British people, yes, he lifted the world, and he uttered a challenge which will go down through the halls of time and should, I believe, find an echo here:

> We shall never surrender. . . .
>
> We shall defend our island, whatever the cost may be. . . . We shall fight on the beaches, we shall fight on the landing grounds, we shall fight in the fields and streets and in the hills. . . . We shall never surrender, and even if, which I do not for a moment believe, this island, or even part of it, is subjugated and starving, then our empire across the seas, armed and guarded by the British fleet, will carry on the struggle, until in God's good time, the new world, in all its strength and might, sets forth to the rescue and liberation of the old. . . .

That, Mr. Speaker, is the challenge I leave with this parliament—with the Prime Minister and all of us—to see to it that the kind of leadership which produced that statement and built the morale of Britain shall be given by members and leaders alike in this House of Commons. I ask every hon. member to think carefully and seriously of our duty and our obligation as the people's representatives.

I move, Mr. Speaker, seconded by the hon. member for Vancouver South (Mr. Green) in amendment to the address in reply to the speech from the throne, that the following words be added to the address:

> "We respectfully submit to Your Excellency that this house regrets that Your Excellency's advisers have failed:
>
> (a) to provide an adequate plan for the effective use of Canada's man and woman power:
>
> (b) to adopt and carry through a rational labour policy which will ensure maximum production and give to labour its rightful position as one of the major partners in our Canadian democracy: and
>
> (c) to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income."

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my hon. friend the new leader of the opposition (Mr. Graydon), at the outset of his remarks, stated that he thought he would have to ask hon. members for their sympathy because this was the first occasion on which he has addressed the house as leader of the opposition. May I say to my hon. friend that I think all members of the house will agree with me when I say that they envied him his facility of utterance and of constructive criticism rather than of feeling that he was in need of any sympathy.

As one who has gone through the experience which my hon. friend is having to-day, I have quietly been recalling some of the sensations which I experienced at the time; and I must say that I should feel happy indeed if I thought I had made as good a presentation in my first effort as leader of the opposition as he has made to-day.

However, I do think he has fallen into one or two of the errors which I myself fell into at the time—no doubt, due to a certain immaturity and lack of experience of the way in which parliament views some things. One of those mistakes, I would say, was that my hon. friend had far too many grievances in his first presentation to the house. He rather spoiled his address by seeking to cover all the ground at once. And may I say that I think he devoted far too much of his time to the Winnipeg convention. I believe the country is still much more interested in the war, and the effective prosecution of the war, and more concerned that parliament should devote its time mainly to those considerations which are vital as respects the war, than it is in the platform which was drawn up by my hon. friend and his friends at Winnipeg and its presentation in this house. However, I do recall that when I was leader of the opposition, I had a feeling that it was part of the duty one owed to one's party to see that its platform was spread out on *Hansard* in as extensive a manner as possible, since that was one way in which it was easy for members of a party to see that all parts of the country were supplied with copies of the platform at the country's expense. I imagine my hon. friend has had that consideration in mind himself to-day.

Mr. HOMUTH: A part of our platform is now in the speech from the throne.

Mr. MACKENZIE KING: Well, my hon. friends have taken about twenty-five years to catch up with the party on this side of the house in some of the policies which they are advocating to-day, and they are quite welcome to any satisfaction it may give them in seeing some things which they have been recently advocating set forth in the speech from the throne.

In that connection, may I say that I do not regard it as an entire misfortune that all the parties in the house to-day should be taking a more profound interest in questions of social security than some of them have in the past. If that were not so, I should think that some of us at least had failed entirely to appreciate what is really fundamental in the great struggle which is taking place in the world to-day. It is a struggle which, above all, so far as the allied forces are concerned, aims at the preservation of freedom and, along with that, at a social revolution which will see that more in the way of equality of opportunity and more in the way of freedom from want and from fear shall become the lot of the great mass of mankind.

I appreciate very much my hon. friend's reference to the speeches of the mover and the seconder of the address in reply to the speech from the throne. He said that he did not altogether like the fulsome praise that is indulged in at the beginning of sessions with reference to speeches made by mover and seconder, and he thought it was just as well to get rid of some of these traditions that have grown up. I am quite in agreement with him on the question of fulsome praise; but though I may be Liberal and not Tory in my sympathies, I am not prepared to say that I should like to get rid of all tradition. I think tradition has its place, particularly in the affairs of parliament, and I believe that the tradition which permits to members on one side of the house an occasional opportunity to say something that is pleasant to those opposite is a very good one. I do agree with my hon. friend, however, that the speeches which were delivered by the hon. member for Grey-Bruce (Mr. Harris) and the hon. member for Brome-Missisquoi (Mr. Hallé) were exceptional in many particulars. They were exceptionally well delivered, and they were exceptional also in what they contained. I have read through both speeches since we heard them in the house; and I believe that, considered from the point of view of what, in a time of war, it is appropriate and most helpful for a member of parliament to say in the House of Commons, it would be impossible to find their equal in any speeches delivered on the address at any previous time.

I believe that this House of Commons was particularly proud to see two of its members wearing His Majesty's uniform, one coming from the old province of Ontario and the other from the old province of Quebec, addressing

the house at this time of war, at the opening of the session, using the words which they addressed to all who were here assembled. My hon. friends were right when they said that their selection was not a compliment merely to themselves, though it might well have been so merited, nor merely a compliment to their constituencies, which they were kind enough to suggest that it also might have been, but that it was first and foremost intended as a recognition of the service the armed forces of our country are rendering to Canada and the cause of freedom to-day. Not only that, it was also a recognition of the number of the members of the house who to-day are serving in the armed forces of Canada. We may all be proud that so large a percentage of the membership of this house is composed of men on active service at the present time.

What I felt most about the speeches of my hon. friends was that each brought us very close to the armed forces and to the services which they are rendering. One hon. member had just returned from England; both are going overseas very shortly. Their addresses brought home to all of us, I think, in a more intimate way than would otherwise have been possible, the magnitude and the perils of war and the service being rendered not to our country only but to the world through Canada's war effort at this time.

Their speeches also, I felt, helped to remind us of the unity which our country has happily preserved through these trying times. Each of these speakers spoke wholly irrespective of the province from which he came, wholly irrespective of the race from which he is descended, wholly irrespective of his own native tongue. They spoke solely as Canadians, and in speaking as Canadians, they reminded us of the spirit which underlies the service of our men abroad, and which was so well expressed by Abbé Sabourin when, in giving an account of the spirit with which the men who served at Dieppe entered upon that great reconnaissance, he said, "We went there not thinking of our faith, not thinking of our tongue, or of tradition; we went there thinking of Canada, our country which we were seeking to defend, and the cause of freedom which we were championing at that time."

Members on all sides of the house will rejoice that that spirit of Canadian unity underlying the services which are being rendered at this time has been made so manifest and clear in the first speeches that have been delivered in this house.

There was one other thought that came to my mind as both hon. members spoke. It was what they felt service in the armed forces had afforded members of those services in terms of a wider outlook. It was apparent from their remarks that, in their opinion, service in the armed forces had an effect upon all who had enlisted, in enlarging their outlook, in giving them a greater appreciation of common human needs and, in association with that, an enlargement of the expectation of what should await them when the war is over. In other words, they made clear to us that, while they are fighting at the front to help to preserve our country and our freedom, they have a right to expect that those in this parliament, those who remain behind in this country, will so conduct its affairs that when they return to Canada they will find a better condition awaiting them than has been possible heretofore at any time. Both have given us in their addresses the keynote for the discussion which we should have in this parliament during the session. If we can follow the example which they have set of avoiding recriminations, of stressing the real significance of this war and also the importance of the post-war period; if we confine our discussions along those lines, our service will be one which will long be remembered and appreciated by the country.

My hon. friend the leader of the opposition began and concluded his own remarks by reference to ideals in public life, and maintaining the prestige of parliament. May I say that with all that he said of that as an objective I am in most hearty accord. I think I can say in the presence of all who are here that in the twenty-seven years I have been a member of this parliament I have from the beginning sought, so far as it lay within my power, to maintain the highest traditions with respect to parliament and its proceedings. I think that, in the years when I was the leader of the opposition, some seven in all, and in the years I have been leader of the government, now nearly sixteen, I have throughout done the best I possibly could to maintain a high tradition with respect to public life, both within the halls of parliament, and on the platform in the country.

Perhaps my hon. friend while making that appeal did not altogether consider that in some ways it might have seemed to be a reflection upon the members of this house. The other day my hon. friend the former leader of the opposition (Mr. Hanson) spoke of his effort to maintain high traditions in debate and decorum in the house, and I said I thought he had succeeded in setting a good example in that respect, although all of us, as my hon. friend said, are liable at moments to slip a little. But I do maintain that if

one contrasts the proceedings in this parliament with those of any other legislative assembly on earth, they will be found to compare favourably with those of other assemblies.

My hon. friend referred to the British House of Commons, a noble institution. It has maintained high standards; but I submit that any one who has followed the discussions in the British House of Commons, even in this time of war, will have observed that, in many particulars, they have been more acrimonious than has been the case with discussions that have taken place here. And as far as comparisons with what takes place in congress or elsewhere are concerned, I think this House of Commons can stand on its own feet without fear. However, I am pleased that my hon. friend is going to do all in his power to see that this high standard is maintained, and I shall certainly do what I can to cooperate with him toward that end.

My hon. friend asked me to speak on a large number of subjects. I had rather made up my mind that I would follow a different course this session if possible; that I would not make speeches that were too long. I have been criticized a great deal on that score, and I must say as I listened to my hon. friend to-day I began to see that such criticism may be very just. Therefore I hope he will not expect me to answer to-day all the questions he has raised. But at the appropriate time during the course of the session I shall do the best I can to give him the information he wishes.

He spoke at considerable length of what he referred to as dissatisfaction with the administration. He spoke more particularly of dissatisfaction with what is sometimes referred to as a growing bureaucracy. My hon. friend referred to it in different connections. He referred to it in speaking of the Winnipeg programme. He referred to it as a departure from responsible government because of the powers given to boards, and the orders passed under the War Measures Act.

No one deplores more than I do, and I am sure hon. members in the house generally do, that, in a time of war, it is necessary to establish boards to do what responsible ministers in time of peace are able to manage without such additions to the administration. But in times of war it is simply impossible for ordinary government departments to hope to administer the different policies that have to be carried out except with the aid of boards of one kind and another to assist the ministers.

My hon. friends opposite have changed their attitude very much toward the government in

that particular. I remember in the first year of the war, and even up to late in 1941, we were being told over and over again that what the country wanted was not political control in matters pertaining to the war. What they said was wanted were independent bodies, bodies that would be free of political control altogether. The leader of the opposition of the day was continually saying that the administration was seeking far too much to control matters. Look at the financial papers of the country and see the extent to which they, at that time, were saying that the government was keeping the administration of all these matters far too much in its own hands; that we ought to have experts, leading men in industry and business throughout the country, enlist them in the service of the government, give them a free hand and not interfere with them, allow them to act independently.

But now that the government has enlisted very large numbers of business men and business experts in the administration of war affairs, my hon. friends say, No! no! these gentlemen should not be allowed to administer these things. The government ought to take into its own hands the control through the responsible ministers who are the heads of the different departments; in other words, there should be more in the way of political control. It is easy to criticize, but I ask hon. members to place themselves in the position of the administration in dealing with war affairs. I submit that the only way in which it is possible for the government to carry on in time of war is to have allied with it in matters of administration such organizations as are necessary, organizations improvised in connection with carrying out the affairs of the administration. That does not mean that the government or any minister of the crown ceases to be responsible for the administration of affairs; the responsibility must always rest on the ministry.

In order to bring home more clearly to hon. members what I have in mind, may I say that when the Minister of National Defence (Mr. Ralston), dealing with the affairs of his department, has made the appointments of the military authorities, which he thinks are necessary and best, the generals and other officers who have command on the military side, he is still finally responsible for any mistakes which they make. The last thing, however, he would be expected to do is to be continually interfering with those who have been given a particular task to perform on the field of battle.

It is exactly the same with respect to the ministry in relation to the other departments which have to do with the administration of

war affairs. The government's responsibility lies in appointing men whom it can trust and giving them the authority to carry out their duties with as little interference as possible. If the government were to be continually interfering in the day-to-day administration, it would be impossible to secure men who would be prepared to serve.

I am not trying to excuse the faults that I know exist in human nature. It is impossible to get any organization of men and not find among the number some who will be arrogant, some who will be carried away with an exaggerated sense of their own importance, some who will do most absurd, ridiculous and arbitrary things. As these men are discovered I agree they should be let out of the administration, one by one, as rapidly as may be possible. But looking over the men who to-day are giving their services to this country as experts assisting the government in the administration of our war effort, I do say that it would be very difficult to find in any country a body of men rendering finer service.

The word "bureaucracy" is one that catches the public fancy; it is a word used very freely. But let me ask about the present position. A bureaucracy is usually understood as being a body of public servants who are permanently secure in their positions and therefore able to take an autocratic attitude. Are the men who are administering the war effort of this country confined to the civil service of Canada? As far as the civil service of the country is concerned, I am afraid that it has had far too few additions to its numbers during the course of the war. For the most part the civil servants have simply had to work harder and to work longer hours; and a more devoted body of men than there is in the civil service, particularly among those at the heads of departments, I say cannot be found in any public service. But the men who make up the larger number assisting the government in the war effort are men holding only temporary positions. They are not men who have come into the service of the government of this country, to remain there indefinitely. They are there for the period of the war, or for such time during that period as they may be prepared and free to give to the public service. They cannot be described as a bureaucracy in any true sense of that word.

But is there not another explanation behind everything else? Is not the fault that is being found with those administering the war effort of Canada to-day primarily an objection to the restrictions being placed upon people at this time, the controls which necessarily must be exercised over the public at large in time of war? That is something which cannot possibly be escaped. We in this country have been freer, I suppose, than the people of almost any other country. We have had less in the way of control and more in the way of freedom of enterprise and of individual freedom. But in a time such as this, when a country is engaged in total war, that freedom necessarily must be restricted, and greatly restricted; and it is these restrictions that are causing the irritation.

My hon. friend has been referring to the duties and responsibilities of members of this house. I think there is an obligation upon every member of this house to help interpret that aspect of our war effort to the people of this country, instead of making it more difficult for the government or these administrators in the discharge of their public duties. We have a right to ask that this aspect of the question shall be present at all times in the minds of all in our discussions here.

Just in case I should fail to recall it later on, I should like to say a word at this point about the discussions in parliament during this session, and I do so after having reflected very carefully upon what I consider is likely to be the tendency in the course of this year's discussions. During the recent past we as a government have been told that we must not have anything whatever to do with politics; that this is a time of war and that, therefore, there must be no domestic politics discussed. Recently we had a convention of the Co-operative Commonwealth Federation, led by the hon. member for Rosetown-Biggar (Mr. Coldwell), at which a political programme was brought forward. We have just had the convention at which my hon. friend opposite (Mr. Graydon) was present and which he helped to arrange, and a political platform was drawn up by that party. I do not know whether there have been conventions of some other parties recently formed; but, at any rate, we now have several parties in this house, each having a political platform of its own. There is a general impression in the minds of a good many that this probably will be the last session of this parliament, and consequently that they had better begin to educate the public with respect to the various contributions they hope to make to the public welfare. I suppose that may be an inevitable tendency; but, having regard to the position of the world to-day; having regard to the very critical stage which the war has reached, may I express the hope that we shall not fall into the error of devoting too much time to discussing the merits of respective political platforms instead of keeping our thoughts centred, above everything

else, upon the fact that to-day we are in the midst of the greatest struggle for survival with which any people have ever been faced.

Mr. HANSON (York-Sunbury): If my right hon. friend will allow me, he will agree that there is one way to avoid that, and he has it within his power to announce that way.

Mr. MACKENZIE KING: May I say to my hon. friend that I thought it would not be long before we would see that we had two leaders opposite. But he and I will have a talk about it, to see if we cannot keep our young friend in order.

I want to emphasize this point, because to-day, with the great successes which fortunately have attended the arms of the allied powers; with what has taken place since the last meeting of this house in the improved position in Russia, in Africa, in the southwest Pacific, and, indeed, wherever the allied powers have been fighting, I think there is in the minds of a great many people the belief that this year is going to see the end of the war. It is not for me to try to discourage optimism in the mind of anyone; I think we need all we can get in the way of support for our continued efforts; but there could be no greater mistake in the world than to believe that we have advanced any further than this, that the allied and the axis powers are a little more evenly matched than they have been at any time heretofore. The power of Germany remains greater, I believe, than anyone in this chamber can begin to comprehend, and that power has to be destroyed before the liberation of the countries that have been oppressed can be brought about. But in addition to the power of Germany there is the might of Japan, which is great indeed; and these powers still have to be overthrown before any of us can begin to concentrate in the main on what is going to come in the post-war period. There was a remark made by the hon. member for Grey-Bruce in his address the other day which I thought very sound. He said he did not think there was any reason to fear what the conclusion of this war would be, but that we should take great care in any estimate we might make of its duration. This war may be and probably will be very much longer than any one of us begins to comprehend; and unless we direct our energies primarily to seeing to it that, first and foremost, we do those things necessary to bring it speedily to a conclusion, we are not going to help either ourselves or the allied powers. Therefore, Mr. Speaker, I trust that so far as this session is concerned it will not be thought that I am seeking in any way to abridge debate or discussion if, with my responsibility for leadership in the house, I do the best I possibly can to keep the minds of hon. members centred on the winning of the war—and that in as short a time as may be possible.

My hon. friend has asked me to speak about the conference at Casablanca. May I say that in all particulars it was similar to conferences which have taken place between Mr. Churchill and the President on three previous occasions when these two great leaders, one of Great Britain and the other of the United States, met in conference together. As hon. members will recall the first meeting was off the coast of Newfoundland; the second was in Washington in December of 1941 and January of 1942, while the third was in Washington in June of 1942. The recent meeting, as hon. members are aware, took place at Casablanca in North Africa.

As I have said, the meeting at Casablanca was a meeting between these two leaders and their military experts, the civil and military leaders of Great Britain and the civil and military leaders of the United States. I was not invited to be present at the conference—and that, I think, for the best of reasons. My position or rather that of Canada is similar in all particulars, or at least in many particulars, to that of Australia, New Zealand, South Africa and some other parts of the British commonwealth. Not only is it similar to the position of other parts of the commonwealth, but in many particulars it is similar to that of other of the united nations. The countries at war to-day are large in number. There are now some thirty countries forming what are known as the united nations. If one of the united nations is to be invited to a conference between two great leaders, there is every reason why other nations should feel that they were entitled to a like invitation.

From the beginning of the war I have had to face this question, and be prepared to make answer to it: As the leader of the government in Canada, am I in a time of war going to make more difficult than it is the situation which exists, or am I going to try to do all I possibly can to be as reasonable as it is possible for a man to be, and thereby make the situation easier than it would otherwise be?

I could this afternoon protest to the house that Canada had not been invited to the conference. Were I to do so, how much would I be helping the war effort of this country or the combined effort of the united nations? In the first place, as I have said, I do not see how it would have been possible to have singled out one country for invitation, and not to have invited others. But more than

that, I believe we have to do one of two things, when it comes to the matter of supreme strategy: either we must have confidence in those who are at the head of the united nations' war effort of to-day, do all we can to let the world see that we have that confidence, and assist them in every way we can, or we must take a different attitude, one which to my mind could only result in disaster.

But when I say that countries other than Great Britain and the United States were not represented at the Casablanca conference, it does not mean that the governments of those countries were not fully aware of the discussions that were going to take place there, and that they have not been informed with respect to discussions that have taken place. In connection with all matters pertaining to the war there is a certain procedure that has been built up—improvised, if you like. It has had to be improvised, because the war is something new, and the situation changes from day to day. And in that improvisation of the war effort of so many nations, tacitly if you like—and I think more than tacitly; I could say openly—there has been a recognition of the fact that the Prime Minister of Great Britain and the President of the United States were the two men around whom all could rally in support of any policies concerning which they might give the final word. In the shaping of that policy every part of the British empire and all of the united nations, in so far as it is possible for them to be consulted and informed in the matter, have a part.

Our chiefs of staff in this city are in constant touch with the combined chiefs of staff having their headquarters at Washington. The war committee of the cabinet is informed of the discussions taking place there from day to day. We have a permanent liaison officer, an official of the government, who is there at the present time, and is there also throughout the year. We are entitled to follow discussions and to be heard respecting any aspect of the war situation we may wish to present. Canada's interests in these matters are placed fully before the boards that are continuously sitting and dealing with these matters.

A decision reached at Casablanca is not a decision come to suddenly by the President and the Prime Minister. Such decision is the outcome of discussions which have extended over many months, and which are finally crystallized in a formal way by the heads of these two great countries. So far as Canada is concerned, there is no man in any part of the world who has had more intimate and close association with the British staff than has General McNaughton, the head of the Canadian forces. On military matters, General McNaughton, I venture to say, knows the mind of the staff in Great Britain as well as any member of the staff knows his own mind. And they know General McNaughton's mind. And when British staff officers go to Casablanca they do not go to support a policy which they believe is superior to the views of General McNaughton; they go to support a policy which they know has been fully considered before the matter ever came up in conference there.

I do not think I need go into detail in connection with that matter. However, expecting that the question would be raised this afternoon, I thought it best not to trust myself to express myself extemporaneously on the point, and prepared some notes which I intend to place on *Hansard*.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. MACKENZIE KING: Mr. Speaker, when the house adjourned at six o'clock I was speaking of the conference at Casablanca, and had just stated that having regard to the care with which any statement on a matter so all-important as that of the conference at Casablanca should be prepared, I preferred to read from notes which I had prepared rather than to trust to the expression at the moment of what I might say. Naturally this house will realize that anything that is said in any part of the British commonwealth, if it comes from the lips of the leader of a government in any of those parts, will be taken in all other parts of the world, including enemy countries, as something which is expressive of the policy of the united nations as a whole. I make that statement because there are many questions I should like to answer, many questions that I am in position to answer but am not free to answer. I am not free to answer for the simple reason that they affect all the governments to which I have referred. Without the opportunity of conferring with them and obtaining their consent I would be venturing beyond what I think would be proper to attempt to answer in their name as well as in my own. For the present, therefore, with respect to Casablanca I shall content myself with the following statement.

The talks in Casablanca were discussions between the heads of the United Kingdom and

United States governments and their principal military advisers, in direct continuation of arrangements made during Mr. Churchill's first visit to Washington for the establishment of combined United Kingdom-United States machinery for cooperation in various phases of the war effort. These combined arrangements were designed to effect closer coordination between these two countries, with each of which Canada maintains especially close and intimate relations. There has not yet been developed out of the combined United Kingdom-United States organizations the more comprehensive institutional organization which a total war effort of all the united nations probably requires. The difficulties in the way which will have to be overcome should be obvious to everybody. Nobody would wish to sacrifice the speed and efficiency which effective strategy demands to the formal exigencies of international representative institutions.

To wage war effectively, all our governments have had to assume unprecedented powers and responsibilities and have had to delegate unprecedented powers and responsibilities. There is constantly room for improvement in the plans by which we are mobilizing our own war effort and integrating it with the war effort of our allies. There has been a good deal of pretty successful improvisation to meet the means of war conditions. New types of joint arrangements, new agencies for mutual aid, new channels for communication and consultation, are being worked out. The framework of over-all cooperation is found in our association with our allies as members of the united nations. This framework is being progressively filled in and strengthened, but the job of constructing a workable international organization for the winning of the war and the maintenance of the peace is far from completed. There are obvious gaps and anomalies in the present arrangements to worry people who seek symmetry above all. I hope to see some of these gaps closed and anomalies removed.

We must somehow succeed in developing methods and instruments of cooperation which will strengthen the spirit of partnership in which all free peoples, large and small, are associated in our common struggle. In doing so we must not prejudice or compromise—in the slightest degree—the concentration of responsibility for strategic decision upon which the successful prosecution of the war depends.

I think that statement will appeal to the common sense of members of this house. It will be apparent that however much we may desire to have organizations that may seem all-embracing, the form of organization which is likely to be most effective is something which has to come into being as events help to determine the situation. When Mr. Churchill and the President met at Washington in December, 1941, and January, 1942, no one in any part of the British Commonwealth or in any of the united nations took exception to those two great leaders conferring together along with their military experts on the score that all other parts of the commonwealth or all the other united nations were not represented. The same was true when Mr. Churchill and the President met again in Washington in June of last year.

On one of those occasions, as hon. members will recall, Mr. Churchill visited Ottawa and was present at a meeting of the war committee of the cabinet at which he gave a statement to my colleagues and myself of the discussions which he and the President had had. I think I may recall also to the minds of hon. members that when the President and the Prime Minister of Great Britain first met at Washington I was invited by both to be present, and I was present at conferences that took place between them. I was not present at all the conferences, but I was kept very fully informed. Also at the time that the President and Mr. Churchill met in June, I was invited again to be present in Washington while they were there. I had many conversations with both of them individually and together in reference to the different matters they had been discussing.

I think I am at liberty to say now that, at the Washington conference in June, plans with respect to the invasion of North Africa were fully discussed. I had inside knowledge of those plans at that time. They were not carried out for some little time thereafter, but they were known to the military advisers of the governments of the united nations concerned, and later were made known to members of the war committee of our government in so far as it was desirable that they should be known.

In many of these matters of strategy there are obvious reasons why the information should be confined to military experts more particularly rather than made known generally to the civil authorities. I could mention other instances. Perhaps I am not disclosing a secret when I say that the President of the United States invited me just a month or two ago to visit him in Washington. I spent two days and a half with him as his guest at the White House. We were practically alone in our discussions in the White House at the time, and on that occasion I received from the President the fullest measure of his confidence with regard to matters pertaining to

the war. I have enjoyed a similar confidence in communications from Mr. Churchill. I am at the present time at liberty to say that when Mr. Churchill was in Russia having his conversations with Mr. Stalin he communicated with me fully with respect to those conferences. If there were any reason in the world to believe that the Canadian government was not receiving the fullest confidence of Mr. Churchill and his colleagues in the British government, or, as we have an equal right to receive it, in a certain measure, from the President of the United States and those who surround him, I would be the first one to take exception to a procedure which did not keep us fully informed. But I am sure hon. members of the house will agree with me that matters of the kind—the subjects which are discussed, or matters incidental thereto—cannot be made known generally. But what I would like hon. members to appreciate is that some of these things place a very heavy burden upon whoever has to carry the responsibility of maintaining secrecy concerning them. I think I may ask from hon. gentlemen opposite that in so far as is possible for them to do so they will realize that I have a very great responsibility in the matter of confidences, confidences which have to be maintained if the war effort is to be carried on successfully; and I trust that they will not embarrass me by asking questions which it is impossible to answer without disclosing information that should not be disclosed.

My hon. friend has spoken about the importance of an imperial war cabinet. I thought that subject had been settled a year ago, if not before that. Since it was a subject of discussion in this house, Mr. Churchill himself has been here, and in this very chamber he has talked with members of all parties. I know that this question of an imperial war cabinet was discussed with him by various members of this house. Mr. Churchill has exactly the same view, I venture to say, as I myself have and as I have expressed in this house with regard to the position of an imperial war cabinet at this time. I may say that I have had the expression of the view of General Smuts of South Africa. It concurs in all particulars with my own. I have had personal conversations with the Prime Minister of New Zealand, Mr. Fraser; his view is the same as my own. I have not had the pleasure of meeting Mr. Curtin, but I happen to know that his views with respect to an imperial war cabinet and its functioning at a time of war are similar to my own. Indeed, I do not know anyone in a responsible position in any part of the British commonwealth to-day who takes other than the view that for the prime ministers to be leaving their own countries to go and sit as members of some imperial war cabinet in London would be the greatest possible mistake. Each country should, along with all else, attend to its own individual problems at a time like the present, and we can only work and cooperate successfully in different parts of the empire if, first of all, each makes perfectly sure that matters which are of immediate concern to his own country receive the immediate attention of the leader of the government of that country.

But it does not follow that because there is not some outward and visible sign of an imperial war cabinet such as existed in the last war, and perhaps, to a certain extent, was necessary in the last war, there is not the most effective possible conference and consultation and cooperation between all parts of the British empire. The agencies of communication to-day are very different from what they were at the time of the last war. Anyone who reads Sir Robert Borden's memoirs will see the reason why he laid stress on an imperial war cabinet in London. He could not get any information from London; he did not know what was happening with respect to many of the matters which were being decided; he felt it very necessary that Canada should know on what grounds decisions were being made which were affecting her forces, and the only way that seemed possible to achieve that end at that time was either for Sir Robert himself to attend or for him to have one of his colleagues represent him at the council table in London.

The situation is very different to-day. Since Sir Robert Borden's day we have built up about as perfect a system of communication and consultation between different parts of the commonwealth as it is possible to have. Every day the government receives not one, but many dispatches, direct from the government of Britain relating to matters immediately affecting the war. There is not a major decision with respect to which Canada could be even remotely concerned that is not a subject of communication between us. There have been, I must say, one or two occasions where decisions were reached very quickly in Britain and communicated to us immediately afterwards. Where those cases have arisen they have been matters which, in the opinion of the British government, did not permit the delay of so much as an hour or two in the matter of a decision. But may I say with respect to that and I could not give a better illustration of the importance of not resorting to the old method of consultation in the present war, with regard to any matter of real importance which is to be decided in Britain, if a prime minister attending an imperial con-

ference is to be other than an autocrat or dictator and to settle everything by his own word and decision, he would wish to communicate with his colleagues in Canada and get their views and the collective view, before he gave an official decision in the name of his own country. I have been at several conferences in Britain, and I know something about how matters are decided at the council table. I was present in the war cabinet in England, as hon. members know, a little over a year ago, and I must say that what I saw and felt as a member of a war council sitting in London only helped to emphasize what I am saying to the house at the present time, namely, the importance to a minister who wishes to be effective in decisions that he is required to make, of being able to say that he speaks, not in his own name alone, but in the name of his colleagues; and further, the importance of his having with him at the time he is making his decisions the expert officers of the departments which are immediately concerned. In attending a war cabinet meeting in London the ministers have, either sitting by their sides or in adjoining rooms, experts who come and give them the information on which they base their decisions; and these experts give the information as a result of long and carefully prepared consultation in advance. I go to London and take my place at a war cabinet, and unless I take the staff of military headquarters from the Department of National Defence, the staff of the Department of External Affairs, and officials from some other departments of the government, I am not in a position to say what the government of Canada is prepared to support in the House of Commons of Canada. But the way in which matters work out to-day is this, that if a question of importance comes up on which the views of Canada and the different parts of the commonwealth are desired, I may receive a cable at my office at eleven o'clock in the morning; I can have my colleagues together at half-past eleven; and in a great many cases I am able to send a reply at half-past twelve; if I am not, there is the best of reasons why that reply should be held over until there is an opportunity of getting expert advice from different sources here. But with respect to any decision that Canada makes it is important that we should have the decision made in the atmosphere of this new world in which we live and where we can take account not only of the feeling of Canada but also of possible relationships of questions arising that will be of concern as well to the United States. Time and time again, during this war, opinions have been sent from Canada on possible repercussions which would result in the United States or in some other part of the British commonwealth. I am sure that the British government would be the first to acknowledge that those opinions have been of the utmost service to the British government and to the common cause.

I say, therefore, that what we have to-day is a continuing conference between cabinets of the British commonwealth. Surely nothing could be better than that. Instead of a single war council at London to-day there is a collective cabinet, a cabinet composed of the cabinets of the nations of the British commonwealth. True, its members are not all sitting in one room, but you have a cabinet in Ottawa, one in Australia, one in New Zealand, one in South Africa, and one in London, all pooling their information there and in the different centres which I have mentioned; and out of that means of consultation and communication are evolved the different policies which are given expression to in one form or another. That is my answer to my hon. friend when he says that we have not the outward and visible sign of unity which we should have.

This is a world war, and methods that have proved adequate in the past are inadequate to-day. I am happy to be able to say that, with one or two exceptions, I cannot see that we have suffered in the least by reason of not having further representation than we have at the present time in London.

May I add that we have in London a member of the Privy Council of Canada in the person of the Right Hon. Vincent Massey, the High Commissioner, one who has had a great deal of experience in public affairs and who enjoys the full confidence of the British government. Hon. members may not be aware that after important meetings of the war cabinet one of its members calls together the representatives of the governments of the different parts of the British commonwealth and advises them of what has been discussed in the war cabinet, and with respect to any matter that relates particularly to any one part of the commonwealth the fullest information is given on that particular subject.

Mr. Massey keeps in constant communication with myself and the Department of External Affairs and gives us this added information. In addition to that, we have in Ottawa a former member of the British government, the Right Hon. Malcolm MacDonald, than whom there could be no abler diplomat or one who has a better understanding of government, and he is receiving day by day from his government information which he imparts to our government. Further, I receive in regard

to the most important matters direct communications from Mr. Churchill, the British Prime Minister, and I communicate direct with him. In addition to that I receive, as Secretary of State for External Affairs, numbers of communications which come from the British government through the Secretary of State for Dominion Affairs on all matters pertaining to the war. The result is that every day, before the day ends, my colleagues and I have here in Ottawa as complete a record as it is possible to obtain with respect to matters relating to the war up to that moment. There may be some matters that have to stand over for a day or two; but so far as procedure has gone up to the present, and speaking generally, we have been amazed at the rapidity with which the government has been kept informed on most matters. It may be that my hon. friend is not aware of how complete the whole system of consultation and conference is, but I trust that what I have said will answer any doubts there may be in his mind on that question.

My hon. friend has spoken about the man-power problem in Canada. Well, we have a man-power problem. Every country that is at war, indeed, for that matter even if it is not at war, has that problem to a greater or less degree. There certainly is no more difficult situation to handle than that of taking people out of occupations in which they have spent their lives and putting them into entirely different occupations. There is nothing more disrupting to good feeling than to be obliged, as the government is, in a time of war, to make restrictions which will prevent people from carrying on the pursuits in which they have been engaged since their earliest days and to which they had hoped to devote their lives, and to tell them to do something else, to go somewhere else. There is nothing more distasteful than suddenly to be obliged to have an officer of the government go into the homes of citizens of our country and tell them that it is a part of government policy that not merely the men but in some cases the women as well in those homes must leave them in order to help in the war industries of the country or to take part in some other form of war service. This is the most difficult problem with which any country can be faced at any time, and the amazing thing to me is that we have been able to work out matters as smoothly as we have.

At the last session of parliament I gave the house a statement of what I thought the man-power requirements for this year would be. Hon. members will see in *Hansard* of March 24, 1942, my statement of the estimate of what would be required to fulfil man-power needs for the fiscal year 1942-43. These were the figures given: war industry, 100,000; navy, 13,000; army, 90,000-100,000; air force, 70,000-80,000, making a total of from 173,000 to 193,000 for the armed forces all told. I think these figures were also given, in part at least, by my colleague the Minister of National Defence.

Various revisions have been made from time to time in the light of changing needs of the war. The army estimates were raised because of the increased home defence programme. What are the actual achievements? I have given the estimates. The actual achievements for 1942—that is, for the calendar year—were these: For war industries, instead of merely the number estimated being provided, that is 100,000, there were over 300,000 added. That was the number of persons who entered war industries. As regards the armed forces, the number was over 200,000, a figure above that which in the earlier stage had been estimated with regard to the three forces. In other words, the achievements in the mobilization of man-power greatly exceeded the earlier estimate in 1942.

There may be a controversy with regard to methods, if you will. All methods, particularly new methods, when they are adopted, are difficult. But what matters most is the result, and I have given the house the results of such methods as have been employed in the past year.

I made perfectly clear to the house in what I said that it would not be an easy matter to carry out the necessary measures. Speaking on January 26, 1942, I said:

> The administrative machinery required to carry out the proposed measures equitably and efficiently will necessarily be intricate and complicated. The capacities of men and women cannot be weighed and measured and graded with the same certainty as the qualities of wheat, or cement or steel can be determined. To perform the complicated task of selection with success will demand both time and skill.

I also said:

> Certainly no government is wise enough to decide the appropriate task for every individual in the nation. And, even if governments were all-knowing, the war would not wait while this stupendous job was being performed. What the government can do, and what we propose to undertake to do, is to meet the urgent needs by the best means we can devise.

And that I say we have carried out in the way I have indicated.

Let me repeat that the government does not claim that it has been able to do everything perfectly or even as rapidly as might be desired. Perhaps I might direct the attention of hon. members to this fact, that there has not been a single phase of the war effort—I

make no exception—in connection with which this government has not been charged from the very start that we were not going fast enough, that we were not getting the results that should be obtained. The very first year it was, Why didn't we have more troops overseas; why didn't we have more clothing; why didn't we have more equipment? My colleague the Minister of Munitions and Supply (Mr. Howe) was continually taunted with not getting planes fast enough, not getting tanks, that we had no tanks, and the like. So it has been all the way. Little if any account has been taken of the fact that unless there had been very careful planning at the outset, all the rest might likely have been a muddle. I claim for the present administration that we have planned carefully from the start. We have resisted the pressure to proceed at a rate which would sacrifice quality for quantity. As a result, what we have done stands in good stead for this country and for the united nations to-day.

This afternoon the leader of the opposition ended his address with a peroration—it was not his own, it was one of Mr. Churchill's; it was all the better for that. It was one with which we are all familiar, telling how the British people were prepared to fight in the streets, to fight on the beaches, to fight on the hillsides, prepared to fight everywhere, and my hon. friend said, Now I present that as a challenge to hon. gentlemen opposite in regard to their war effort. Well, I am going to answer that challenge to-night. I answer it by asking him to survey what is taking place to-day in different parts of the world as a result of the services of the armed forces of this country. I ask him to stop and think of the position of this country on the day this parliament met and decided that we would enter the war. At that time Canada was not prepared for war any more than were any of the other countries now fighting the axis. We started practically from scratch, but to-day we have one of the finest navies in the world. We have two army corps overseas, the best trained and best equipped of any corresponding number of men in the world. We have an air training plan in this country which has turned out pilots and air crews that will be found over every theatre of war in the world, an agency of war as great as any other to be found in any country to-day. And we have in proportion to our population greater war production than can be shown relatively I believe for almost any other country. Not only have we armed forces engaged in active combat to-day in all parts of the world, but we have in addition been assisting in arming and supplying the other united nations that have been taking a great part in the war.

In answer to my hon. friend's challenge, let him ask himself what Canada has done for Russia, for China, for many of the united nations that are to-day fighting in this war. In the answer to that question he will find the answer to the question whether we have been doing our part in the war.

My hon. friend has asked for facts and figures. I shall make a brief statement. I had thought that I would leave this to another occasion, but as he has asked me to give something concrete I shall at once give a brief statement of the growth of the armed forces in the past year, 1942.

Here may I pause to join with my hon. friend in the tribute he paid to our heroic men at Dieppe. Nothing has happened in the past year which has touched so deeply the hearts of the Canadian people as the spirit shown by the forces who were engaged in that combined reconnaissance at Dieppe in the middle of the year. Their resource and ingenuity, their skill, their bravery, the valour and heroism they showed; all this and much else has helped to make the name of Dieppe stand out in the history of our country as one of the memorable names blazoned on the banner of war honours of our land. And may I say that I do not think full justice has ever been done in this house to the memory of the men who fought at Hong Kong and sacrificed their lives or their health there in an equally brave endeavour to preserve the safety of their country and the freedom of the world. In our thoughts at this time above all are those who have made the supreme sacrifice, the families that have lost their loved ones, those who to-day are suffering as prisoners of war in different enemy countries, those who have been wounded, those who are away from their homes; all of them are present in our thoughts at this time, and I hope word will go out to the living among their number that the House of Commons, whatever differences it may have in its parties, is one in its thought for them and its determination to see that everything that is in its power to do will be done to help and support them.

Now, Mr. Speaker, to come to facts and figures. A year ago the navy comprised over three hundred and fifty ships and over twenty-seven thousand men. At the beginning of the present year there were more than five hundred ships and the personnel had almost doubled, the number exceeding fifty-two thousand.

At the beginning of 1942 the active army included some 260,000 volunteers and an additional 20,000 men called up under the Mobilization Act. At the beginning of this year the number of volunteers had risen to about 360,000 and the number of men serving compulsorily

to about 55,000. A considerable portion of the men called up during the year had volunteered for general service.

In the air force the number of men rose in 1942 from about 100,000 to about 150,000.

In addition to the armed forces, about 38,000 Canadian merchant seamen are serving on vessels of Canadian or foreign registry. Some 400 men are serving in Britain in the corps of Canadian civilian firefighters.

Just a word about the war effort of these forces. The Canadian navy has three tasks. It shares with the army and the air force in guarding Canada's shores. It shares with the British and United States navies in protecting merchant shipping on the Atlantic. It cooperates with the sea forces of the united nations. In engagements with the enemy, officers and men of the Royal Canadian Navy have borne themselves gallantly. Several enemy submarines have been sunk by Canadian naval forces. I pause to ask hon. members if their pride and the pride of the country has not been stirred by the announcement made within the last few days that a Canadian corvette bearing the name *Ville de Quebec* had torpedoed a German submarine and sunk her in the waters of the Mediterranean, and the report which has been published to-day that another Canadian corvette bearing the name *Port Arthur* has sunk an Italian submarine. And, Mr. Speaker, while these announcements are not made from day to day, it is a fact that something like eight or nine or ten of our corvettes or other ships have succeeded in sinking U-boats during the course of this war.

That is only one phase, but I say it is something of which Canada may well be proud. I ask the members of my party and others in this house who come from the province of Quebec if they are not proud that a corvette manned by Canadians and bearing the name of the city of Quebec, the capital of old Canada, was able to sink an enemy ship in the waters of the Mediterranean. I see my hon. friends at the far end opposite, to whom I am addressing my remarks particularly, smiling. May I make this statement; may I say to them that proud as I have often been of this House of Commons, I was never prouder than when I heard two of our members in uniform speak as they did about the defence of Canada being accomplished through the defence of freedom in all parts of the world; coming here to this house while on active service to proclaim the larger vision, the only vision that counts for aught in a war like this, that the safety of Canada is bound up with the safety of freedom throughout the world. Yet at this critical time, of all times, hon. gentlemen in the far corner opposite find it necessary to separate themselves from colleagues in their province in order to support an isolationist view with regard to the war effort of Canada! Their action does credit neither to themselves, nor to their province or to our country.

To continue with respect to Canada's war effort. A programme of expansion in the navy has been followed continuously since the outbreak of war. Only a part of Canadian shipbuilding capacity is devoted to the needs of the Royal Canadian Navy. The total shipbuilding capacity is divided between the construction of cargo ships and naval craft. A considerable number of ships of both kinds are constructed for Britain, the United States and others of our allies. At the same time British shipyards, as well as our own, are building ships for the Canadian navy. A considerable increase in the number of ships, including several destroyers, is anticipated in the present year. The enlistment and training of naval personnel is keeping pace with the increase in the number of ships.

The Canadian army in Britain has continued to guard that island citadel and to prepare for offensive action against the enemy. In the combined operations at Dieppe the valour and heroism of our troops as I have said has filled our country with pride. May I pause here to say that I sometimes think we do not sufficiently estimate the part which our troops in Britain have played from the beginning of this war. We have, for example, been attaching considerable importance to the visit which Mr. Churchill had with the President of the United States in North Africa. At different times we have been stirred by similar visits to Washington. How has it been made possible for Mr. Churchill to travel as he has to different parts of the world in this time of war? If you ask the people of Britain they will tell you to-day that this is due in very large part to the sense of security which Mr. Churchill and the government of Britain feel because of the presence of the Canadian forces, along with the British forces, in the British isles. Our men have not merely been prepared at any moment to meet the assault of the enemy should he seek to attack Britain. They have been equally prepared to cross the channel and be the spearhead of an attack upon the German forces there. Moreover, the effect of the presence of the Canadians in the British isles has been to keep locked up in the mainland opposite, in occupied France, divisions of German troops which would have been available for service in Africa or elsewhere.

In addition to hard training and ordinary duties of life in the field army, the army in Britain has done many other things. I should like to describe some of those activities in the words of General McNaughton. I intend to do so in a few moments because I wish also to have the challenge which my hon. friend has thrown out answered in the words of General McNaughton himself.

In connection with the army overseas, the Canadian active army of two army corps announced a year ago has completed its formations in all its major components. Ancillary units are month by month proceeding overseas. Thousands are in training as reinforcements wherever required. The programme of army expansion in Canada, announced on March 25 of last year, is being carried out. The 6th and 7th divisions and the brigade groups of the 8th division are mobilized. There are in addition troops on garrison duty on our coasts and in our vulnerable areas. In addition to the troops in Newfoundland, Labrador and the West Indies, the Canadian army is cooperating in the defence of Alaska. Behind the active army are the tens of thousands of citizens who are effectively devoting their time and energy to the important work of the reserve army. Then also there has been the important voluntary work carried on by many tens of thousands of our citizens in air raid precautions and civil defence.

The Royal Canadian Air Force continues to develop its threefold activities: air training, territorial and coastal defence, and active combat against the enemy in all parts of the world. During the year the agreement which set up the original British commonwealth air training plan was renewed and extended. Royal Air Force training in Canada has been coordinated with the commonwealth plan in a greatly enlarged combined training organization. The expansion of the home war establishment, forecast a year ago and set out in greater detail on March 25 last, is being actively advanced. The growing submarine menace along our eastern coast and in the St. Lawrence, and the combined operations with the United States forces in Alaska have increased the combat activities for the squadrons of the home war establishment. Canadian bombing squadrons of the Royal Canadian Air Force and the Royal Air Force have been engaged in steadily mounting numbers in operations over Germany and German-occupied Europe, Italy, North Africa and the middle east, India, Ceylon and the southwest Pacific. A Canadian bomber group was formed in Great Britain in December last. During next year the number of Royal Canadian Air Force squadrons will be increased to thirty-eight. The Royal Canadian Air Force is undertaking increasing responsibilities for the maintenance, equipment and welfare of Canadian airmen serving in combat areas overseas. Royal Canadian Air Force squadrons serving overseas will be fully equipped and maintained by Canada. In addition, Canada is undertaking to provide the pay and allowances of the Royal Canadian Air Force personnel serving in squadrons of the Royal Air Force.

I should like now to say a word with regard to war production. There is perhaps no more graphic way of indicating the progress of Canada's war production in the past year than to cite a few figures of production in 1942 as compared with 1941. First, as to shipbuilding: in 1941 Canadian shipyards built eighty-five corvettes and minesweepers, and in 1942 we built seventy-four, a decrease of eleven. But in 1942 many of the larger shipyards were devoted to the building of cargo ships. Over eighty cargo ships were built as compared with one in 1941. The output of military aircraft in 1941 was under 1,700. In 1942 it was almost 3,800. In 1941 Canada manufactured some 3,000 armoured fighting vehicles including tanks, universal carriers, scout cars and armoured cars; in 1942, well over 12,000. The output of mechanical transport numbered less than 120,000 vehicles in 1941 but over 200,000 in 1942. The increase in the output of field guns, naval guns, machine guns and small arms and ammunition of all kinds is even more spectacular. In money value Canada's war production in 1942 had increased some 159 per cent over 1941, from over $800,000,000 to over $2,100,000,000. The number of men and women employed in war industry at the close of 1941 was some 700,000. At the end of 1942 the number had risen to well over a million. These figures should be a source at once of pride and of encouragement to Canadian industry and to the working men and women whose labours made possible such production.

Canada's war production was not confined to ships and aircraft, machines, weapons and ammunition. Primary production was also greatly increased. Aluminum, nickel, copper and other base metals; steel, timber and other essential war materials were produced in greater quantities. Canadian agriculture responded splendidly to the increased need for foodstuffs. Shipments to Britain were greater in all lines. Cheese increased from 112,000,000 pounds in 1941 to 125,000,000 pounds in 1942. Bacon increased from about 425,000,000 pounds to over 600,000,000 pounds, in this case over a slightly longer period; dried eggs, from some 15 million dozen to 38 million dozen. The programme for 1943 calls for 675 million pounds of bacon, 63 million dozen eggs and at least as much cheese as last year.

Most of the food Canada exports is sent to Britain, but Canadian implements and munitions of war have found their way to all our fighting allies and have been used on almost every front. More than two-thirds of our total munitions output is supplied to other of the united nations. While our munitions programme has now reached full capacity, within the limits of available man-power and materials, we may expect the output for 1943 to exceed substantially that of 1942. In volume and quantity, it already compares favourably with that of any allied country. And, speaking about food supplies I would ask my hon. friend the leader of the opposition to recall a remark he made, to the effect that it was a reflection upon the government of this country, and one of which the farmers in particular should take full account, that we find to-day that butter and beef are being rationed in Canada. Why are butter and beef rationed in Canada?

Mr. ILSLEY: Beef is not yet rationed.

Mr. MACKENZIE KING: I thought my hon. friend said beef.

Mr. ILSLEY: He said beef might be.

Mr. GRAYDON: I said there was a hint that there might be.

Mr. MACKENZIE KING: Then I beg my hon. friend's pardon. He did not say beef was rationed, though he thought there was a hint that it might be. Well, why is butter rationed at this time? The answer is—and I may say that if my hon. friend were helping the war effort of the country to the degree to which he professes he desires to help, he would tell the farmers of this country it is because Canada is providing the enormous supplies of food which she is sending to the people of Great Britain, from the supplies of foodstuffs of this country. We have made an agreement with Great Britain to supply her with foodstuffs. She has given us this opportunity in service above that of any other country. We had gained for the farmers that sure market, and I am certain there is no farmer in this country who, if he were told that it was to serve two purposes, namely to help sustain the armies and the people in Great Britain and give employment to those on his farm, would not very gladly have that extra supply go to Great Britain, even if we have to ration it here.

Now, Mr. Speaker, may I say a word about the financial measures connected with the war effort.

Because of the success achieved in preventing inflation and maintaining the purchasing power of the Canadian dollar, the real extent of Canada's war effort can be fairly accurately measured in financial terms.

In the calendar year, 1941, direct war expenditures amounted to more than $1,100,000,000, and an additional $900,000,000 was necessary to provide the Canadian dollars to meet the United Kingdom deficit. Canada's total war costs for 1941 therefore exceeded $2,000,000,000. In the calendar year 1942 the corresponding total was more than $3,600,000,000.

The splendid way in which the financial burden of war is being borne by the Canadian people is evidenced by the fact that in addition to over $2,000,000,000 collected in 1942 in taxes and compulsory savings, cash subscriptions for victory bonds and war savings certificates exceeded $1,900,000,000.

There is my reply to my hon. friend's challenge as to how Canada fights; how Canada is carrying on its war effort.

And referring to Mr. Churchill, I do not think he would mind my saying to the house what he said to me on different occasions when I have had conversation with him. He has said, "How does Canada manage to do what she does? It is beyond me to understand how she has been able to do what she has done and is doing in the war." That is Mr. Churchill's estimate of Canada's war effort. I add that, with no fear of contradiction whatsoever.

But now, lest it might be thought that what I am saying does not represent exactly the position of our armed forces and more particularly our armed forces overseas, I should like to read the following communication issued by General McNaughton, the commander of our army, as a greeting to his troops and to the people of Canada at the Christmas season and the beginning of the New Year. For some strange reason—and I cannot account for it—this very important message seems to have received very little publicity in our country, either over the radio or in the press.

I believe I heard only a paragraph of it over the radio one evening, but I searched in vain through the press of the country to find any reproduction of the statement. I am not reflecting in any way. There are lots of things which go over the air and appear in the press which I may miss. However, I do think that this important statement should have its place in *Hansard*, and for that reason I place on *Hansard* this statement of the commander of the Canadian army overseas which will indicate whether or not in his opinion there has been any lack of energy or efficiency or sufficiency so far as Canada's war

effort is concerned in relation to the troops overseas. This is General McNaughton's message:

This is the fourth Christmas which the vanguard of the Canadian army has spent in England, for it was on December 17, 1939, that the leading elements of the first division arrived at a northern port after an uneventful voyage across the Atlantic under the sure escort of the Royal Navy. At that time our numbers of trained soldiers and experienced officers were very few indeed and our equipment consisted of little more than the rifles we carried and the clothing we wore. But this caused little anxiety, for during our period of organization we were to rest under the shield of the British expeditionary force, and of the armies of our allies in France and all the facilities of the British army in the United Kingdom were available to help us in our training and development. Moreover, we had behind us Canada's magnificent young manhood and our great peace-time industry, both potentially very formidable and, we were confident, readily adaptable to the preparation and making of war. Our cause was just, our participation necessary, and there was certainty that the government and people of Canada would see the struggle through to a victorious conclusion.

In the months which followed, this confidence was amply justified, for in Canada preparations were pressed forward with energy and decision and soon there was a steady flow of men to us, limited only by the capacity of the ships we could obtain. And gradually at first, and then in rapidly rising tide, now approaching the flood, came our arms and vehicles and equipment of every sort and kind.

So to-day, our first few have become many tens of thousands and they now are firmly based on the vast arsenal which our country has become, we count ourselves most fortunate both in the quantity and, best of all, in the high quality of the supplies which Canada has sent to us.

In the three long years we have stood guard within the British isles there have been many periods of intense activity when battle against the enemy seemed imminent, the anxious time of Dunkerque when we were witness of the miracle of the salvation of the British expeditionary force, our expedition to Brest as a forlorn hope to support the last stand of our ally France, the Battle of Britain when we watched the air force in their glorious defence, ourselves half-armed and ill-equipped but ready to meet invasion should it come, Spitzbergen in the Arctic and Dieppe across the channel and other far-flung designs most carefully prepared at the behest of those who rule these matters with all the repeated meticulous precision and all the vast expenditure of time and energy that is required, only to end in nothing through some proper change of strategy as circumstances arose which called others, with alternative roles equally prepared, to carry their allotted task forward in satisfaction to fulfilment.

And always throughout, by day and night, in fair weather and in foul, unending training in all the varied aspects of modern war, continuous development to a settled plan, and as each day passed, the units and formations growing stronger and our men and officers more fit in body and in mind, and more adept with their weapons and skilled in leadership for the hard tasks which lay ahead.

[Mr. Mackenzie King.]

Meanwhile, and over and beyond the ordinary duties of life in the field army itself, there have been many things to do. Camps and roads and airfields to build; depots for stores and workshops to erect and operate; waste to be eliminated and salvage to be collected; help to give in the quest for key minerals needed for war production and tunnels to drive for power to aid in manufacture; forestry operations in Scotland to supply great quantities of timber when its import would have needed the use of precious shipping otherwise required; military schools and courses to organize and conduct; the central administration patiently evolved, by those entrusted with this task, to regulate our dealings with the civil power and with the great departments of state with whom our daily business has been adjusted in harmony. Likewise, and of very great importance, the widespread detailed systems, some army, some civilian, built up to secure the complicated task of caring for the individual in all his many wants and needs. To transport and house, to feed and clothe, to issue out the arms, to promote and pay, to minister to our spiritual requirements, medical and nursing services and hospitals and the Canadian Red Cross to look after the sick and other casualties, dental services, postal services, education in which we gratefully acknowledge the help so well given by our comrades of past wars, hospitality so generously given by the people of these isles, canteens and sports and recreation and welfare provided to us by the legion, the Salvation Army, the Y.M.C.A., the Knights of Columbus and all our many friends who have worked with them.

In all of these, devoted service has been given, not only to our own troops but also and on occasion to the civil population as well.

Those years in England have not been easy, nor do we seek their long continuance. The men and women with the Canadian army overseas are far from home and kith and kin to whom they would return, but there has been no wavering in the steady purpose which brought them here and they watch and wait for the proper time to strike with that quiet patience which bespeaks a high morale. When that time comes, be it soon or late, the army of Canada will go forward with reasoned confidence to discharge its duty to the cause we serve.

There is the answer to the challenge, if challenge there be, as to whether Canada's war effort in these past years has been worthy of our country. There is one clause in that statement of General McNaughton's which I wish to emphasize and draw attention to. General McNaughton points out that from the beginning they have been able to get all the troops that they could find ships to bring them in. May I say to this House of Commons that the only limiting factor to-day with respect either to troops or supplies for overseas is the limit of the ships available to transport them. There is the answer as to Canada's war effort. Does anyone dispute that?

Mr. HANSON (York-Sunbury): What about the man-power question?

Mr. MACKENZIE KING: I am answering it; my hon. friend is getting an answer. I repeat what I said, that the only limiting factor on supplies or men going to Britain to-day is the ships available to take them. My hon. friend is seeking to raise a commotion in this country over the man-power difficulties which would undoubtedly be apparent in any movement of people here and there as I have described already, but is neglecting altogether what the commander in chief of the Canadian army says is the position to-day in Great Britain. I say that we owe a duty to the people of Canada, we owe a duty to the united nations to see that Canada's war effort is presented in the true light of its accomplishments and not in the light of some domestic struggle we may be having in regard to man-power.

Speaking of man-power, may I say that I was a bit surprised at my hon. friend, the new leader, this afternoon when it seemed to me he was seeking to embarrass the government in its war effort by directing a veiled attack at the Minister of Labour (Mr. Mitchell). My hon. friend said that there was a need for change in Canada's labour policy and rather sought to add what he could to the efforts that have been made to stir up added difficulties for the Minister of Labour. May I say, to begin with, that no member ever came into a government in Canada with higher encomiums from all sides than did the present Minister of Labour. These were pronounced by men in all parts of this dominion. If one will look at the press of this country, he will see what was said about the appointment of Mr. Mitchell as Minister of Labour and will find that I am perfectly within the mark when I say that there was but one note and that of praise from one end of Canada to the other. That note of praise was given in equal measure by persons of all classes. It was given by hon. gentlemen opposite, in sparing measure it is true, and it was given by the labour men of this country.

When I was seeking to obtain a minister who I believed would be the best minister that I could get to head the Department of Labour, I offered the portfolio of Minister of Labour to Mr. Tom Moore, president of the Trades and Labour Congress. Mr. Moore told me at that time that he was ready to do anything in his power to assist the government, but he did not think his strength was such that he would be justified in taking on a portfolio in the administration. More than that, he reminded me of something I had said to him years ago to the effect that at the time of the last war Mr. Samuel Gompers in the United States had played an even larger role in the way of assistance to the government by remaining at the head of his organization than he would have been able to play had be been a member of the administration. Mr. Moore told me that he believed he could assist the government in a more effective way if he remained outside. But he said to me, "You cannot get a better man than Humphrey Mitchell." It was on Mr. Moore's recommendation and on what had been said by members of other labour organizations throughout this country, because of the regard in which Mr. Mitchell was held as a labour man and as a former labour member in this parliament that I asked him to accept the portfolio of Minister of Labour and believed that I was securing the best man that could be found in Canada for that position.

Why has there been an attack upon Mr. Mitchell such as has been made in different parts of the country? It has been due, above all else, to the simple fact that Mr. Mitchell has tried to uphold the government's policy of wage stabilization and price control. I want to put this very clearly to this parliament because it is a question we shall have to face through the whole of this session. The government will have to be supported in its wage stabilization and price control policy if we are to control inflation in this country. If that support is not forthcoming and we have to change that policy, then whoever is responsible for that change of policy will have to be responsible for the consequences if they lead to a complete breakdown in price control and to inflation in our country at this time of war.

This is a very difficult policy to maintain; nothing in the nature of restriction is easy in a time of war. I have been repeating that over and over again. There are restrictions that we shall all have to put up with, and if we are going to control prices there has also to be a stabilization of wages. I am not saying for one minute that any stabilization of wages which is unjust or unfair should be maintained. I would be the first to resist anything of the kind and demand that injustices should be remedied. But I do say that no class in the country has as much to lose through inflation as the working classes. I think they will be the first to admit it.

May I point out that this parliament has already approved that policy. Last session we did not have an attack upon our wage stabilization and price-ceiling policy. Members generally conceded that this country was

not only doing what was good for itself but was setting an example to other countries in dealing with a situation arising out of inflation such as Canada and other countries were faced with in the last war. As nearly as I could judge, this parliament seemed to be almost of one accord with respect to maintaining the price-ceiling policy. As I have said, you cannot maintain a price ceiling without having wage stabilization. Because the Minister of Labour has had to refuse certain demands that have been made by labour in the way of increases in order to maintain the price ceiling, because he has stood firm in support of the policy of the government, he has been constantly attacked and his position has been made more difficult than it otherwise would have been. If there is another explanation I would be glad to hear it, or perhaps, I should say, I would be sorry to hear it. I honestly believe that that is the explanation of the feeling which has arisen in certain quarters in an effort to bring about a change in the portfolio of Minister of Labour.

Speaking of ministers of the crown, may I say this, because we had a new theory of government, of which I am going to speak in a moment, pronounced by my hon. friend this afternoon—the theory of the occupational basis of government: when a minister of the crown is sworn in as a member of a cabinet he becomes the representative of the people as a whole, no matter what his occupation may have been theretofore. He does not represent a class; he represents the people of Canada, and his responsibility is a part of the responsibility of the cabinet as a whole. When Mr. Mitchell came into the cabinet he had to assume his share of responsibility for the policy of the government; and if to-day he has to refuse certain demands that may be made upon him because of the policy of the government, the choice before him is to decide for himself, "Is it to be what in the end will be the greatest good for the greatest number by standing by a policy which for the moment makes me a bit unpopular?" or "Shall I resign from the ministry and thereby help to destroy a policy which will do more good to labour and others of my fellow men than could possibly be achieved in any other way?" Labour has no more right to think that the Minister of Labour represents labour only in the government than bankers or financiers have the right to think that the Minister of Finance is only their representative or than lawyers have to think that the Minister of Justice is exclusively their representative. When a minister of the crown takes the oath of office, by that is meant that he becomes one of a group which have a united policy and collectively are responsible to parliament and through parliament to the people. That is the meaning of responsible government; and I hope that any efforts which are being misdirected against the Minister of Labour on any score such as that he is not doing his full duty in supporting government policy will not be pursued further unless there are grounds which will substantially support them.

My hon. friend spoke this afternoon of the government's national social insurance policy of which special mention is made in the speech from the throne. I am glad to feel that members of all parties in this house are more or less in accord that the time has come in our country's affairs when we should be giving all the thought we possibly can to these great questions of social security. The chief objection which the leader of the opposition raised to the social security policy as outlined was not to the policy itself but to the government's method of proceeding. He asked why in the first instance we should ask for a select committee of this House of Commons to study the whole question.

Well, there have been many reasons for that. One reason is that the question of social security, of any policy of social security which is to be a national policy for the whole of Canada, is a very large one. It is a question the proportions of which cannot be properly appreciated unless it is studied very carefully and with the aid of expert advice and information. For years to come the membership of this house will be concerned more with social and economic security than with any other question which will be to the fore, once the war is concluded. Anything that is done to-day in the way of making possible a further development on the lines of social security after the war will be of service to the war effort itself; because the men who are at the front are looking to us who are here to see that when they return they are not only given employment of a character befitting their worth, and ample opportunity to work, but that the conditions under which they will have to live hereafter will be different from those they have experienced before.

The government has felt that this question, as I have said, can be appreciated in its full significance only after a very careful study made on the part of members of not only one party but of all parties in the house. It is of very great importance that it should not become a matter of party discussion any more than can possibly be helped. It has been suggested that we should have introduced a bill. Had we introduced a bill what would have

been the result? Immediately the whole question would have become one of party discussion. The bill would have been criticized for containing this and for not containing that. My hon. friends know very well how these matters develop in the House of Commons. But presenting the question in a broad way to a committee of this house affords ample opportunity for the study of all aspects of it. It is a matter which affects, in Canada, not only the dominion but the provinces; and, as hon. members well know, there are in these matters of social legislation financial difficulties, matters which relate to sources of revenue and possible changes in the sources of revenue; and constitutional difficulties, matters which relate to the powers of the provinces and the dominion respectively. All these matters lie at the root of efficient administration of any social security measure, and they are questions which can be studied by a committee of this house better than they can be discussed in the first instance on the floor of the house.

Mr. GRAYDON: At what stage of this national social insurance is it proposed to consult the provinces with respect to any dominion-provincial scheme?

Mr. MACKENZIE KING: Well, that is not for me to say. That is one of the things which I should think the committee would be in a better position to say than I would. The provinces will certainly have to be consulted; and that is one of the reasons I think that the matter ought to go before a committee of the house in the first instance. We shall then learn, in the light of the discussions in committee, what in their opinion is the order in which certain steps should be taken and the best time to take them.

May I say to my hon. friends that there is another reason why I feel that this matter should go first of all to a committee. None of us knows the particular trend that this war is going to take. But we do know that this year is going to be the most serious for the Canadian forces of any since the war commenced. What may be happening in April, May or June, sooner or later, no one in this house can say. I for one should be very sorry indeed if either between now and the months I have mentioned, or at that time, or later, or whenever the time may be, while this house is in session, that all our armed forces were engaged in mortal combat with the enemy it should be found that we were or had been spending most of our time discussing in this house whether or not certain aspects of social insurance should be passed immediately; or, worse than all, that we should be convening or having at the same time a conference between the provinces and ourselves on this matter. Everything this year will have to be done in the light of what developments the war takes; and the government, in planning its programme, has had that very much in mind. We want to expedite our programme, but the matters we wish to discuss first and foremost are those which are related immediately to the prosecution of the war. There is a very large financial programme to be considered, the war appropriation bill, the programme with respect to allocation of supplies to the united nations, other policies which bear immediately on the war effort of our country as it is to-day and will have to be taken up before any other questions are begun to be discussed at length. But that does not prevent a committee holding its sittings on the same days, obtaining expert advice, and being in a position before the session is over to come back to this house with recommendations which will help to expedite the legislation which ought to be passed. That is one of the reasons why the matter has been referred to a committee.

I have gone on at greater length than I should have. I will close with just a reference to what seemed an extraordinary statement on the part of my hon. friend in the discussion this afternoon. In his veiled attack on the Minister of Labour—which was equally a veiled attack on the government itself—by mentioning the Minister of Labour, and also the Minister of Agriculture (Mr. Gardiner), the one as having been associated with labour in the past, and the other with the farmers in the past, while the rest of the government were not either farmers or working men, my hon. friend put forward a new theory that, namely, of government on an occupational basis.

Let us go over the government as a whole, my hon. friend said; but he picked out just these two. The implication of what he was saying was that there are in the government a number of hon. members who belong to other callings or professions and that we ought here to have a government formed on a basis of occupation. No doubt we shall hear more of that from other members. Well, if that is to be the theory of government from now on, perhaps it would be well at once to point out certain fallacies with respect to it. My hon. friend spoke about himself as a great friend of labour and of the farmers. These were the two groups in the community with whom he had associated all his life. They were the ones to be considered first, and anyone who

did not rub shoulders with one or the other of them could not possibly be equal to the task of filling a position in the ministry as it ought to be filled.

I am afraid my hon. friend is not as widely read in social movements and reforms as he ought to be. Speaking of labour, as I think of some of the names that in the past have stood out as beacon lights in the path of reform there comes to my mind first of all the name of Lord Shaftesbury. Lord Shaftesbury has been upheld in all countries as one whose life was devoted to the welfare of the working classes. He was not himself a working man, and most extraordinary of all perhaps is the fact that he was a member of the House of Lords. That at the time was going about as far in the other direction as anyone could possibly go. But according to my hon. friend's doctrine, Lord Shaftesbury would not have made a good minister of labour because he was not a working man; nor would he have made a good minister of agriculture because he had not been brought up on a farm.

I might mention many other names, but I might refer to one name that stands out as perhaps few others in the history of the world, the name of the great emancipator, Abraham Lincoln. He belonged to the same profession as my hon. friend. He was a lawyer. But he had a heart and soul for the well-being of the masses of the people, as great as that of any man who ever lived. Take the Prime Minister of Great Britain to-day. He is neither a farmer nor a working man, but will anyone say that Mr. Churchill is devoid of sympathy for the masses of the people, devoid of any knowledge of their interests, and that the sort of talents that Mr. Churchill possesses are not the talents very much needed by men, women and children on farms, in the workshop and everywhere else to-day?

Let me mention another name which my hon. friend very naturally is fond of citing, and which comes equally to the minds of all of us. What about the present President of the United States, Mr. Franklin D. Roosevelt? Mr. Roosevelt also belongs to the legal profession. He is a lawyer. Will anyone say that Mr. Roosevelt has not played his full part in the public life not only of his own country but of the world, and that he lacks sympathy for and understanding of the lot of those who work with their hands, those who work on the farm, in the forests, in the mines, on the railways, or in the workshops, or those who go down to the sea in ships? Did it, I wonder, occur to my hon. friend that he was reflecting on every leader his party has had with the exception of two? There have been eight Conservative Prime Ministers in Canada's history, and with the exception of Sir Mackenzie Bowell, who was a journalist, and Sir Charles Tupper, who was a doctor, all the rest have been lawyers. Did my hon. friend think, when he was speaking, of the friend who is sitting immediately to his left and who so generously provided him with the seat he occupies to-day? That hon. gentleman is also a lawyer. I imagine he has sympathy with labour and with the farmers. He has always told me he had, and I believe he has. I cannot imagine that he would be ruled out of a position in any government if his party ever came back into office.

Mr. GRAYDON: I hope my right hon. friend is not being unduly exercised over something which I said with respect to the inclusion of more farmers and labour men in the government. I was very careful, as my hon. friend knows, not to make any reflection on any other members of the government or on these two gentlemen. I simply made it clear that I thought it would strengthen the government to have more farmers and labour men among its number, and I wish to make that clear to the Prime Minister in case he is under some misapprehension.

Mr. MACKENZIE KING: I am not under any misapprehension. When it comes to choosing men for government I believe the first essential is character, and that what above all else the people desire in their representatives in a government is heart and brains. These are the qualities which I believe count for most in public life. Nor should my hon. friend rule himself out of any future cabinet because he, too, is a lawyer. I think he does possess broad sympathies, but he should not seek to trade on them for political purposes.

Mr. GRAYDON: I think my right hon. friend, in all fairness to me, should withdraw that because I did not have any such design in mind. I was not trying to make political capital, and I think my right hon. friend has overdrawn the picture.

Mr. MACKENZIE KING: I can see I have touched a tender spot, and as my hon. friend has taken on new duties I certainly wish to assure him that I was not reflecting upon him. But he took great care to call attention to the fact that in order to merit the support of labour and of the farming community it was very desirable that one should belong to one or other of these classes.

May I say this in conclusion, as something which it might, perhaps, be well for all of us to keep in mind. A man is not known in his service for others in any more effective way than by his acts and deeds. His words may go a certain length, but the real test of a man is what he stands for in his community irrespective of the particular calling or profession to which he may belong. I share the view first expressed by my hon. friend. I should like to see in this parliament a larger number of men who have grown up in the ranks of labour and who have taken their part in labour's struggle to better its condition. I should like to see a larger number of farmers and a larger number of the representatives of other callings. That will come in time. What particularly I should like to see when this war is over is a larger number of men returned to this parliament who have served their country overseas and have fought for the preservation of freedom. They should be here to help shape the future in which their children will grow up. Above all, I should like to see in this parliament men of broad human sympathies, with hearts large enough to understand something of the pulse of the world to-day, and sympathies broad enough to feel for those who are less privileged or fortunate than themselves.

My hon. friend closed with a quotation from one of Mr. Churchill's speeches, and a very stirring quotation it was. As he spoke to-night about the different classes and as I thought of what counts for most in public life and service, there came to my mind lines which will be familiar to him also, and which I would ask the house to permit me to quote in conclusion. The little poem I should like to quote is by Leigh Hunt. It is entitled "Abou Ben Adhem." It helps to illustrate what I mean.

Abou Ben Adhem (may his tribe increase!)
Awoke one night from a deep dream of peace,
And saw, within the moonlight in his room,
Making it rich, and like a lily in bloom,
An angel writing in a book of gold:—
Exceeding peace had made Ben Adhem bold,
And to the presence in the room he said,
"What writest thou?"—The vision rais'd its head,
And with a look made of all sweet accord,
Answer'd, "The names of those who love the Lord."
"And is mine one?" said Abou. "Nay, not so,"
Replied the angel. Abou spoke more low,
But cheerly still; and said, "I pray thee then,
Write me as one that loves his fellow-men."

The angel wrote, and vanish'd. The next night
It came again with a great wakening light,
And show'd the names whom love of God had bless'd,
And lo! Ben Adhem's name led all the rest.

Mr. M. J. COLDWELL (Rosetown-Biggar): We have listened to-day to two quite long speeches. My time is more limited than that of the speakers who have preceded me, so that I shall be able to touch upon only two or three phases of the problems that confront the country at the present time. I want briefly to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply, because I think, as Prime Minister (Mr. Mackenzie King) and the Leader of the Opposition (Mr. Graydon) said, they made notable contributions to the debate. Also I want to add my word to that of the Prime Minister and say that the new leader of the opposition this afternoon seemed to have all the assurance of an old-timer in the position he now occupies.

This afternoon the Prime Minister suggested that we should keep away as far as possible from anything savouring of party politics. I think the Prime Minister had a good time in his speech to-night, and I noticed that he could not resist the opportunity of taking an occasional crack not only at the new leader of the opposition but at the little group that moved across the floor of the house and now occupy seats to the extreme left in this chamber.

An hon. MEMBER: Why not?

Mr. COLDWELL: No reason whatsoever, except that the Prime Minister was not following his own advice.

An hon. MEMBER: He never does.

Mr. COLDWELL: To-night I want to follow rather closely the speech from the throne. First, let me say that I think we all meet at this time with a feeling of some relief, because the war situation during the time the house has been in recess has taken a decided turn for the better. That does not mean, I believe, that the war is nearing its close. I am in agreement with the Prime Minister when he said that he thought this war was going to be much longer than most people anticipated some time ago. If I may say so, I think when we have Germany and Italy beaten and suing for peace, we shall still have a sizable job to do in the Pacific. Therefore I am not under any illusions as far as the war goes.

I have read the speech from the throne carefully several times since its delivery last Thursday. It is long, and except for occasional statements of obvious facts, is filled with platitudes, which like all platitudes may be nothing more than empty words. If "freedom from want should be the assured

possession of all", as the speech from the throne says, then I suggest that "the early appointment of a select committee to examine and report on the most practicable measures of social insurance" should be accompanied by the immediate raising of the pittances paid to our old age pensioners, the veterans of the last war and their widows, and the dependants of those who have lost their lives in this war, and of the beggarly provision of $9 a week for single men and $13 for married men who have already been discharged from the forces.

My knowledge of the record of governments headed by the present Prime Minister makes me very suspicious of proposals to appoint select committees to examine and recommend policies and programmes of social significance. We have had many such committees since 1921. We examined unemployment insurance, for example, in the early 1920's, and an act reached the statute books in 1940. We were promised senate reform in 1921, and in 1943 the senate remains with thirteen seats vacant and is as undemocratic, useless and expensive an institution as could be found anywhere in the civilized world.

Thus the trite statements about the necessity for a comprehensive national scheme of social insurance and a charter of social security for the whole of Canada leave me cold, particularly when I know, as everyone in this house must know, that a comprehensive national scheme like those now in existence in New Zealand, under consideration in Australia, or a consolidation and expansion of social security measures as outlined in the Beveridge report in the United Kingdom, is impossible of enactment by this parliament without a new division of constitutional powers between the federal and provincial governments. I have said, and I repeat to-day, that the government has allowed this problem to continue when an attempt should have been made long ago to find ways and means of straightening out the difficulties and modernizing our constitutional relationships.

These difficulties should be faced by all of us. I know of course there is a fear in some quarters that any change in the constitution might interfere with the preservation of rights which are the very basis of the confederation agreement. It seems to me that such rights could be adequately safeguarded by the enactment of a statute of this parliament, or a Canadian bill of rights, recognizing clearly the rights of the minority, and of the majority as well if you will, as fundamental to the existence of confederation and thereby being the means of setting at rest once for all the very natural fears that exist. But the passing of a comprehensive national social security plan must be preceded by an agreement between this parliament and the provinces that we shall have the right to enact it and put it into effect. A piecemeal plan depending upon grants in aid by this parliament and concurrent legislation by the provinces will in my opinion be ineffective and, indeed, may lead to difficulties between the provinces and the dominion and therefore may produce a dangerous spirit of national disunity.

To a truly comprehensive national plan this party will give its undivided support. Indeed, I think I can say without fear of contradiction that our movement, and particularly our late leader, J. S. Woodsworth, pioneered for old age pensions, unemployment insurance, socialized health services and other forms of social legislation. But because we have asked from time to time on behalf of the Canadian people for bread we are not prepared to accept the offer of crumbs.

Nor do we deceive ourselves into believing that even the most comprehensive plan of social services would solve our post-war problems.

The speech from the throne states that the government has 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—again the kind of pious platitudes with which the lengthy speech abounds. Have we learned no lessons from our experience during the war? Surely everyone can see that we are doing things to-day that some of the ministers who surround the Prime Minister at the present time said could not be done in the days of peace because we could not find the money with which to do them. Now, with some 700,000 of the fittest of our young folk in uniform, we are producing more than twice as many goods as we produced a few years ago. Indeed, on the estimated production of 1942 we are producing more than two and a half times as many goods as we produced in 1933, when those same young people or their parents rode the rods or languished in unemployment and want. What we are doing to-day to win the war we can and must also do to provide for the welfare of the Canadian people. Our country has been transformed from a land of idle factories, many unemployed and wasting resources, into a country with almost full employment, vastly increased production, and a rising national income. When the war ends, pretence of poverty or an alleged lack of money will be no excuse for intolerable conditions, nor must we allow this excuse to be made although

even now the government's own agencies are circularizing the employees of the government, warning them that they ought to buy annuities in order to avoid becoming objects of charity from their relatives or the community in the future.

In spite of the pious platitudes about adequate prices for primary products and full employment, there are unmistakable signs that unemployment and perhaps also ruinous farm prices and poverty are in the offing unless we do more than explore international agreements and domestic measures in the hope of making some undreamed-of discoveries. We dare not delay in formulating policies and programmes that will protect our citizens from the scourges of unemployment relief and poverty. We have found billions annually for the destructive, wasteful and yet very necessary purposes of war. We must assure our people that we can and will find billions annually for the constructive, life-giving and equally necessary purpose of the peaceful development of our land.

Let us not put off the doing of it any longer. Instead of merely appointing a select committee on reconstruction and reestablishment, let us appoint a representative body—and by that I mean really representative, one representative of labour, agriculture, industry and all the principal fields of endeavour in our country—and let that representative body be a body of national planners, as it were; with this addition, the definite commitment by this parliament that Canada is prepared to accept from that body a programme of national social economic development upon which this parliament will spend, in cooperation with the provincial authorities—and I mean that this parliament will appropriate the sum of money —an amount, let us say, of not less than $5,000,000,000 in the first two years after the cessation of hostilities. With that national appropriation in sight the exploration of appropriate domestic policies could proceed with reality, and the boys now fighting our war would have an assurance that we were in earnest regarding expressions of faith in a new and better world. This, may I say, is not a proposal for priming an economic pump. On the contrary, it must be part of a national policy formulated for the social development of our resources and to prevent a return to pre-war capitalism which will mean inevitably a return to pre-war poverty. We dare not continue to allow this nation to remain under the control of monopolistic private enterprise, the power of which has grown apace during this war.

Two things, then, are necessary: first, the pledge of the appropriation of funds sufficient to enable us to undertake immediate post-war national social development projects of housing, electrification, irrigation, reforestation, road building and so on; second, plans for the post-war conversion of publicly-owned war industries and machines for the production of peace-time goods and services. These together with monopolistic industries and financial institutions, which must be socialized, and the development of cooperative institutions, would provide us with the means for the long-term planning of our economic life for the benefit of all.

But can we even hope that the present government will plan constructively for the post-war period? Even during the present war we have had no over-all plan for the effective mobilization of our resources. We have the conscription of man-power for the army, but we have failed to apply the same policy to industry and wealth. The report of the war expenditures committee of this house, presented on Thursday of last week, should not only give us food for thought but jolt us out of our complacency. On the subcommittee which drafted the recommendation to which I wish to draw attention there was no member of this party, but the report confirms the misgivings we have expressed from time to time since the war began. Note this recommendation:

> That as soon as company financial statements are available for the year 1942 a special study should be made of profits, accelerated depreciation and corporate taxation. The question of excess profits and accelerated depreciation has caused the subcommittee considerable concern. Very substantial profits are being earned in some instances far in excess of normal profits and while the Excess Profits Tax Act should result in no one being allowed to retain any excess profits which have been earned yet in many instances we found, as a result of rulings which have been given, companies will at the conclusion of the war own valuable physical assets which have been entirely paid for out of money which would otherwise have been payable as excess profits. Steps should be taken now to prevent sale of physical assets and company reorganizations during the post-war period to escape taxation or to provide for the sterilization of physical assets whose cost has been completely written off through permitting very drastic depreciation write-offs as are now in effect with respect to plant and equipment of war-time industry.

I want particular attention paid to this last sentence:

> The subcommittee found that in regard to industries engaged in war production rulings have been given in most instances permitting plant and machine costs to be written off in three years.

In other words, the cost of these industries and the machines is written off in three years. The Canadian people pay for them in the

prices they pay for war goods, and at the end of the three years the corporations own the plants and the machines.

I have often said and I want to emphasize that the profits of industry in this war not only are going to appear in the annual balance sheets of the corporations, but will be much more material, though hidden from our view, when drastic depreciation write-offs have given monopolistic industry the new factories, power plants and machines for which this nation has paid. My opinions have now been confirmed by the report of the subcommittee, which I have quoted.

I am not going to belittle what this nation has done in spite of the lack of any over-all production plan, but the thousands of trucks and the equipment covering acres of railway sidings from Windsor to Montreal are eloquent testimony to what I mean. Over two years ago we were told that this country could not build ocean freighters. Afterwards we went into merchant shipbuilding. To-day we have acres and acres of trucks and other equipment —I have seen them, and so have some hon. members who come from southern Ontario— piled high, because we lack shipping. This is the condition, partly because of the submarine menace, and partly because we had no plan of our own to build ships to transport the goods we were about to make.

Had we had a war-planning body to organize our industry and guide the use of our man-power, we should not now be suffering from acute shortages in so many directions, and have such surpluses in some others. The trouble has been that our country, at the beginning, was encouraged to believe that Canada's main contribution would be made in the raising of armies, whereas we are now beginning to understand that Canada's main contribution must be made in other fields, while we maintain the army approved by parliament, fully reinforced in the theatres of war.

On September 9, 1939, in my speech supporting the declaration of war, I took a line which was then unpopular but which time is vindicating in several particulars. I said, as reported at page 57 of *Hansard* for 1939, second session:

> We are the nearest dominion to Europe. We have tremendous resources. In modern war huge masses of men are being replaced by mechanized units which require vast quantities of supplies to maintain them in the line. Frenzied demands for the enlistment of more and more men, if granted, may defeat the very object in view, success in this struggle.

Then I quoted a letter from Sir Wilfrid Laurier dated May 15, 1917, in which he said:

> There is a shortage of labour in agriculture and industry, in fact in every field where brawn and muscles are needed, and in the face of this condition there are still people yelling for more men being taken away from occupations in which they are so much needed.

Those were the words of Sir Wilfrid Laurier in 1917. And with that before us in 1939 we failed to make the inventory we should have made of our resources, our machines and our man-power, and failed to adopt an over-all plan which would have assisted us in meeting some of the difficulties which have overtaken us.

Now again, as then, our farms are depleted of labour badly needed for the production of bacon, dairy and poultry products for overseas. Grain lies under the snow unthreshed, and the government discourages production of wheat which in my opinion will be needed in the future to prevent further mass starvation in many countries when the war ends. This incidentally might be utilized now, and, indeed ought to be used as soon as the submarine menace has been sufficiently overcome to feed our Russian allies, who are putting up such a magnificent fight on behalf of the united nations, and our Chinese allies, many of whom today are suffering the pangs of starvation. Yet we adopt a policy of restriction of a foodstuff which is the most easily stored foodstuff of all. Grain, too, which is stored on the farms is made a burden to producers, while elevator companies are paid storage for the wheat they have received from the farms. The government by order in council decreed last March that essential farm workers should not be drafted into the army, but—and I say this without fear of contradiction—that order is being entirely disregarded by some of its own national war services boards. Young constables of the Royal Canadian Mounted Police are sent out to investigate the claims of men applying for postponement and, although they know nothing of the needs of agriculture, their word is accepted instead of the statements of reeves, councillors, doctors and ministers who know whether the applicants are essential on the farm or not.

Mr. HANSON (York-Sunbury): Not to speak of members of parliament.

Mr. COLDWELL: Yes, not to speak of members of parliament, as the hon. member for York-Sunbury (Mr. Hanson) has added. The whole man-power question has been mishandled from the beginning, and grave injury has been done in many instances. The government's industrial labour record is also bad, but I intend to leave that record for a thorough discussion by some of my colleagues.

I wish now to move an amendment to the amendment. This afternoon the leader of the opposition moved an interesting amendment. The three clauses dealt with the use of Canada's man- and woman-power; it asked for a rational labour policy, and it sought to provide adequate measures for the assistance of Canadian agriculture. We are in agreement with those three aims; but in spite of the professions of the party sitting with new garments in this house, I think it is altogether significant that the amendment deals only with human power and agriculture, complaining that these have not been sufficiently mobilized. It fails to make any mention of what I have just referred to in this house, the necessity for the mobilization of industry and wealth. If you are going to demand a labour policy, if you are going to demand an industrial policy on a compulsory basis, then at the same time you must also demand something which is more necessary at the present time because compulsory mobilization of man-power is already in effect. I refer to the compulsory mobilization of industry and wealth. I read the programme of the Winnipeg convention and I think I noticed two little words. After calling for the mobilization of man-power, the leader of the opposition, this afternoon, called for the mobilization of industry and wealth, "where necessary." I suspected that there was a joker in the policy adopted by the convention which was attended by my hon. friends, and therefore I want to move the following amendment, seconded by the hon. member for Vancouver East (Mr. MacInnis):

That the motion be further amended by adding to the amendment the following words,—

"And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service."

I am not going to deal to-night with the pressing need for a reduction of farm debt because, as I said before, my time is not unlimited. I shall not deal with the question of adequate parity prices for agricultural products, because this will be dealt with by some of my colleagues. But I do wish to say a few words about the Casablanca conference about which the Prime Minister made some explanation to-night. This was a conference between the Prime Minister of the United Kingdom and the President of the United States. We share the satisfaction expressed in the speech from the throne; but we regret, because of circumstances of course, that Premier Stalin and Generalissimo Chiang-Kai-Shek were not present. We feel that if they could not have been present themselves, they might have been represented there.

The remarkably successful invasion of north Africa by Anglo-American armies was one of the most remarkable feats of organization the world has ever seen and one to which we should pay tribute. But the situation which developed thereafter, I believe, filled everyone with any sense of democracy with grave apprehension. I know it did me. Nor has that apprehension been allayed by the retention in places of great power of former French collaborationists with the nazis. The appointment as Governor of Algiers of Peyrouton, the friend of Pierre Flandin, the former minister of the interior of the Vichy government and former minister to Argentina, if I am not mistaken, has strengthened this feeling of misgiving across the world.

For example, we know that Jewish refugees from nazi aggression and volunteers who fought against the fascist and nazi troops in Spain when this war was being rehearsed are still languishing in north African prison camps under conditions which are reported to be particularly vile. It seems to me that Canada, as one of the united nations with her sons and her materials fighting in every quarter of the globe, has earned the right to make herself heard on behalf of persecuted democrats and oppressed minorities wherever they may be found. I want to go further than that and say that in my opinion the time has arrived when Canada as one of the smaller nations sharing the sacrifices of this war should demand on her own behalf and on behalf of all the small nations a voice in the inner councils of the united nations. I realize, of course, as the Prime Minister has said, that it is impossible to call together the representatives of all the nations involved in this war on every occasion, but I certainly think a meeting of the nations should be held in the near future, at which meeting the nations themselves could appoint a small executive council to carry on with the conduct and strategy of the war.

I know that at least one of our great allies, China, feels the need for the formation of an executive council of the united nations. Such a body is essential if we are to achieve greater unification and closer cooperation in the formulation of a more effective war strategy, a clearer understanding of war aims and a more regular exchange of views regarding the post-war world for which the democratic peoples are fighting. I take it that the democratic peoples know, in a vague sort of way it is true, the kind of world for which

they are fighting. Such a council should be concerned, too, with evolving an international instrument capable of dispensing justice and enforcing law and order in the post-war world.

These are not Anglo-American problems alone; they are the common problems of all the united nations. It is sometimes argued that we are represented now by the Prime Minister of the United Kingdom. That is not my view, nor is it the view of Australia, as Prime Minister Curtin's speech to the people of the United States made abundantly clear. Those of us who heard that speech last week will remember the unmistakable manner in which he expressed his views over the air, speaking not to the government of the United States, not to its great President, but, as he said, appealing directly to the people of the United States. I suggest that Canada should join her voice to those of China, Australia and the other nations who are urging the formation of an executive council of the united nations. A united purpose to win the war, a united purpose to rebuild the world is essential to the well-being of mankind, but it is manifestly impossible to go into these matters at length to-day. I am asking the Prime Minister now to arrange for an early debate on the place of Canada in the council and strategy of the united nations.

It is, I think, significant that last year the speech from the throne made no reference to the fate of our army which we had dispatched to Hong Kong, and this year no reference is made to the gallant and major part played by the Canadian soldiers at Dieppe. I understand that the Dieppe attack was reviewed carefully at Westminster. It should be reviewed equally carefully by this house, because in the main our own men were involved. This house, too, should be made aware of the extent of the submarine menace to our shipping, of the steps taken to defend our coasts and coastal waters, and to what extent, if at all, we rely on the United States army for the defence of any of the vital strategic defence areas of this country or just beyond it. The government must decide whether all this should be done in open or closed session, but the time has come when hon. members should insist on a complete report to this parliament. In view of Canada's contribution to the common cause we should not allow ourselves to become the mere satellite of any of our major allies. Because of our peculiar position between the two great Anglo-Saxon nations, because of the fact that we are not interested in the building up of any sort of imperialism, and because of the fact that across the north of our country stretches the main air route between the great populated areas of the world, Canada's voice may be of more importance in the future than most of us can realize now.

My time is just about up, but in my concluding remarks there are one or two other things that I want to say. I am glad to note that the Prime Minister is thinking of relieving his ministers of some of the work and duties in this house. We are told in the speech from the throne that assistance will be given to them. I have suggested on more than one occasion in former years that the government adopt in this house the British system of under-secretaries, not only because I believe it would relieve the ministers, but because I believe it is good that the younger members of the party in power should have an opportunity of gaining that experience which is essential in an institution of this description. I therefore am very glad to welcome the proposal of the Prime Minister. It has been made before; it has been supported in this house from all quarters of the house before; and I sincerely hope that this time the suggestion will be carried out, not only as a war measure but as a policy of future governments in this country.

I was disappointed, however, to hear the Prime Minister say that he thought a revision of the rules of the house ought not to be undertaken during this period of war. I saw, as did the hon. member for Parry Sound (Mr. Slaght) who is sitting right opposite me tonight, His Majesty the King read the speech from the throne in Great Britain at eleven o'clock one morning. We went to the commons gallery and we heard the mover and the seconder of the address; we heard the leader of the Labour opposition, we heard the leader of the Liberal party; we heard the first ten minutes of Mr. Churchill's speech as Prime Minister; and we were on our way to luncheon shortly after one o'clock. In two hours that business had passed through the British house. I have read the rules of some of our sister nations, New Zealand, for example, where the rules have been changed in comparatively recent years; and in my opinion if we would modernize the rules we could do very much in this house without interfering whatsoever with freedom of expression or freedom of speech.

After what I have said, I do not want to transgress the rules of the house by going beyond my time limit as I am apt to do; but I want to say again, Mr. Speaker, that other matters connected with the government's proposals will be dealt with by my colleagues when they have an opportunity to speak.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, inasmuch as this is the first full day of the session and I am sure nearly everyone is weary, I wonder if it would be asking too much to ask Your Honour to call it eleven o'clock.

Mr. MACKENZIE KING: It is rather hard for Your Honour to call it eleven o'clock, but if my hon. friend would like to move the adjournment of the debate I do not think there would be any objection.

On motion of Mr. Blackmore the debate was adjourned.

On motion of Mr. Mackenzie King the house adjourned at 10.20 p.m.

Tuesday, February 2, 1943

The house met at three o'clock.

CRIMINAL CODE

PROVISION FOR FEMALE JURORS IN TRIAL OF FEMALE PERSON

Mr. T. L. CHURCH (Broadview) moved for leave to introduce Bill No. 4, to amend the criminal code.

Some hon. MEMBERS: Explain.

Mr. CHURCH: The bill will enable women to serve on juries in criminal cases. I call the attention of the house to the fact that the right of female persons to sit on juries is subject to section 921 of the code, which reads:

> Every person qualified and summoned as a grand or petit juror, according to the laws in force for the time being in any province of Canada, shall be duly qualified to serve as such juror in criminal cases in that province.

The reason for that will be found in section 92, item 14, of the British North America Act, which provides that:

> The administration of justice in the province, including the constitution, maintenance, and organization of provincial courts, both of civil and of criminal jurisdiction, and including procedure in civil matters in those courts . . .

—shall be a subject upon which the legislatures may exclusively make laws. For instance, the statutes of Ontario relating to the constitution of juries, and fixing qualifications, contemplate the fact that jurors are male persons. This bill will be effective only in so far as the provincial legislatures agree to amend their own acts in consequence of such a federal enactment. Women serve in the high court of parliament and there is no reason why they should not serve on juries. A similar bill was brought forward in 1927-28 and it was stated then that women were too temperamental, but they are no more temperamental than some of the men attending some of the conventions.

Motion agreed to and bill read the first time.

DEBT LEGISLATION

DISALLOWANCE OF ALBERTA STATUTE BY JUDICIAL COMMITTEE OF THE PRIVY COUNCIL

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): I wish to direct a question to the Minister of Justice. In view of the decision handed down by the judicial committee of the privy council regarding Alberta's debt adjustment legislation and its consequent effects upon the debt adjustment legislation of the other prairie provinces, will the Minister of Justice give the house some assurance that steps will be taken by the federal government to protect the farm debtors who will otherwise be left to the tender mercies of their creditors?

Mr. SPEAKER: That is clearly a question that should be placed on the order paper.

Mr. DOUGLAS (Weyburn): May I ask the Minister of Justice when he will make some statement on the farm debt situation, which is very pressing in the west? The minister promised in the latter part of July—

Mr. SPEAKER: As I have already said, I think that is a question that should be put on the order paper.

Mr. DOUGLAS (Weyburn): Will the minister make a statement as to when he will say something in the house?

BUSINESS OF THE HOUSE

QUESTIONS AND MOTIONS FOR PRODUCTION OF PAPERS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I direct the attention of the Prime Minister to the considerable number of questions, and notices of motions for the production of papers, which have already been placed upon the order paper. During the past two sessions it has been arranged, I believe, by consent, that these questions and motions should not await the conclusion of the debate on the address. I suggest to the Prime Minister that an opportunity be provided later this week for the presentation of answers to the questions on the order paper

and for the passing of the various motions for the production of papers. Many of them deal with matters of considerable importance upon which members of the house would wish to have information at the earliest possible day.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I had intended to say to my hon. friend before he brought up the question that I thought it would be advisable to follow in the course of the debate on the address the practice which we followed last session of fixing one day in the week on which questions and notices of motions for the production of papers might be considered. I had in mind suggesting Monday of next week, but if my hon. friend prefers Friday of this week, that will be equally acceptable. It might be understood that it will be Friday.

ESTIMATES AND WAR APPROPRIATION BILLS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to direct three brief questions to the Minister of Finance:

1. When does he anticipate that the ordinary estimates will be tabled?

2. Does the minister anticipate that the war appropriation bill for the next fiscal year will be presented immediately upon the conclusion of the debate on the address?

3. Does the minister anticipate that a supplementary war appropriation bill, for the present fiscal year, will be necessary?

Hon. J. L. ILSLEY (Minister of Finance): The answer to the first question is that the estimates will be tabled at the conclusion of the debate on the address, when the address is adopted. The answer to the second question is that the war appropriation bill for the coming year will, I anticipate, also be introduced at that time. The answer to the third question is that a supplementary war appropriation bill will be necessary.

I should like to add that it is of very great importance, for reasons that I think will become apparent when I have an opportunity to explain the matter, that the war appropriation bill be introduced at the earliest possible moment, as well as the supplementary war appropriation. I do not say this with a view of urging hon. members unduly to shorten this debate; I am simply bringing the fact to their attention.

Mr. GRAYDON: The minister does not intimate that they should do so?

[Mr. Graydon.]

Mr. HANSON (York-Sunbury): The minister is just intimating that the money is all gone.

PRISONERS OF WAR

SHACKLING OF CANADIANS IN GERMANY

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I wish to address a question to the Prime Minister. Will he be in a position shortly to give the house some information about the shackling of Canadian prisoners of war by Germany?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I will make a statement at some later date, and will try to make it at an appropriate time.

THE WAR

OPPORTUNITY FOR DISCUSSION OF SUBMARINE MENACE AND COASTAL DEFENCES

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I should like to ask the Prime Minister if he would be prepared to set aside a time for some debate on the war situation and the submarine menace with respect to our own coastal defences, as I suggested in my remarks last evening. Has the Prime Minister given any consideration to that suggestion, or would he do so?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have been giving careful consideration to the whole matter of the procedure of the session. My colleague the Minister of Finance (Mr. Ilsley) has just told the house that there are very special reasons why the war appropriation bill and some other measures should be brought down as soon as possible. It is desirable that the government should have very much in mind the time that may be taken in discussion of other measures, also the imperative nature of some of the measures that may have been considered. If my hon. friend or hon. members feel that it is desirable to have a discussion on such matters as the submarine menace, the defence of our coasts and the like, I would feel that such discussion ought to come at a time which will admit of discussion being comprehensive. I would not like to make just a bare statement to the house. If it is to be a comprehensive discussion we shall have to find a time that will fit into the procedure of the house generally. That may mean that some days will have to elapse before any discussion can take place.

CHIEF JUSTICE OF CANADA

EXTENSION OF TERM OF OFFICE FOR FOUR YEARS FROM JANUARY 7, 1940

Hon. L. S. ST. LAURENT (Minister of Justice) moved the second reading of Bill No. 2, to amend an act respecting the Chief Justice of Canada.

Hon. R. B. HANSON (York-Sunbury): I rise not for the purpose of opposing this measure, but rather to explore the position which the government has taken, to ask some questions, obtain some information, if possible and make some general observations.

I assume that the government in introducing this bill early in the session and asking for precedence for it does so because it is a matter of urgency. The situation is that for the present at least this country has no chief justice of the supreme court. That of course is not a calamitous matter, but it is one which I think should be corrected at soon as possible.

At the outset I should like to ask whether the chief justice himself, for whom I have the greatest respect and admiration, and for whom I think generally speaking all members of the bar from the Atlantic to the Pacific, and especially those who have had the privilege of practising before him, have very great admiration, is a willing party to this extension of his period of office; or is this a movement from within the ranks of the government? If so, for what purpose? Is it to serve an ulterior motive, is there anything behind or *dehors* as to the suggestion that the term of office of the chief justice should be extended for a further period?

I have always thought that the policy behind the statute which was passed by this parliament several years ago, whereby judges of courts created under the jurisdiction and authority of the dominion parliament should retire at the age of seventy-five was wise, and under ordinary circumstances should prevail, and should not be departed from other than in the most exceptional circumstances. I remember well the time that law was put on the statute book and of some of the reasons therefor. I am not going back into ancient history to indicate how certain judges were legislated out of office. I have never been in sympathy with the theory that justices of the provincial courts are there for life, so long as they are capable of carrying on, on the ground that there is an implied contract that they should so remain. I have an idea that the judiciary would be immeasurably strengthened if some of the younger men of the profession were afforded opportunity to ascend the judicial bench and wear the ermine while still in the prime of life, rather than that these places should be filled by men who have passed the allotted tenure. I think there will be general agreement in that. I do not understand how a man of eighty or more—perhaps I am judging by myself—can bring to bear upon the duties of his office as good an intellect as a man of forty-five, a man in the prime of life. In this country we are too much inclined to delay appointment until the age of fifty has been exceeded. I am glad to see that recently a distinguished member of the Ontario bar who is on the right side of fifty has been appointed to the supreme court of that province. As I scan the list of judges of some of our provinces I am reminded that we have perhaps too many old men. I do not say that in any spirit of disrespect; I am merely attempting to state a fact and support a principle.

I suggest that unless there are urgent reasons why this measure should be passed it should perhaps be reconsidered in the light of the theory I have endeavoured, perhaps inadequately, to bring forward.

There is another aspect of the matter. I say this with the greatest respect. I say to the Minister of Justice and to the Prime Minister (Mr. Mackenzie King) that in my view, which may not mean very much, and in the view of many who practise before the Supreme Court of Canada, and of the profession as a whole, the supreme court bench could well be strengthened. I do not want anyone to interpret that as a reflection upon any gentleman who has the honour to occupy a seat on that bench. If the Supreme Court of Canada, which is the highest judicial tribunal in our country, has among its membership the very best men drawn from the profession and from the appellate courts of the provinces, then I suggest to the Minister of Justice that there will be fewer appeals to the privy council, at least in commercial cases. I have had some experience in that regard in the last two or three years, rather sad ones in both instances, I may add, because we lost the appeals when the cases got over there. I am just throwing out this suggestion to the Minister of Finance—

Some hon. MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): —I mean the Minister of Justice; the Minister of Finance has enough burdens on his shoulders without being called upon to carry this one. I should like to say a word for the younger men who have the ambition to become judges. Cer-

tainly they will do their best if they are appointed while still in the prime of life, instead of waiting until they are sixty or what not. That will not bar the hon. member for Brantford City (Mr. Macdonald), in connection with whom I made a prediction last year. The hon. member for Hull (Mr. Fournier) has already been given his reward, which is of the very highest category, as I also predicted. But I am serious in what I have to say with respect to the appointment of members of our judiciary. Give the younger men a chance; they will grow in stature day by day and will become greater judges. I offer these remarks to the Minister of Justice in the best of good spirit, and I hope he will give consideration to them. In the meantime I should like to know what is the position with respect to Sir Lyman Duff.

Mr. M. J. COLDWELL (Rosetown-Biggar): I should like to support the former leader of the opposition, the hon. member for York-Sunbury (Mr. Hanson), in the point of view which he has taken. I believe the matter should be reconsidered. I was here when the original bill was introduced in 1939, when the present chief justice had attained the age of seventy-five. At that time parliament saw fit to continue him in that position for another three years. Consequently the chief justice is now that much older, and the present bill extends his term for another year.

I know there are exceptional cases in which men who have long since passed the allotted span of life are able to render signal service in the field in which they serve, but under the circumstances what the previous speaker said is relevant to the case. I do not believe the people of Canada would desire or approve an extension when there are so many able and capable younger men who could fill the position adequately. I have heard criticisms, not so much of Supreme Court of Canada as of other courts, because aged judges have been unable to pay concentrated attention to the arguments presented. On one or two occasions on which I have had the opportunity of following cases before some judges I have noticed that, particularly toward late afternoon, the aged justice did not seem to hear what was being said, if I may put it in that way. Consequently, when judges are interpreting law which may have an effect not only in the present but may create precedents for the future, parliament should endeavour to have on the bench men in the prime of physical and intellectual life.

I rise to support the plea that this bill be not proceeded with—not because I have any personal criticism of the present Chief Justice of Canada, but rather because I think it is in the public interest that parliament should not consent to this proposal and create another precedent. I may say that those of us who followed with great interest the recent history of the United States noticed how the supreme court of that country blocked progressive measures for some time until in his wisdom, and exercising his powers, the President of that country appointed a group of younger and more progressive men, with most beneficial results to the great republic to the south. When a man has reached the age of seventy-eight, as in this case, the government ought not to ask one so far advanced in the eventide of life to continue in a position which I imagine is, in one sense, arduous physically, and certainly intellectually. In view of the fact that younger men are available who have had experience on the various benches of the country, instead of approving this proposal the government should reconsider the bill and make an effort to appoint a younger person to this, one of the most important positions in the country.

Mr. J. H. BLACKMORE (Lethbridge): I have not been able to determine by any process of reflection why this bill is brought in. I will grant that this gentleman may have done his work exceedingly well and merited the gratitude of the country, but a singular exception is being made in this case. When no apparent reason exists why such a thing should be done, I become suspicious. I may say, Mr. Speaker, that I am going to oppose the bill.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, the principle of this bill has been before the house during discussion of the justice estimates for the past ten years. I have no particular objection to extending the term of the chief justice for another year, but I want to point out one important principle. This bill applies to a gentleman who is one of the greatest jurists in our history, a very able judge who has performed his legal duties excellently. But I should like to refer to a bill which has been before the house for the last ten years, to amend the Judges' Act, as to judges serving on political commissions. One section of that bill provides that judges shall not be allowed to sit on various political commissions appointed by municipalities, by provinces and by the dominion. As I have pointed out to the present hon. and learned attorney general and to his predecessors for the last ten years, the taking of judges from their judicial duties to serve on these commissions has seriously interfered with the admin-

istration of the law courts. They are asked to leave their judicial duties and take appointments to consider many matters under sections 91 and 92 of the British North America Act. In the province of Ontario this practice has seriously interfered with the administration of justice. As we know, there are twelve high court judges on circuit in that province, some of whom at times have been ill, with the result that the bulk of the work has had to be done by the others, and with the judges absent on commissions the work is delayed.

Then we come to the county court judges in Canada, the appointments of whom are controlled by the Minister of Justice. I could mention one able judge in the county of York, Judge Morson, who, although over the age limit when he was retired trained thirty or forty hon. members I see in the house to-day as students at law. It takes five or six men to do his work now, and even then they cannot do it. I ask the hon. member for Peel (Mr. Graydon) if that is not right; he knows it. In these days some members of the county court bench are serving on rent commissions, and blackouts and various other commissions. Some of them in Ontario do nothing else but serve on commissions about blackouts. Others are out on food and rent control, with the result that some of them have scarcely ever tried a case.

We should follow the law of England, and make it clear that once judges are appointed they shall act continuously as judicial officers. Under section 91 of the British North America Act they have certain powers in the federal law courts. Then, in addition, powers are given them under section 92 of the British North America Act. Some of these learned gentlemen are away from their judicial duties for long periods of time, and this condition at times seriously interferes with the proper administration of justice in the courts in Canada. Only recently in Ontario on two or three occasions courts have had to adjourn because of the condition I have described. I ask the minister to consider these points in connection with the whole question of law reform.

I have no particular objection to the bill. I have known the chief justice of this court for a long time, but I believe the principle I have enunciated is a wise one, namely that once judges leave political life and legal practice they should be placed in their positions with good salaries, and that careful provision should be made for them by the government so that we may have a proper judicial service, as we have had in the past. I do not agree with part of what the hon. member for Rosetown-Biggar (Mr. Coldwell) has to say on the point as to the United States. He was referring to the United States, of course. Everybody in the United States who becomes a lawyer is called judge—because if he is not a judge to-day, certainly he hopes to be a judge to-morrow on a change of government. We in Canada are also becoming a nation of judges.

I do ask the Minister of Justice to consider these points in connection with law reform and any appointments he may make. I can tell him this, that some of the younger men who have been appointed to the bench cannot stand the pace of attending the circuit courts throughout the country; they find particularly trying the heavy assize lists in Ontario. Some of them have not the physical strength to stand it as did some of the older judges of a few years ago, such as Judge Morson and others I could mention.

Mr. A. R. ADAMSON (York West): Mr. Speaker, as an official witness on the Hong Kong inquiry and having read in some detail the evidence there given, I regret that I cannot reconcile that with the official report; and I am therefore forced to oppose the bill.

Hon. L. S. ST. LAURENT (Minister of Justice): Mr. Speaker, may I express my appreciation of the remarks of the hon. member for York-Sunbury (Mr. Hanson) with respect to the bill. I can assure him that with all the general principles he has enunciated I am in entire agreement. As he himself has said, there are occasions which call for some exceptions to even the best of rules.

The hon. member inquired whether this legislation was introduced with the consent of the right hon. the Chief Justice of Canada, and whether or not there was any ulterior purpose to be served by extending his term of office for another year. I give him my assurance that there is no ulterior purpose whatsoever. The only reason for the introduction of the bill is that it was found that the health of the right hon. the chief justice was remarkably good, and at the end of the last calendar year he was asked if in the event of parliament agreeing to the extension of the term, he would consent to perform for a further period the duties connected with the chief-justiceship.

As hon. members are aware, three years ago the right hon. the chief justice was entitled by law to retire with a retiring allowance equal to his full salary—to all indemnity whatsoever he received from the crown in his capacity of chief justice.

Mr. HANSON (York-Sunbury): That is scarcely accurate. He was obliged to retire when he attained the age of seventy-five years.

Mr. ST. LAURENT: He would have been obliged to retire, had not parliament six months before the time arrived enacted the legislation we now ask parliament to amend. At that time, upon his reaching the age of seventy-five years, notwithstanding the legislation passed by parliament in the preceding July, he would have been entitled to retire on full salary—a retiring allowance equal to every dollar he was entitled to receive as chief justice of the country. The country was then at war. The government had already adopted its policy involving the abrogation of the rule under which civil servants under normal circumstances retire at sixty-five years. In those instances where civil servants were considered fit to carry on their work for a further period, they were permitted to do so.

The chief justice consented in 1940 to remain in office, and up to the end of 1942 he continued to perform the duties of his office, under conditions which meant that an additional payment equal to the amount fixed for the office was not being made annually by the Minister of Finance. It is perhaps because of that that the hon. member for York-Sunbury referred to the minister. Up to the present time the Department of Finance has been relieved of a burden of $45,000.

At the end of 1942, the health of the chief justice appearing quite as good as it had been at any time subsequent to July, 1939, when the legislation was passed, the Prime Minister asked him if he would continue for a further period, if it were the will of parliament that he should do so. He gave his consent.

The hon. member has suggested that the Supreme Court of Canada might possibly be strengthened. I am sure he did not intend to suggest it would be strengthened by placing any other Canadian jurist in the position of the present chief justice.

Mr. HANSON (York-Sunbury): Quite so.

Mr. ST. LAURENT: I am sure the hon. member and all other hon. members agree that this generation in Canada knows no greater jurist than the present chief justice. No one at this time is better qualified than he is to fill the office, and the placing of any other Canadian jurist in his seat would not in any way strengthen the court.

[Mr. St. Laurent.]

These being the facts, it was felt that in view of present conditions, when it is the duty of each of us to contribute to the service of his country in whatever capacity he may be best able to serve, it was indeed fitting to ask parliament further to amend the act so that the chief justice could continue for another year to perform services which are of such great value to the Canadian nation.

Mr. GRAYDON: What would be the normal retiring allowance of the chief justice?

Mr. ST. LAURENT: Under present legislation the normal retiring allowance for justices appointed since 1926 is a portion only of their salaries while in office. But for those appointed to the bench prior to that date the retiring allowance is the full salary.

Mr. GRAYDON: What is the distinction?

Mr. ST. LAURENT: It is a distinction between getting it all or getting only a part.

Mr. GRAYDON: What is the portion?

Mr. ST. LAURENT: The maximum for those appointed since 1926 is two-thirds, while for those who would come under the provisions of the former law it is one hundred per cent.

Mr. HANSON (York-Sunbury): Provided they have put in a certain number of years.

Mr. ST. LAURENT: The present chief justice is entitled by law to an allowance equal to his full salary, and he could have taken that at any time since January 7, 1940. There has not been a day in that period when he was not entitled to retire and to receive an allowance equal to his full salary for life.

The hon. member for Rosetown-Biggar (Mr. Coldwell), the leader of the Cooperative Commonwealth Federation, said that he did not think the people of Canada would approve the continuance of the chief justice in office, and that he would prefer to see a younger man appointed thereto at this time. That may be the opinion of the hon. member, but from conversations I have had with many members of the legal profession since the announcement was made at Christmas time that the government would introduce this legislation it does not appear to me that that is the opinion of the profession. I have met no one who did not rejoice at the thought that the health of the chief justice was such that this move could be contemplated.

Mr. HOMUTH: More than the legal profession should be considered in this matter.

Mr. ST. LAURENT: Possibly, and the representatives of the people of Canada here in this house are asked at this time to express the opinion of those whom they represent.

The hon. member for Lethbridge (Mr. Blackmore) said that on reflection he saw no reason for this bill. I have no other reason to offer than the opinion I hold that the chief justice is still in such a condition of mental and physical well-being that he can well carry on the duties of this high office. It is my belief at this time that any man able to perform a service for his country should do so.

I shall not fail to give consideration to the remarks of the hon. member for Broadview (Mr. Church), but even though we were all in agreement with him they could hardly find an appropriate place in a discussion of this bill. They will come up for consideration on another occasion. I do not think the hon. member himself would suggest that they could be implemented in this bill, the sole purpose of which is to amend an act passed in 1939 by substituting the word "four" for the word "three".

The house divided on the motion (Mr. St. Laurent) which was agreed to on the following division:

YEAS

Messrs:

Abbott
Bertrand (Laurier)
Bertrand (Prescott)
Bertrand (Terrebonne)
Blair
Blanchette
Bonnier
Booth
Bourget
Bradette
Breithaupt
Brunelle
Cardin
Casselman, Mrs. (Edmonton East)
Chevrier
Cleaver
Cloutier
Corman
Coté
d'Anjou
Dechene
Denis
Donnelly
Dorion
Douglas (Queens)
Dubois
Dubuc
Dupuis
Durocher
Emmerson
Eudes
Evans
Farquhar
Fauteux
Ferron
Fontaine
Fournier (Maisonneuve-Rosemont)
Fraser (Northumberland, Ont.)
Fulford
Furniss
Gardiner
Gershaw
Gibson
Gladstone
Golding
Graham
Grant
Gray
Gregory
Hanson (Skeena)
Hanson (York-Sunbury)
Hazen
Healy
Henderson
Hoblitzell
Howe
Ilsley
Isnor
Jean
King, Mackenzie
Kirk
Lacombe
LaCroix (Quebec-Montmorency)
Laflamme
LaFlèche
Lafontaine
Lapointe (Lotbinière)
Lapointe (Matapedia-Matane)
Leader
Leclerc
Leduc
Leger
Little
McCuaig
McCubbin
McCulloch
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
McDonald (Pontiac)
McGibbon
McIlraith
McIvor
MacKenzie (Lambton-Kent)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McKinnon (Kenora-Rainy River)
McLarty
MacLean (Cape Breton North-Victoria)
McLean (Simcoe East)
Macmillan
McNevin (Victoria, Ont.)
McNiven (Regina City)
Marier
Matthews
Maybank
Mayhew
Michaud
Mitchell
Mullins
Mulock
Neill
Nixon
O'Neill
Picard
Pinard
Pottier
Power
Purdy
Reid
Rennie
Rhéaume
Rickard
Roebuck
Ross (Calgary East)
Ross (Hamilton East)
Ross (Middlesex East)
Ross (Moose Jaw)
Roy
Ryan
St. Laurent
Sanderson
Sissons
Slaght
Soper
Taylor
Telford
Thauvette
Tripp
Tucker
Turgeon
Turner
Veniot
Ward
Warren
Weir
Whitman
Winkler
Wood—139.

NAYS

Messrs:

Adamson
Anderson
Black (Cumberland)
Blackmore
Bruce
Casselman (Grenville-Dundas)
Castleden
Church
Coldwell
Douglas (Weyburn)
Esling
Fair
Fraser (Peterborough West)
Gillis
Graydon
Green
Hansell
Hlynka
Homuth
Johnston (Bow River)
Knowles
Kuhl
McGregor
MacInnis
MacKinnon (Kootenay East)
MacNicol
Marshall
Nicholson
Nielsen, Mrs.
Noseworthy
Quelch
Ross (St. Paul's)
Ross (Souris)
Rowe
Shaw
Stirling
Stokes
Tustin
White
Wright—40.

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

On section 1—Term of office extended.

Mr. HANSON (York-Sunbury): I should like to make it clear, if I did not do so in my remarks on the second reading of the bill, that when I intimated that in my opinion this court should be strengthened I had no idea of suggesting that it would be strengthened by the retirement of His Lordship the Chief Justice. The Minister of Justice has correctly interpreted my position in that respect, and I have given effect to my view by voting for the second reading. At the moment I felt somewhat at a loss as to what should be done, but I have no doubt about what my course ought to be having regard to the esteem in which I hold the chief justice. On the general principle of this bill, however, I think I am just as right as any man can possibly be on any question about which there may be more than one opinion, and I do think that we ought to have an undertaking from the government, while the house is still in committee, that this will be the last time of asking as a matter of precedent. It should not go any further. The court should be recuperated and built up by a system of promotion, if possible by promotion from the lower appellate court. I wanted to make that explanation because what I meant might be open to misinterpretation. I do say that this court can be immeasurably strengthened by the addition of new blood from the younger members of the bench and bar. With that I shall be content.

Mr. ST. LAURENT: I can assure my hon. friend that whenever the time comes for recommendations to the bench of the Supreme Court of Canada, if I am in the office of minister of justice, I will endeavour to make the best possible recommendations in the interests of the Canadian public. I appreciate, as does my hon. friend, how important it is to the Canadian public that the supreme court should be a strong court.

Mr. HANSON (York-Sunbury): What about a possible recurrence of this legislation? I should like to make it plain that while I should be embarrassed in having to vote against a repetition of this measure, on account of the personality involved, with respect to the principle I shall have no doubt. This should not be repeated another year. I should like to have some assurance now from the Minister of Justice that it will not be repeated. Three years ago when the original bill was passed I was not in the house. I should probably have voted for that bill. I have voted for this bill. I serve notice on the government, however, that it ought not to repeat this another year. There are men on the bench of the Supreme Court of Canada who have a right to aspire to the position of chief justice before they too are ready to retire.

Mr. CHURCH: Law reform is one of the most important matters which Britain has had before it for the last twenty years, but I have yet to see any measure of law reform brought down in this house since I have been a member. My objection to the bill is to judges serving on commissions, away from their judicial duties. I would ask the Minister of Justice to take up this matter. It is not proper. We have one judge who had been trying cases and who is now in Australia making speeches. I may tell the Minister of Justice that this country wants a vast measure of law reform all along the line, and it has been a long time coming. The minister has been in office about a year and I hope he will bring down some general measure of law reform. I suggest that judges should be kept from serving on commissions and there should be a measure of general law reform in the interests of the working classes. We have had no such reform. That was a live question in England for years before the war started and they adopted vast measures of reform to bring the law up to date in many respects. I urge upon the minister the consideration of this question.

Mr. GRAYDON: Following what the hon. member for Broadview (Mr. Church) has said, I should like to add a few words with respect to law reform. I shall not say much because I do not intend making any lengthy address at this stage of the proceedings. What the hon. member says is quite true, but there is something further to be said, and I bring the matter up at this early stage of the session so that the Minister of Justice will have ample notice with a view to having it considered by the house at some appropriate time.

A good many complaints have been made with respect to a practice of some of our judges in certain sections, and this is not confined entirely to county court judges or supreme court or appellate judges. The complaint is that in many parts of Canada there have been extraordinary delays in the handing down of judgments. We might well ask the Minister of Justice to make a survey across Canada if it is within his jurisdiction to do so. I know he will shake his head and say it is not. But the government has assumed extensive powers and jurisdiction over many things in this wartime period and I ask the minister to consider a survey across the country to find out what judges are handing

down their judgments within a reasonable time and those who are unreasonably delaying judgments. It is a matter that affects not only those of the legal profession—that would not be of the same importance; it is of great importance to litigants, to the ordinary citizens of the country. I am quite sure that there are members of this house on all sides who could point to scores of instances in which actual injustice has been suffered by litigants owing to the failure of the bench to hand down judgments within a reasonable time. Very often judges who have the most to do bring down their judgments most quickly. The minister may expect the question to be raised later in the session, and I wish to warn him so that some consideration will actually be given to it.

Another point I wish to mention is very appropriate in view of the national social legislation proposed in the speech from the throne. We are going to try in this country, and I hope we shall succeed, to bring greater equality of opportunity and security to the men and women of Canada. I am raising my voice to-day not so much against the system that prevails with respect to judges of our courts as against the inequality which exists in respect to retiring allowances for other persons who are just as worthy. It is not showing a very good example to single out certain persons in Canada for retiring allowances up to one hundred per cent, and in other cases, as the minister said in answer to my question, two-thirds of their salaries, and to be so tardy in seeing to it that other sections of our population are given something more than a bare subsistence when they retire, sometimes at a much earlier age. I bring that up not with any idea of being small or mean or making any reflection on our judiciary, because I realize that many men are attracted to the judiciary by the provision for substantial retiring allowances. But while keeping that aspect of the matter fully in mind, I submit we should not single out any particular class for such ample retiring allowances without considering carefully the manner in which other classes who are just as worthy are treated in this regard. I hope that the type of security which others receive compared with that provided for those who sit on the bench may be given consideration—and this of course is no reflection whatever upon the bench.

Mr. ST. LAURENT: I hope that the matter to which the hon. member has referred will be fully considered by the select committee that is to be appointed to deal with all matters of social security. It is certainly an interesting point, and I am sure the select committee will not fail to deal with it.

Mr. DOUGLAS (Weyburn): It is no reflection upon any individual to suggest that with the passing of the years it is not always possible to discharge serious and onerous duties with the same powers of concentration as one had in earlier years. This is particularly important in view of the fact that for some years in Canada and the United States the powers of those who interpret the law have been of tremendous social significance to those countries. The decisions of the person holding the position of Chief Justice of Canada, by virtue of the leadership which he gives through his judicial interpretations, have a tremendous effect upon the operation of legislation that has been passed and legislation that will be passed. It is, therefore, important that men should not be kept in such an important office beyond the time during which they can normally bring their full energy and powers to bear upon the task assigned to them.

Some mention has been made of the Hong Kong report. I have no wish to go back into that, but hon. members may recall that I made a statement to this house on July 27 last, found in *Hansard* at page 4794. I said then:

> I should like to refer particularly in connection with this question of reinforcements to a matter which affects myself. I note that the commissioner did me the honour of quoting me on page 39 of the appendix. He stated that all the officers had completed their training—that is, reinforcement officers—and he says:
>
> > In general, this opinion was confirmed by Mr. T. C. Douglas, M.P., who knew five of these officers and saw them shortly before they left for Hong Kong.
>
> That is one of the things which amazed me most in this report. If the rest of the evidence presented to the commissioner was interpreted with as prejudiced a point of view as the evidence I submitted, I have grave doubts about this report. I went before the commission at the suggestion of counsel for the commission. The commissioner was very kind to me, and seemed to be anxious to get all the facts. I told him what little I knew: that in October, 1940, I went into a reserve officers' training camp with some of these men. These men had thirty days' training in squad drill, ordinary rifle drill, and some elementary map-reading. They had never fired a Bren gun, a machine gun, or pistol when they came out. They went back to civilian occupations and were picked up again next spring and sent to Gordon Head, there to take a four months' course. They were then transferred to the Winnipeg Grenadiers and sent overseas. These officers were naturally perturbed—and I explained this to the commissioner—at the prospect of taking men into action after they themselves had received in

total about five months' training, one month as reserve officers and four months to qualify as active officers. They had no knowledge of mortars and only a limited amount of training in the handling of platoon weapons. In giving this evidence I tried to be fair to these men. I went on to point out that these men were not cowards; they were not perturbed about the danger to themselves; they were perturbed about the fact that they would be leading men and they doubted if they were qualified to do so. The commissioner interprets my remarks by saying only this:

> He stated that they were overjoyed at the prospect of going into more active service and they were satisfied with their training courses as regards the handling of men and general instructions, although they had some uncertainty about their experience in operational manoeuvres.

It is difficult for me to understand that statement in the light of the evidence which I attempted to give.

It seems to me that there can be only two explanations of that statement in the commissioner's report. Either there was inability to interpret the evidence given, or, what seems the more likely, the appendix was not written by the commissioner. It was not signed by him. It will be remembered that the report consisted of only a few pages, but there were forty or fifty pages of appendix. That part was not signed by the commissioner, although of course he was technically responsible for it. Looking at it as generously as possible, I should like to think that probably it was drawn up by others on his staff.

Whatever may be the explanation, a man who has reached this time of life has neither the virility nor the power of mental concentration to deal with very complex matters. Particularly is this important at the present time when questions of the division of power between the provincial and federal governments will have to receive so much consideration. I referred this afternoon to the farm debt legislation; it is a very serious question in the west. There is also the question of the division of powers with reference to social security legislation and post-war reconstruction. This country needs in the Supreme Court of Canada not only men who can bring a new point of view, but men who still have sufficient physical and mental vigour to apply themselves strenuously to that task. That is why, without casting any reflection whatsoever upon the gentleman who now holds this high office, I for one am opposing this measure.

Mr. HANSELL: There is one matter in respect to this legislation that I do not understand, and it fills my mind with misgiving. Why is the term of office extended for only one year?

[Mr. T. C. Douglas.]

My point is simply this. I believe the government should be perfectly open and aboveboard with the members of the house in respect to this matter. Personally I do not like to entertain any unwarranted suspicions; to do so is not conducive to clear thinking. The other day the Leader of the Opposition and the Prime Minister urged that we do our best to avoid political discussions here. Well, we should all like to do that, and we shall all try our best. We ourselves want to be free from political discussion. But it is equally true that we want to be free from any misgivings as to the motive behind this or that legislation. I believe the government should be free to tell us exactly why they are desirous of extending the term of this office for one year instead of, say, four or five years. I have nothing to say with regard to the ability of the Chief Justice of Canada; though he has reached a ripe old age, sometimes wisdom grows with age, and when one's mind is particularly alert perhaps we have nothing to fear. I am not arguing along that line; I am not adopting a line of argument similar to that which has been advanced by other hon. members, though their argument may be sound. The Minister of Justice has tried to dispel our misgivings in that regard by telling hon. members that in spite of the age of this very honourable gentleman he is still in fair health and mentally alert. Surely if that be so, one year is not going to make very much difference. Why does not the act continue him in office for four or five years? It is for just one year, just twelve short months. Would the government care to tell the committee why that should be so? Is it that they have some special work they wish to have done by the Chief Justice of Canada during the coming year? Is it that they would like to keep the office intact for some specific time for some specific reason? If so, why not be frank about it and tell us?

There is another point that concerns me. Perhaps I am not versed in all the matters of parliamentary procedure, but when the second reading of this bill was moved to-day I could not help asking myself why all the rush. It is generally conceded that the debate on the address should be concluded and the decks cleared for legislation. When I came down to the building to-day I expected that the first order of business would be the debate on the address, and that I would have the privilege of listening to my leader in this chamber. Instead, however, this bill is placed before us. Would two or three weeks make any difference? I may be over-suspicious along these lines, and that is something we want to avoid. Let us not have any misgivings. Will the

Minister of Justice tell us frankly why we are asked to pass this bill at this particular time, and why he is only asking for one year's extension of the term of this honourable gentleman, who, he says, is physically able to carry on his duties and mentally alert in spite of his age?

Mr. COLDWELL: Will the Minister of Justice tell the committee what emoluments are received by the Chief Justice of Canada?

Mr. ST. LAURENT: In all, $15,000, which includes the salary he receives as deputy of His Excellency the Governor General.

Mr. COLDWELL: And I understand that if he is asked to undertake any other work, such as the Hong Kong inquiry, there is no further payment for services rendered in that connection?

Mr. ST. LAURENT: None whatsoever.

Mr. HANSELL: Then, following the minister's reply to that question, the reason for the extension of the term of office cannot be that this gentleman needs the money. Now will the minister tell us the reason?

Mr. ST. LAURENT: If the hon. gentleman wishes me to state the facts I shall do so, and I think his misgivings will be entirely dispelled. There is no special work the government intends to ask the supreme court or the Chief Justice of Canada to do. There is no one for whom the office is being kept intact. The reason the house was asked to consider the bill at this time was given in the opening remarks of the former leader of the opposition. At the present time Canada is without a chief justice. It was thought that this bill would not be of a controversial nature, that it might be passed in a very short time; and the next clause of the bill proposes that it be made retroactive to January 7, 1943, from which date it will operate for one year. The other question was why one year is being suggested. It is that parliament will be meeting again within a year, and it was not considered advisable at this time to ask parliament to commit itself for more than one year.

Mr. COLDWELL: How does the department evaluate the work of judges? I am not thinking only of the work of the chief justice, but how is an estimate made of the capabilities of judges? It is difficult to discuss this matter and remain within the rules, but most of us know of judges who have passed the age when they can give concentrated consideration to cases coming before them, and I should like to know if the department has any way whatever of finding out whether a judge—we will say the chief justice if you wish, because we are discussing this bill—is really capable of performing the work which a judge must perform. I am speaking from a background of, shall I say, slight experience and knowledge of some of the judges who occupy the bench in this country. I am not referring to the chief justice in that particular, but I should like to know how the work of the judges is evaluated. We have many who have progressed far toward the end of life; what steps are taken to make sure that they are able to give concentrated consideration to the cases before them, and how is their work evaluated by the department in order that it may be done efficiently?

Mr. CHURCH: The principle of the bill is contained in one clause, which extends for four years instead of three the term of office, which means that the chief justice will remain for one year from January 7, 1943. As I say, I have no objection to the age limit, because some judges at seventy-five or even more are almost at their best. The principle involved in this measure came up in the house, in a bill, about seven years ago, as to the court of appeal in Ontario, where there was no law to prevent judges of eighty years from continuing their duties. The bill, which provided for retirement at seventy-five, passed this house, but was thrown out in the senate. At that time I said:

> The frequency, of recent years, with which judges are drafted for all kinds of such work impairs the efficient administration of justice and causes congestion in the law courts, and, as they are largely only fact finding commissions when appointed, they duplicate the efficient powers and functions of parliament, of the committees thereof, and of the many outside boards of recent innovation in war work, and furthermore they are a costly adjunct to good parliamentary government of the people, by the people and for the people, cause delays and interfere with parliament's right to immediate solution of social and economic problems of urgency to good government; thus a system of "judicial commission government" is slowly being built up in Canada.

It is for that reason that I voted to-day against the second reading of this bill. I believe some of the judges over seventy-five years of age are the best we have. The principle applying in England with respect to judicial appointments and law reform should be copied by the dominions, so far as age limits are concerned. In Ontario high school teachers have been retired at sixty-five years. That was one of the worst possible pieces of legislation, because some of those principals cannot be replaced by younger men. In England they are being asked to go back to work in war-time. The same applies in some cases in the law courts. I can tell the committee that some of the judges who are over age are doing excellent work. I made special

reference to Judge Morson in York county. No one can be found to do the work he did, with the result that four or five men are now trying to do it, and still they cannot do it as well as he did. Six hundred members of the Toronto bar presented a petition to the late minister of justice, and he said that so long as Judge Morson wished to stay he would not be retired. And yet the party which appointed him, the last appointee of Sir John A. Macdonald, never gave him any notice of his retirement. He was going down King street one day on his way to the Woodbine, and upon buying a newspaper he found that he had been retired by a Conservative government.

I believe there should be a principle of law reform in connection with this matter. We have never had any sort of reform in the Department of Justice, and I hope the minister will consider it.

Mr. MACDONALD (Brantford City): From the discussion which has taken place thus far it might appear that parliament is conferring a great favour upon the chief justice by keeping him in office another year. The facts however are to the contrary. The chief justice is conferring a favour upon the people of Canada by remaining in office for another year. As has already been pointed out—and this should be emphasized—if the chief justice retired at the present time he would for the remainder of his life receive an amount equal to his salary at the time of his retirement. As the Minister of Justice has said, his salary is $15,000 a year; therefore by remaining in office he actually saves the country that amount each year. If he were to retire he would continue to receive that sum, and the man appointed in his place would receive a like amount.

In this time of war many men who ordinarily would retire from active life are continuing in their work. Younger men are entering the armed forces, and those who are older feel they should do their utmost as long as they can. I am sure the present chief justice would be happy to retire from his task, a most arduous one, and enjoy the things he would like to do when freed from his office duties. But with his keen sense of patriotism he feels he should remain in office as long as he can serve his country. Instead of taking the attitude that we are conferring a favour upon him, we should be indebted to him for his willingness to remain in office another year.

Mr. FRASER (Peterborough West): May I inquire just how much of a favour the chief justice is doing us by remaining in office? On what basis does the chief justice pay income tax on the $15,000? And, answering the hon. member for Brantford City, if the chief justice made even one mistake it might cost the country more than $15,000. I do not feel it is a favour to the country to keep a man in office if he is over age. Perhaps the hon. member for Brantford City could fill his shoes.

Mr. MACDONALD (Brantford City): Oh no, I am sure I could not.

Mr. FRASER (Peterborough West): I feel that there are other hon. members in the house and other persons throughout Canada who could fill the job. Does the chief justice pay a special rate on his income, or does he pay as you and I?

Mr. ST. LAURENT: The Chief Justice of Canada, like every other citizen in Canada, follows the laws of Canada and pays on the same basis as other citizens.

Mr. HANSON (York-Sunbury): Is the minister quite sure of that? I thought there was a special provision; that is my recollection.

Mr. ST. LAURENT: If the hon. member had received the letters I received from judges since the last budget was adopted, he would be under no misapprehension in that regard.

Mr. HANSON (York-Sunbury): There is a special provision, though.

Mr. COLDWELL: Generally speaking how is the work of the judges evaluated?

Mr. ST. LAURENT: Judges in the provincial courts are appointed and paid by the federal government. The administration of justice in the provinces is a matter of provincial jurisdiction. In two instances since I assumed office a little over a year ago attorneys general from two provinces made representations to the effect that certain gentlemen were no longer capable of carrying out the duties of their office. After making some discreet investigations—and these cannot be public investigations, of course—I took advantage of the provisions of a statute which has been on the books for some years, and wrote to the gentlemen concerned pointing out that representations had been made that they were no longer in a fit state of health to discharge the responsibilities of their office. Of course they were under no obligation to take my opinion, which had been formed from the information I had received, but it was indicated that if they were not disposed to accept my opinion I should feel compelled to appoint a commission under the statute to inquire into their

state of health. In both cases the gentlemen sent in their resignations, and have since been replaced.

As the hon. member knows, the prevailing opinion is that under the provisions of the British North America Act with respect to the administration of justice, judges cannot be removed from office unless very good grounds have been shown for such action, and not under normal circumstances without a joint address of both houses of parliament.

Mr. HANSON (York-Sunbury): That is in respect of the courts established before confederation.

Mr. ST. LAURENT: Yes, the high courts. With respect to federal courts the question has arisen as to the unfairness of the reservation of judgments. I quite agree with the leader of the opposition that this is unfair to the litigants and to the public generally. Frequently there are cases the determination of which awaits the settlement of other matters. That is one of the difficulties with which we are constantly confronted. From time to time representations are made by members of the bar that certain judges are taking an extraordinarily long time to give judgments. In such cases correspondence is initiated with the attorney general of the province concerned and representations are made to the judge about whom the complaints have been received. They are not always as effective as we would like to see them. Only recently the benchers in one of the provinces considered a recommendation to the legislature of that province that an act should be passed to provide that if a judgment was reserved for more than a certain number of months either party to the litigation could treat the case as susceptible of appeal and inscribe it for decision in the court of appeal. That matter is still under consideration.

I should like to see followed by as many as possible of the judges in this country the advice that I understand is given frequently to those who mount the bench in the United Kingdom. Lord Hanworth told me that when he first became a judge he was advised to try to deliver judgment immediately in all cases. He said that he found it very difficult to do that, but had succeeded in training himself to the point where in ninety per cent of the cases he delivered judgment immediately, and in cases where he had to reserve judgment, it was seldom that he did not succeed in getting his opinion ready over the week-end so as to deliver his judgment on Monday morning and avoid starting the week with any reserved cases.

Mr. HANSON (York-Sunbury): He was wonderful.

Mr. ST. LAURENT: If anything approaching that degree of perfection could be achieved by our judges, it would be a real service to the public generally. I am sure the fact that this matter has been the subject of discussion in the house to-day will have some beneficial effect.

Mr. ROEBUCK: I do not suppose anyone would hesitate to agree with the general principle which has been stated that men should not be kept in high positions of any kind, much less upon the bench, whose powers have waned and whose ability to discharge the high offices they hold is no longer theirs. But that is a general principle. No one with any knowledge of the facts would care to contradict the suggestions that have been made. I have practised in the courts too long for that. Men do grow old, and sometimes judgments are long delayed, and judgment delayed is frequently justice denied. I have in my memory a case in which I acted counsel on one side in 1933 and the judgment has not yet been delivered. At least one of the litigants is dead; the lawyer who was on the other side is dead, and now the judge is dead. I fancy that the litigation is dead also.

Mr. MacNICOL: Do not go any further.

Mr. ROEBUCK: You cannot go any further in an instance of that kind.

Mr. MacNICOL: I was thinking of the hon. member.

Mr. ROEBUCK: I suppose it is time that that happened. I have mentioned an extreme case, but it was because of incidents of that kind that I proposed, when I held the office of attorney general of Ontario, to introduce legislation giving a litigant the right to appeal to the court of appeal after a judgment had been delayed, say one year. The very threat of that legislation I think brought about a certain measure of reform. I know that the number of old and undelivered judgments was decreased in consequence.

But that is all general. At the moment we are not dealing with the general principles involved in delayed judgments or the continuance in office of judges who are too old, and all that sort of thing; we are dealing with one specific case. I have some knowledge of it. I have pleaded before the present Chief Justice of Canada, and a more delightful, more encouraging, polite and able judge never sat on the bench in Canada. I can say that from personal knowledge, knowledge of fairly recent date and knowledge that goes back a good deal. I have in mind an argument of ten or twelve days' duration in connection with constitutional appeals. It was a reference from

the government, and it involved the most abstruse points and a vast amount of most difficult law. No judge whom I ever approached in court had the keenness of knowledge and insight, the breadth of knowledge of law, the patience, the good nature and the kindness of the present chief justice. If, as is now said, his health is as it has been, and, therefore, his keenness undiminished, I can say from real knowledge that there is no jurist in the Dominion of Canada who could replace him to the benefit of that court. I am voting for this bill.

Mr. HANSON (York-Sunbury): Without wishing at all to delay the passage of the bill through the committee, but rather to satisfy a measure of curiosity which I think is legitimate, I should like to ask the minister a question which arises out of a remark he made with respect to investigation of complaints under the statute against judges who have passed the stage of usefulness. Does the department of its own initiative ever institute investigations, or does it wait until complaints are made by some body such as the law society, the benchers or what-not? I have known of a judge being incapacitated for three years, and yet nothing was done.

Mr. ST. LAURENT: The policy of the department is to not initiate an investigation until some complaint has been made. It is felt that to do otherwise might be considered by the provinces as an undue interference with the administration of justice.

Section agreed to.

On section 2—Coming into force.

Mr. CASTLEDEN: What is the status of the action which has been taken by the chief justice since January 7, 1943?

Mr. ST. LAURENT: Since January 7, 1943, the former chief justice of Canada has not been in office, but the statute provides that during a period of six months after retirement a judge may continue to consider cases which he heard while in office and participate in the judgments that are to be delivered. My understanding is that the chief justice has been very busily engaged during the last few days on the preparation of a judgment in connection with a reference which was considered in his court some months ago, and which dealt with the right to tax the legations of certain governments.

Mr. SLAGHT: Because my failure to make any contribution to this debate might be misunderstood, let me endorse what the hon. member for Trinity (Mr. Roebuck) has said. I have had the privilege of practising before this court.

[Mr. Roebuck.]

Some three months ago I was engaged in a case before the supreme court which lasted part of two weeks, and I want to say to the house that the keenness of intellect of the chief justice is not in the slightest degree impaired by his advanced age, which has been commented upon. I think I can put it in this way: he is outstanding, a man of rare intellect and ripe experience, with a high sense of honour and integrity, and perhaps above all these qualifications as a judge he is a man of great kindliness of heart and of full understanding of human nature.

Section agreed to.

Bill reported.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Monday, February 1, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I have been greatly interested in the discussion which has thus far taken place on the speech from the throne. I should like to congratulate the mover (Mr. Harris, Grey-Bruce) and the seconder (Mr. Halle) of the address and to give a little attention to some of the remarks which have been made before I proceed with what I had thought to say myself.

We are living in a time when there is a great deal of random talk about big things to be done, without any constructive proposals as to how those things are going to be done. I find in Canada, for example, politicians going all the way from promising $1.10 a bushel for wheat without telling us anything about how they are going to get the money to pay for it, to promising a new heaven and a new earth without giving us any idea of how these things are to come about.

Mr. HANSON (York-Sunbury): We have heard of a man promising $25 a month.

Mr. BLACKMORE: Yes, and there was abundant evidence given of how that was to be paid.

As I was going on to say, persons abroad are indulging in the same kind of vague promises, and I think it is an extremely

dangerous practice. We find outstanding statesmen promising, for instance, that the world is going to have freedom from want and freedom from fear, without ever breathing even a word as to how they propose to bring about these great achievements. The members of this house at this critical time in our history should not accept all these assurances without some scrutiny. It is our duty to find out to some extent where we are going and how we are going to get there. We may be detoured from our path, but at least we ought to have some idea of where that path should lie.

May I turn now to some of the remarks made by hon. members who have already taken part in this debate. First I should like to give some attention to the leader of the opposition (Mr. Graydon) and to his very fine speech. I congratulate him warmly upon his first speech as leader of the opposition. It was beautiful, but, as I said before, there was not a word in it as to how he proposed to attain his ends. He told us that people, not socialists, are seeking a voice in parliament. Very true. He said that there is room for a new party, and he indicated that the Progressive Conservative programme provided a basis for a new people's movement, that it constituted an honest attempt to find a solution of our problems. A gentleman whom I am now going to quote has made a pronouncement upon the very problem which confronts us. I refer to Milo Perkins, a well-known government official in the United States, who has said this:

> What we need most is a redirection of our genius as a people. Heretofore, we have concentrated on methods of efficient production. For the first time in history, we are suffering because we have too much of the things we need most. Henceforth, we must concentrate on efficient and businesslike methods of increasing domestic consumption, no matter how much violence it may do to some of our preconceived notions.

I am going to quote another passage from the same statesman:

> The unsatisfied wants of two-thirds of our people make up the greatest new market that has ever loomed before our businessmen and our farmers. It is right in our backyard. All we need is some courageous internal pioneering and some imagination.

I trust that the leader of the opposition will not consider me too unkind when I point out that I fail to see in all that he said and in all that emanated from the Winnipeg convention any sign of that pioneering and that imagination. Our problem is that of distribution. Men have solved the problem of production not only in Canada but throughout the world. Not only have men solved the problem of production, but they are on the way to achieving a measure of production surpassing all that a man could have dreamed of as possible ten or fifteen years ago. Men like Henry Kaiser, the famous contractor, and Doctor A. A. Stine, of the chemical organization in the United States, are witnesses to this truth. If our problem when the war broke out was a problem of distribution, it is going to be doubly a problem of distribution when the war ends. Let us never for a moment lose sight of that fact. Then we shall look into every set of proposals for the secret of distribution. We need a new technique of distribution.

May I examine for a moment or two our distribution machine as at present constituted, with the object of endeavouring to discover if possible why it is inadequate and why it has broken down. Let it be borne in mind that the medium of exchange which we now use is the medium of distribution; for up to the present time there is no distribution without an exchange. This means that the medium of distribution to-day is the dollar, or a unit of currency.

We use for our dollars, for our media of distribution, only money which is borrowed from the banks. It matters not how great our production may be or how great it may become, the limit of our distributive capacity under our present system is the amount of money which bankers will lend, the amount which men will borrow from bankers. This constitutes the major flaw in our distributive system. Not only do we have to pay back every dollar which is borrowed, but we engage to pay it back with interest, which means that progressively there will come to be less and less money in circulation with relation to the debt which the community owes for the money. This constitutes another serious flaw in our distributive system. It means that the amount of monetary distributive machinery which exists in any community becomes progressively less effective as the years advance.

Let us bear in mind that this also follows: If bankers at any time choose to cease to lend or to restrict lending, or if men for any reason at any time cease to borrow, then immediately our distributive machinery is bound to be seriously impaired.

No government up to the present time has been able to prevent banks from ceasing to lend; no government up to the present has been able to get men to go and borrow when they chose not to borrow. These two facts put together force one to the logical con-

clusion that at the present time the government of any country under the system under which we operate has no effective control over its distributive machinery.

There is another difficulty. Money, in so far as it gets out to people, reaches them through wages and salaries. The only access which the ordinary individual has to money or to distribution is through his wages or salary. As machinery increases, and as technological skill develops, the number of people who are required to operate the productive machine progressively decreases, with the result that unemployment arises, which means that the distributive machinery is again seriously impaired.

There is yet another difficulty—and this has a particular bearing upon the Atlantic charter and all the glowing promises of freedom from want and fear. Up to the present time, if goods are to be distributed from the United States, for example, let us say to Timbuctoo, so as to be completely harmless in our remarks, the only way in which that distribution can be made is through Timbuctoo sending goods to the United States to pay for the goods it receives. This means that no matter how much Timbuctoo may need the goods of the United States, if Timbuctoo has not acceptable goods to pay for them it cannot get them, which again means that the United States is forbidden to distribute to Timbuctoo by reason of the laws of our present distributive machinery. That is an exceedingly serious matter. Regardless of how much the President of the United States may desire to help Timbuctoo's people, the only way in which he can overcome the difficulty is probably by giving them the goods outright. How that can be accomplished we need to study.

Any nation with meagre resources or with a large population is placed under an exceedingly serious handicap in this world when it undertakes to get goods which come from a nation that is abundantly endowed with resources and richly equipped with industrial machinery, as a result of which it can manufacture a wide variety of goods. The more such a rich country can manufacture the less it wants to buy from abroad.

One more serious difficulty is that the cost of secondary products or manufactured products tends to increase progressively, and that the price paid for primary production, such as that of wheat and meat, tends to decrease progressively. We see this well illustrated in our own Canadian west where the farmers to-day are obliged to pay, for 147 articles which they require, 152·8 per cent of what they had to pay for similar goods in 1914, and at the same time, except for the influence of the war which is transitory, they must accept less for their own products. This means that the primary producing area, nation or part of a nation, runs increasingly into debt to a secondary producing area. This truth has an exceedingly important bearing on all the proposals for the establishment of unity of nations, the removal of tariffs and trade restrictions, and all the rest of it.

May I turn now to the leader of the opposition and ask him earnestly to examine during the next two or three days all that emanated from Winnipeg and to say whether in all of that he finds anything whatsoever that goes to the root of this distribution problem. May I ask him two or three other questions in the most earnest and sincere way—for I have no desire to play politics. I am just an ordinary Canadian with children growing up in this country, who I suppose will be represented by grandchildren, and I really do want to see some reform made in Canada before everything goes to ruin.

The hon. gentleman said that he stood for the conscription of industry without telling us what that means. He said that he stood for the conscription of finance or the mobilization of finance. I hope he will examine closely what I say in case I do not carry in my mind just what he meant to convey. What does he mean by the mobilization of finance? The Social Credit group in 1939, when the war broke out, declared in favour of the conscription of finance and pointed out what it meant by that term, namely, the taking over by the government of Canada of the power and function of creating the nation's money. It insisted that that money should be created debt free. I should like to know what the leader of the opposition means by the conscription of finance. Does he mean greater and greater taxation? If he does, heaven help us. We have already gone too far in that direction. Then what does he mean? I will ask him three or four searching questions. Does he mean by the conscription of finance that the government shall take over the power to create money debt free? If he does, then I know something about how I shall line up with respect to him. Does his party agree, for example, with the idea expressed by the hon. member for Parry Sound (Mr. Slaght) in the budget debate last year when he advocated state-created debt-free money and when he elicited from the Minister of Finance (Mr. Ilsley) such a sound scolding? Does the Progressive Conservative party agree with the views advanced by the hon. member for Parry Sound, or does it agree with the views

of the minister, who rose and delivered a speech which one of the members in the Conservative party characterized as a model of expression, or something of the sort? I want to ask him two or three more questions. What, in the opinion of his party, gives a dollar value? Is it the gold behind the dollar, as we were told in kindergarten? Is it a bank behind the dollar? Is it the fact that someone gave security when he borrowed the dollar? Is it the fact that the dollar has been borrowed? Is the dollar of no value unless it is a debt to someone? Is it scarcity of dollars that gives the dollar value? Is it the guarantee of the Dominion of Canada behind the dollar? Or is it the goods-producing power of the Dominion of Canada behind the dollar? There can be a difference. The guarantee of the Dominion of Canada might be this, that the Dominion of Canada agrees to get another dollar and replace the dollar in case it is asked to do so; whereas in the other case, if the goods and services of Canada are behind the dollar, the Dominion of Canada simply agrees to deliver goods in return for the dollar. When the leader of the opposition answers those questions we shall be able to tell whether he agrees with the social credit stand or not.

A good many people in this country are now beginning to talk monetary reform, because people are becoming interested in monetary reform. But there are different kinds of monetary reform, some of which are a good deal worse than what we already have. It is well to be specific in this matter.

Having asked the leader of the opposition these questions, I am now going to ask the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) and his group what their answers are to each of those questions. And I am going to ask the Liberals through their Minister of Finance to tell us what their answers are. When we get those answers—if those leaders are courageous enough to give them, which I doubt—we shall be able to tell whether those three parties differ among themselves or whether they all stand for the same thing. The line of demarcation lies right there, in their attitude to money.

The leader of the opposition referred to progressive labour proposals of the Winnipeg convention. Since he did that, I should like to point out that the best collective bargaining law in Canada is on the statute books of Alberta, put there by a social credit government. Also one of the best minimum wage laws in Canada is on the statute books of Alberta, put there by a social credit government. And many other progressive measures with respect to labour, in so far as the province has the power to legislate respecting labour, are already on the statute books of Alberta. This indicates quite clearly the stand of social crediters with respect to labour.

I now turn to the social security proposals. They sound very fine, but the question must be asked over and over again, Where do the Conservatives propose to get the money? Here, for example, are a few searching questions: Does that party intend to pay the interest on Canada's debt at present contractual rates? If it does, what is it going to do if this war continues for several years and the debts of this nation mount to such a point that the annual revenue will be insufficient to pay the interest? What chance will the people have of obtaining social security under such conditions?

If the Conservative party is in power—

Mr. GRAYDON: The Progressive Conservative party.

Mr. BLACKMORE: Yes; I beg my hon. friend's pardon. I hope every time I slip he will remind me until I get the habit of using that name. Does the Progressive Conservative party propose to pay off the debt of Canada if it gets a chance? Does it propose to reduce the interest if it gets a chance? Does it propose to reduce taxation, and if so, how is it going to obtain the money with which to fulfil all its fine promises?

These matters are important, because an answer to these questions would serve to take off the mask and show what is behind it, whether there is a sincere heart and genuine understanding that intends to do things and has some idea how it will go about doing them.

Yesterday the Prime Minister (Mr. Mackenzie King) jocularly intimated that the Liberals had been advocating the present Progressive Conservative platform for about twenty-five years. Well, the Progressive Conservatives can take warning by reflecting how far the Liberals got with that programme. If the Progressive Conservatives are not prepared to adopt some measures different from what the Liberals are adopting, they will not be able to do a bit more than the Liberals are doing, even if they should add three more handles to their name.

Turning to the speech from the throne, may I deal with two considerations that come to my mind. The first has to do with a matter that is not mentioned in the speech, the other

with three which are. The matter not mentioned—and this astonishes me—has to do with the immediate prosecution of the war. At the present time Canada is in danger of grievous food shortages. Warnings are on every hand; people are losing confidence from sea to sea. At one time they were promised that there would be no rationing of certain commodities, and within two or three weeks they were astounded to hear that there was to be rationing of those very commodities, which indicates not only incompetency of the Liberal party in dealing with food production but also apparently inability to keep books well enough to know where they stand. This constitutes a very serious reflection upon them, no matter how buoyantly they attempt to laugh it off.

The three matters which are mentioned in the speech from the throne have to do with the post-war order. I shall refer to them at a later time.

With reference to the food and other requirements of the Canadian people, let me say we must manage to bring about greater and less variable production of essentials in this country. It is no use our doing so much to fight the war that we forget the people at home; that will but impair our efficiency as a fighting force. Let us remember what the Prime Minister intimated yesterday, that this war may last for years and years. This means that we must build up a reserve of productive equipment capable of sustaining this country's exertions at a high degree for a long time. We should be taking every precaution to see that all such things as, for example, milk products, meat, eggs, fruit, feeds, vegetables, sugar, honey, coal, gasoline, rubber and other essentials which can be produced in this country shall be produced.

Hon. members know my stand as to sugar. Years before the war broke out I told this house that the day would come when we would need sugar, and advised measures to increase sugar production. But all we received was good-natured tolerance from the Liberal party and just nothing done. All indications were that there was a deliberate plan, by some organization working through the government, to restrict the production of sugar in Canada. I have more than a suspicion that a similar plan is in operation with respect to gasoline and many other essential commodities. Unless the Liberal party sternly take the stand that it will not be moved by persuasion of that kind, they are placing this country in grave peril of serious suffering.

How is greater production to be stimulated in Canada? First of all we must have for every vital job wage rates that will be encouraging to the people employed in that job. This must be done either by direct federal bonus or by federally-assisted provincial bonus, so that the increased wage will not cause increase in the cost of production. This principle I regard as vital. There has been a good deal of discussion in recent weeks regarding increased wages in certain plants. The government have repeatedly taken the stand that they must not increase the wages in those plants because that will cause inflation. If they will pay the wages from an external source, so that the cost of the wages does not enter into the cost of production of the plant, the increase will not cause inflation.

I should like to read a set of figures dealing with the wage situation in Canada. The census indicates that in 1941, 35·9 per cent of the total wage-earners in Canada received less than $500 a year; those receiving less than $1,000 a year constituted another 28·4 per cent; those receiving less than $1,500 a year another 19·6 per cent, and those receiving $1,500 and over were only 16·1 per cent of the total wage-earners. In view of the fact that the ordinary expert on nutrition would declare it impossible for a family to support itself in any degree of comfort, not to mention decency, on less than $1,500 a year, the members of this house can see what a glaring reflection those figures are on the administration which has been in power in this dominion since 1935. Therefore I say the wage rates in this country must be adjusted.

The whole Canadian wage structure is inequitable and should be scientifically overhauled. Such upward adjustments ought to be made as will give all workers, male and female, a square deal. Everyone doing essential war work should be allowed the means of enjoying a decent standard of living, and this matter should be attended to without further delay if we intend to take care of our production.

Government officials will argue that such upward adjustments would cause inflation. Their arguments are unsound; I challenge any hon. member on the government side to prove the contrary, any time he chooses to enter this debate. Inflationary tendencies resulting from the added purchasing power which would be incident to giving such increased wages can be offset effectively by four measures, singly or in combination: price fixing, bonuses, subsidies and rationing.

We still have in Canada much labour not being used. I remember that when war first broke out we had members on the government side rise and prattle about the scarcity of labour in Canada. I am at a loss to understand why that was done. We still have plenty of labour in Canada if it is wisely

used and properly distributed, and we can distribute it by adequately paying for it where we require it.

The second measure I suggest is this. Producers must receive such additions to the prices they are now receiving as will bring within their reach a decent standard of living and will stimulate greater and greater production. Third, credit must be made available upon terms attractive to the producer. Fourth, the means of production—for example, cows in the dairy business—must be rendered easily accessible to producers. Fifth, stable markets for at least two years after the war should be guaranteed. If these suggestions are disregarded, Mr. Speaker, the Canadian people are going to pay for the oversight in suffering and privation. These five principles, wisely applied, will render available a substantial margin of at present idle or partly idle productive capacity. It is utterly unpardonable to have in Canada shortages of butter, milk, coal, honey, eggs, meat, fruits, lumber and so on. The very existence of such shortages indicates glaring incompetence on the part of the men in charge of affairs in this country.

The question will be asked, where will the money come from? It does not matter where the money comes from; if men persist in using only borrowed money and taxed money, then it must come from borrowing and taxation. The blame for the accumulated debt and the increased taxes must lie at the doors of those who lacked vision in administering our affairs. In 1941 Britain is reported to have spent over £100,000,000 in discounts, bringing down the price of goods much as the Canadian government wisely did not long ago with respect to milk. That principle is sound; it must be applied consistently over the complete range of commodities until the cost of living is brought down, so that the average consumer can get what he needs. In the same year the British government spent £30,000,000 in subsidies to primary producers. As a result of such management they were able to do such things as give seventy-five cents a dozen for eggs which were sold to the consumer for fifty cents. What Britain can do, with meagre resources, certainly Canada can do.

The question will be raised immediately, will such measures give us inflation? In the first place they have not caused inflation in Britain; and I would say that the danger of inflation in Britain is ever so much greater than it is or could be in Canada. Let us examine inflation for a moment. The word "inflation" apparently is being deliberately, and I am afraid insincerely, used by a good many men on the American continent as a great big bogey to scare the people into doing whatever the men in power want them to do; a play upon the lack of information and understanding of the people; a betrayal of the trust which the people are reposing in the men who have been chosen to take care of their affairs in these trying times. What is inflation? It is nothing more or less than a rise in price. Keep that in mind; that is all it is, a rise in price. What causes inflation? There are three things. First, there is deliberate price manipulation, such as we saw immediately after the beginning of the war, when the price of lard was run up. Second, there is price spiralling, a state of affairs in which increased costs force up prices. For example, if labour costs increase, then the price of the product must be increased to offset the increase in wages. Third, there is the scarcity of goods and services.

Let us examine these three causes, to see whether or not they are uncontrollable. Will an increase in the money in circulation necessarily cause inflation? First, must and will it cause price manipulation? There is no reason why it should. If it does, price fixing, with penalties, must be used immediately as it can be and has been used. Second, must and will more purchasing power cause price spiralling? Not if it does not cause an increase in the cost of production. That is, if the government increases the wages by bonuses; if the government keeps down the cost of the raw products that go into production, there is no reason why any spiral should occur no matter how much money is in circulation. Third, must and will extra purchasing power cause scarcity of goods? No, provided the goods on sale are rationed if need be, and provided care is taken to increase the production of goods so that the supply is somewhere near the demand of the people.

These vital facts concerning inflation lie right at the very basis of all national financing, and of the economic management of any country. I submit that the Minister of Finance, the Prime Minister, and every other hon. member I have heard speak from the government benches upon the subject of inflation, have been misinformed on these important facts pertaining to inflation, and have misinformed the people of Canada.

If inflation can be governed by the devices I have mentioned—and it can—and if inflation is produced by the causes I have mentioned—and it is—it need have no relationship whatsoever to government-created money. Yet, time and again, we have heard the Minister of Finance from his place in the house rave about

inflation, whenever a Gerry McGeer or some other member has risen and advocated government money—indicating the finance ministers were either utterly uninformed or insincere. And they can choose whichever of those alternatives they wish.

Now it ought to be, then, feasible, practicable and safe for the government of Canada to take an inventory of all surplus goods which we have or could have within a reasonably short time, such as butter, eggs, wheat and other grains, vegetables, potatoes, fruits, certain kinds of fish, certain kinds of lumber, coal, gas and the like, and create, to represent and to distribute these goods, credit instruments such as stamps, coupons, tickets, commodity dollars, dollar bills or book entries; all of which are credit instruments capable of being used for the distribution of goods. Such credit instruments created by the government would be debt-free, causing neither debt nor taxation. Such media of exchange could be used, (1) to subsidize primary production prices; (2) to discount secondary prices; (3) to bonus wage rates; (4) to grant production loans; (5) to guarantee stable prices after the war, and (6) to provide adequate storage facilities on the farms or off the farms.

The simple application of the principles of social credit will solve our production problems in Canada in war time. These principles are:

(1) The state creation of debt-free media of exchange, to represent unconsumed production in the country.

(2) The use of such media of exchange or credit instruments to (a) subsidize primary producers; (b) discount by subsidy the prices of goods to consumers, and (c) bonus or subsidize wages and in other ways bring about just prices.

(3) The use of such media of exchange to increase old-age pensions, to pay allowances to mothers, to provide medical care, dental care, to provide free hospitalization, to aid the unfortunate such as the blind, invalids and victims of accidents, and to reward the meritorious, such as returned soldiers. The amount of well-being in Canada can thus be caused to conform to the ability of the country to produce. The more she can produce, the more prosperous her people can be. Under the present system the more the country produces, the less prosperous the people are likely to be.

Mr. SPEAKER: The hon. member's time has expired.

[Mr. Blackmore.]

Mr. C. S. BOOTH (Winnipeg North): Mr. Speaker, I regard myself as most fortunate, after two and a half years overseas, to find that the course of my duties has made it possible for me to return to my seat in the house, if even only for a few days, and to speak for the first time. I do regret sincerely it has not been possible for me to give more care and attention to the special problems of my own constituency of Winnipeg North. I believe however, my constituents appreciate that the work I have been doing is of some importance. Perhaps they appreciate it more because almost seventy per cent of them have their origin in countries now suffering under nazi oppression.

If I can make any contribution to the debate, it would be by telling the house something of what is taking place in connection with the Canadian army overseas. I will not give statistics, because I do not think the people at home want them. I can say, however, that we have a grand army. They are grand men, and all are good Canadians who are over there to fight for their homes.

What people at home want to know is, I believe, how those men are being treated, how they train, how they do their work and how they play. I wish to make a few observations regarding these questions. Those of us who were over there during the previous unpleasantness, and who have again taken part in this one, are very much impressed by some of the improvements in certain aspects of training, accommodation, and also particularly in connection with some of the auxiliary services.

As a rear rank private in 1916 and 1917, I was never able to understand how the continuous drudgery of forming fours and marking time was going to win the war. Nowadays however, it is very much different. Battle drill, assault landings and the like bear a direct relationship to the job the men are going to do when they get into battle. They can really see and understand what their training is leading to, and for that reason they enter into their training readily and heartily.

With respect to accommodation may I say that our men are well provided for in England. In the reinforcement units the permanent buildings are well equipped; and even troops on operational duties are well taken care of. I believe I can say that our hospitals in England are better equipped than most of the civilian hospitals in that country. Notwithstanding the peculiarities of English weather, the health of the troops is quite good.

One change I have noticed from the last war is in the matter of feeding. I have some terrible recollections of the Newfoundland cod

sent over to us in 1917 and 1918, along with a lot of other funny things they used to give us. To-day an intelligent approach has been made toward the problem of feeding the troops. First of all, our cooks are well trained. We are getting away from the idea of the unit providing its own cook, and hanging on to him throughout the piece. We have all our cooks in one packet. There is one place in a reinforcement unit where they undergo their initial training. Then, if a cook becomes a casualty in a field unit, they can whistle up another immediately through second echelon. And they can be quite sure, no matter where he originated, that he will be a well-trained cook and will know his job.

The next phase of the matter of feeding is that in each of our formations overseas we have a catering officer. Of course there is not too much food in England nowadays. For the first two or three weeks after I got back to Canada I was most uncomfortable after almost every meal. This was simply because I had got used to pulling in my belt and restraining my appetite. I think this has been an excellent thing for a lot of people. When rations are not too plentiful it is necessary that the greatest care be taken to ensure that the fullest benefit will be secured from them. Therefore catering advisers, who are specially trained, are provided. They travel around among the units, look over the cookhouses, consult with the commanding officers and advise on how to set up attractive menus and to get the best value out of the food.

We have added to this service lately and have now in the office of the director of medical services a nutritional officer whose job, among other things, is to ensure that the quantity and quality of the rations supplied are adequate to sustain the men and to ensure that they will be perfectly fit for the duties they have to perform. It is true that in England the troops get much more by way of rations than the civilians. While the civilian in England has a fairly tight belt, I can say that this is not the case to anything like the same degree with our Canadian soldiers. The British soldiers, of course, are treated on the same basis as ours.

I should like to tell the house something about the educational services overseas. At the beginning of the war the Canadian Legion stepped in and undertook to provide educational services. They have done a splendid job. In 1940, or even before that, there was appointed overseas a director of educational services. This gentleman is assisted by educational advisers who are qualified teachers or professors and have a thorough knowledge of the kind of work the legion is doing. One of the main objects the legion had in mind in setting up this service was to provide facilities for those men who wished to raise their standard of education or perhaps undertake vocational classes or special courses. Education is a special pet of General McNaughton, and he has done everything in his power to encourage the men and to have his officers encourage the men to take these courses. Hon. members may be surprised to hear that over 20,000 men in the Canadian army in England are taking classes or courses of one kind or another during the present winter. I am quite satisfied that nothing like that happened in the last war, at least not until it was over.

There has been some change recently in the educational set-up overseas. The army found that it was calling more and more upon the legion to provide facilities for education in certain specific cases. For example, there might be other ranks who possessed qualifications which would fit them to become officers but who found they were somewhat lacking in general knowledge. Quite often it was some time since they had been to school and they needed a little polishing up. We called upon the legion to provide courses for this purpose. Strangely enough, we found that there were some illiterates in our army in England and we had to set up special classes to take care of them. There are many other ways in which education may be provided which is of direct benefit to the army as such. With very little increase in staff, using most of the facilities that were already there, we have now an army educational service in the Canadian army overseas.

A point of interest in passing is that this army of ours is an army of specialists. There are thousands and thousands of young men in the army over there who have learned trades of which perhaps they knew nothing when they went overseas. I am hopeful that when this war is over we shall find that a goodly proportion of these boys will find themselves much better equipped to fight the battle of life than they were when they joined up.

I should like to say something about the work of the auxiliary service organizations. I suppose all hon. members know that there are four of these organizations, the Canadian Legion, the Knights of Columbus, the Salvation Army and the Y.M.C.A. Early in the war these four organizations volunteered to provide auxiliary services to the troops. In the first year they put on drives for funds, each one handling its own drive and each securing its own money. Of course they did

not each secure the same amount. As they came in to this work, some of the organizations found themselves particularly well qualified to carry it on, while others were not so well qualified. In any event the important thing was that they were there, and were ready and willing and reasonably able to carry on. We had nothing else which could have done the job at that time.

The next year the decision was taken that the drives for funds would be consolidated into one, and that was done. In the meantime the work went on steadily. Let me complete the matter of finances. In 1942 the decision was taken that the funds for these services would be provided from the treasury. Controlling these funds and the expenditure of them in Canada is the war services budget committee. I know nothing of the situation in Canada, but I do want to mention a little about the work of these organizations in England because it has been of such great importance to us there. Without this work, particularly during the last year and a half, I just do not know how we would have maintained the morale of our men at the high level at which it now stands.

The four organizations each has a senior representative in London. They work in cooperation with the three services, the army, the navy and the air force. I shall speak only about the army because that is what I know about, but in any event the services available to the army are available also to the other services. The control in England is this: on the one hand there are the senior representatives of the four organizations; there are the heads of the forces, and then, as a third party, there is the overseas executive committee of the budget committee in Canada which controls the finances.

In passing I want to say just a word about that committee. It was set up quite recently, and it consists of five prominent Canadians who live in London, with Sir Edward Peacock as the chairman. We have found that the existence of that committee has solved a great many of our problems. It has speeded up the provision of services to the men and, what is most important, Sir Edward Peacock has the confidence of the organizations as well as the confidence of the services. While he and his committee scrutinize expenditures most carefully, their first concern is to provide essential services to the troops.

The work overseas of the auxiliary services is divided into two main classifications. The first classification, by far the most important, is that in regard to the services to the troops in the units in the field. This is carried on by means of auxiliary service supervisors who are trained personnel provided by the organizations to do this work. They are allocated to the troops in the field on the basis of one supervisor for each 800 men. The large units have their own supervisor, but in the case of the smaller units, two or three may be served by one supervisor.

Because of the developments over the past three years the four organizations have now reached the point where each is providing the same measure of service. Each organization looks after approximately one-fourth of the troops overseas, and each has about the same number of supervisors. These supervisors are allocated to the units in accordance with our plan, and this is the kind of service they provide: Each of them has a car, and he may have one or two or three military helpers. He has a moving-picture outfit; he may have a canteen; he has a library, and he spends his time looking after the welfare of the troops, putting on picture shows in the evenings, organizing concert parties, sing-songs and games of all kinds. It is most important work, and it is of the utmost value at the present time because so many of our troops are spread around the countryside of England miles away, in many instances, from the big centres.

In addition, with the field formations, we have mobile canteens, which are under the charge of the supervisors. While these mobile canteens are not so necessary now, they will be of great value when the troops become engaged in active operations and they will then be used to provide essential services for the troops.

The organizations also provide recreation centres in troop areas. They provide leave hostels in London and elsewhere. At the present time in Canadian hostels in London there are some 2,800 beds, and they are full most of the time; indeed, every week-end there is an overflow of from one to two thousand who have to be taken care of in accommodation provided from British sources.

Each organization has also taken on a special project. The Y.M.C.A. look after a large share of the recreation centres. They also look after the major sports events for the whole army. Their experts advise the army on sports matters.

The Canadian Legion, in addition to having education as one of its projects, looks after the organization of concert parties. It trains and equips them. We have four soldier concert parties in operation at the present time. In addition, the legion provides entertainment, by professional performers who go around and visit the troops week after week.

The Salvation Army has performed a most useful work in purchasing and supplying moving-picture films for the whole army. It has in circulation at the present time a library of over sixty feature movie films, the same kind that can be seen in the moving-picture houses in this country. It has also hundreds of shorts and newsreels.

The Knights of Columbus have as their special project the providing of hospitality for the troops. Notwithstanding the rationing restrictions and restrictions of many other kinds, the people of Great Britain have been most generous in providing hospitality for Canadian soldiers and officers. The Knights of Columbus have a long list of individuals throughout the country who are willing to provide accommodation for our troops on leave. They have an office in London and sub-offices in the troop areas, and any Canadian soldier or officer going on leave who wishes to be entertained anywhere in the United Kingdom has only to get in touch with one of their offices and he can secure just about what he wants in the line of entertainment. It may be salmon fishing or a spot of grouse shooting, or he may want to spend his leave with some literary companions, or he may just want to go some place where he will not be bothered. Any of these things and many more can be provided for him. Thousands and thousands of our Canadian boys are going out into British homes every month as a result of this hospitality. Therefore it will be seen that the auxiliary services overseas are doing a splendid job for our troops.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. BOOTH: Before the six o'clock recess I was speaking of the work of the auxiliary service organizations for the troops overseas and was mentioning some of the many things that are provided by way of entertainment and recreation for the troops. From that I do not want to leave the impression that life is just a continual round of pleasure for the boys in England. Training is not only realistic but very hard. Manoeuvres are carried on continuously and the troops will march twenty-five miles a day, day after day, and continue fighting throughout that time. In a pinch I have seen an infantry regiment march forty miles between daybreak and night-fall.

I should like to describe the demonstration which was put on by General McNaughton in December to celebrate the third anniversary of the arrival of the Canadian troops in England. There were all kinds of vehicles, big tanks, little jeeps, troop carriers, tank recovery vehicles, mobile workshops, ambulances, weapons of war, vehicles of war of all kinds. The demonstration lasted for about two hours and it was a marvellous exhibition of the make-up of the Canadian army in England. It was most impressive, and yet I think perhaps the most impressive unit of all to me was the last one to pass the reviewing stand. The review took place on a wide country road in the south of England. The road stretched almost as far as the eye could see in both directions, and as this last unit came into sight in the distance, about a mile away, it appeared to be a column of infantry coming along at a steady trot. As they came nearer we could see that they were carrying full equipment. They were carrying their rifles. On they came, and when they passed the reviewing stand not a man was out of place. Their alignment was perfect and there was not a sign of distress on any one of those keen healthy faces. And on they went, maintaining that steady pace up the road until they disappeared in the distance. To me that was more impressive than all the tanks and guns in the whole parade. To me it typified the calm, steady, persistent spirit of the Canadian army, and I am satisfied that that spirit will remain until the job is done, no matter what may be the odds, no matter how great the task.

I have referred to certain matters which affect the morale of the troops. Three others I want to mention quite briefly in passing. First, there is the relationship between officers and men. These officers and men have worked together, some of them for three years now, and there is a spirit of mutual understanding and respect which can be gained only by men working together, striving together toward a common end. The men know that the officers will do as much as and more than the men themselves will do, and I am thoroughly satisfied that when the time comes the results of this will be manifest and will be of tremendous advantage to us.

Next is discipline and military justice. Discipline is good, and I attribute it in large measure to that same spirit which exists between officers and men. At the same time we have our offenders. You cannot have the thousands of men we have without having some bad eggs, and we have our troubles. However, in the administration of military justice, first of all we endeavour to ensure that everyone is fairly treated, both in the administration of justice and in the review of sentences. We bear in mind the fact

that these men are soldiers and that the sooner we get them back out of the "jug" the sooner will they be efficient fighting soldiers once again. This question of the review of sentence is considered to be so important that the policy in regard to it is centralized at Canadian military headquarters, and the senior officer at that headquarters, General Montague, gives his personal attention to every one of these reviews and himself signs whatever order is made with respect to them. We find that this is bearing fruit, because any man who demonstrates that he has learnt his lesson, who shows by his actions that he is willing to turn over a new leaf, is given an opportunity to do so. We are getting results. Notwithstanding the long time we have been there, our statistics show that relatively fewer offences are being committed. Between August, 1941, and August, 1942, there was a proportionate reduction of over 20 per cent in the numbers of all offences committed. I have not the later figures, but I do know that a steady decline is being maintained.

The third point with regard to morale affects particularly the people at home and is most important. It is a matter of letters from home. Not only do we want more letters but we want better letters. It is a sad thing to hear of a Canadian soldier who has been in England for two and a half years and who has not received a single letter or a single parcel. It is hard to imagine the feelings of that man as he sees week after week his comrades receiving letters and parcels. It is one of the most damaging things so far as morale is concerned. It is true the people at home are busy, but there is too much of a tendency to put off. It is easy for the family to leave it to mother, but mother is busy too. So that quantity is one of the things we want, and next is quality, and I am not sure that is not even more important.

The boys over there are hungry for news. They want to know what is happening in the home town, what is happening to the family and to the neighbours across the street, or in the town hall or the community hall or whatever it may be, and it is only in letters from home that they can get that information. They are looking for cheerful letters. They like to feel that the people at home, while missing them, are not unhappy. So very often we hear of cases perhaps of a wife who is lonely, who is feeling badly, just pouring out all her complaints in her letters to her husband overseas. It is proper that she should discuss her problems, but to pour out troubles for the sake of filling paper is not a service to anyone. An even worse class of letter, of which unfortunately we get too many, is that sent by trouble-makers, an interfering neighbour, perhaps a jealous mother-in-law, who writes and suggests that Mary is not behaving or that she is not looking after the children. There are many such cases where these complaints are true, but there are many more which we have had investigated by reputable authorities here and we have found them to be absolutely without foundation. I mention these matters because they are of real importance to the boys overseas.

It is marvellous that morale is so high after we have been so long in England. Three years of waiting is a severe test. I believe, however, that events have to some extent helped to carry us over the waiting period. When we first went to England everything was new; everything was different; we were training, getting ready for the job. Then came the fall of France, and the Canadian division at that time assumed much greater importance than one would expect its size could warrant. The fact is that the Canadian division was practically the only force that was intact and reasonably well equipped. Britain had been pouring out her troops and weapons overseas; when the boys came back from France they came back with nothing, and the Canadian division assumed the real defence of England—a poor enough force when one considers now what was against it. Fortunately the Royal Air Force, in which there are many, many Canadians, defeated the Luftwaffe, with the result that the probability of invasion during the winter of 1940-41 became remote. We were given a breathing spell. During that winter and the next spring our army was growing; England was busy making replacements for the weapons she had lost, and the situation eased a little. But Britain was still pouring out her troops and supplies to other theatres of war. Therefore the Canadian force, by this time growing, still continued its vital role of guarding the homeland. During that period there was little trouble with the men; they knew they were doing a job, and they were satisfied to do it.

Time went on. The boys were looking for a fight. However, bombing over Britain continued and our men saw the sacrifices, the uncomplaining sacrifices, of the British civilians. What soldier could honestly complain when he saw how much was being suffered by others?

The winter of 1941-42 was a difficult period. The invasion scare was passing and the boys were again becoming a little restless. However, with the spring there was new hope that at last we were going to get into action. There

were large scale manoeuvres, assault landing practices. We were getting closer to the real thing.

Then came Dieppe. Great as was the cost of Dieppe, the lessons we learned and the experience we gained are invaluable. We shall not know until the last line is written how many lives may be saved by reason of the experience gained at that time. Many of our boys were bitterly disappointed that they had missed the show, but at the same time they knew that Canada had at last been in a real fight, and our boys had demonstrated not only that they could take it but that they could hand it out. Dieppe was a promise to them that their turn was coming.

So time went on. We saw the happenings in North Africa, in West Africa, and more recently in Russia. At last we can see the shape of things to come. We feel now, at long last, that we are really going to be in it. When and where the attack will come we shall not be told until the time comes. Just how we are going to find the ships, how we are going to find all the forces that will be necessary to sustain and maintain an attack on the continent, I do not know. All we know is that the Canadian army is there to lead that attack, that it can break its way in and is ready and able to carry on. But if we are to maintain our morale we must get into that fight, and soon. The boys went over there to do a job; they are not bloodthirsty, but they went to do a job and want to get it over.

Now as to the post-war period. Everyone over there is concerned more or less about what is going to happen to him when this show is over. I think the boys appreciate the arrangements that have been made so far with regard to post-war rehabilitation, but they do want to see more. They are not overly concerned; they are trusting the people of Canada and the government of Canada to ensure that adequate provision will be made for them when they return. They are not looking for hand-outs; all they ask is a chance to work and make their own way, and they wish to be sure that there will be security for those, the wounded, the sick, and their dependents, who will not be able to look after themselves.

I cannot close without just a word about our leaders, Generals McNaughton, Crerar, Montague and Sansom. I know them all. I have worked under them and with them, and it has been a privilege to do so. The army commander, General McNaughton, is of course outstanding; he is a great soldier and a great leader. The others are fine soldiers, men in whom the troops overseas have the greatest confidence. Theirs is a great task and a great responsibility. But I firmly believe that they will measure up to that task and that responsibility to the limit.

I have said that our army is eager to be on its way. Let me add that we do not believe that the mere fact of our landing on the continent of Europe will cause our enemies to collapse. We know there is much hard fighting ahead; our losses will be grievous and there will be much sorrow in Canada. Knowing all these things, we look forward to the struggle with confidence and in the sure knowledge that nothing will be left undone by the people of Canada to ensure that we shall be able to carry on to the end.

Mr. MARK C. SENN (Haldimand): Mr. Speaker, for special reasons I feel that at this time I must disregard the suggestion made by my leader (Mr. Graydon) yesterday and offer my congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply. I do this for two reasons: first, because I believe that in offering my compliments to these gallant gentlemen I also pay tribute to the armed forces of Canada to which they belong. My second reason is that if I am correctly informed, these two gentlemen represent in this house rural ridings somewhat similar to my own.

May I also congratulate the hon. member (Mr. Booth) who has just taken his seat upon his maiden speech. The description he gave of conditions in the Canadian army overseas was very interesting indeed.

I intend to speak briefly this evening, and to confine my remarks almost entirely to one question, the position in which agriculture in Canada finds itself to-day. I am sure everyone will agree that the production of food is just as essential to our war effort as any other kind of production in which we may engage. The farmers of Canada know this to be true, and they are doing their best to achieve that maximum contribution to the war effort which is expected of them. Unfortunately they are labouring under most severe handicaps in many ways, handicaps which they find themselves powerless to overcome, but which I believe must be removed if we are to achieve the greatest possible effort in the production of foodstuffs in this country.

The speech from the throne falls logically into two parts. The opening paragraphs are devoted to questions dealing with the war, and I am sure we all agree that measures concerning our participation in the war should be the first consideration of this house. The needs of our army, our navy and our air force must be considered most carefully, and I believe

it is the duty of the government to inform the house as fully as possible to what extent these needs are being met, just as it is the duty of an opposition to criticize when criticism seems necessary, and to offer suggestions of a constructive nature.

The second part of the speech from the throne deals with the legislative programme of the government, and, if I may say so, this part of the speech is more conspicuous because of the omission of certain subjects than because of those matters with which it deals. The amendment which was offered by my leader yesterday, and which I intend to support, recites three of these subjects. First, there was the question of man-power; second, the question of labour and third, questions concerning the problems of agriculture. It seems to me most disappointing that nothing is said in the speech from the throne about any solution of the important and immediate problems which confront agriculture. It is true that some suggestion was put forth that a study is to be made in order to see that primary industry shall receive an adequate income after the war, but there is no indication that measures are to be undertaken to overcome the shortage of labour on the farms and to see to it that prices of farm products bear a fair relationship to the cost of the goods and services which the farmer must buy.

It is difficult for me, and I believe the country will find it difficult, to understand why no undertaking to deal with these questions is apparent in the speech from the throne. Certainly some solution must be found; otherwise agriculture will be unable to achieve that effort which we all hope it may put forth. Moreover, I do not believe it will be able to meet the demands which have been placed upon it for higher food production. Those demands necessarily are very heavy. In his speech yesterday the Prime Minister (Mr. Mackenzie King) made some reference to the volume of foodstuffs being shipped to the United Kingdom, and took unto himself and his government a certain amount of credit for that achievement. Undoubtedly there was a very large production in Canada last year; it was a remarkable achievement. The farmers of Canada worked early and late and did everything humanly possible to bring about that result, and I believe they are entitled to any credit which may accrue because of the magnificent contribution we made in that regard.

I have said that the demands upon agriculture are particularly heavy. Production goals for 1943 were set at a dominion-provincial agricultural conference held last December. I believe that meeting was convened by the agricultural supplies board, and those goals provide for substantial increases in food production as compared with 1942. For instance, in the case of meat an increase of 285,000,000 pounds was asked, or an increase of 16 per cent as compared with 1942 and 18 per cent as compared with 1941. I believe last year we had the greatest production of hogs in the history of Canada, but there the increase asked for is 28·5 per cent, a fairly large increase. In the case of dairy products the increase asked for amounts to some 6 per cent as compared with 1942. I believe the Minister of Agriculture (Mr. Gardiner), who was present at that meeting, gave out figures showing the increases that were asked in various lines of farm production. For instance, in Ontario the increase over 1942 in connection with hogs was some 400,000, or 20 per cent; in the case of butter, 15 per cent; eggs, 15 per cent; lambs, 20 per cent; cattle, 10 per cent; potatoes, 5 per cent, while the production of cheese was to remain at the same level.

I wish to point out that these increases were not asked for in connection with only a few lines of farm products they were requested in connection with almost every line of farm production, and if the house will bear with me I should like to mention the figures in order to show the increases on the wide range of products for 1943. They are as follows:

	Percentage increase
Beef cattle	9·0
Hogs	28·5
Sheep and lambs	12·0
Butter	14·7
Powdered milk	42·9
Poultry	10·0
Eggs	29·5
Oats	11·6
Barley	11·3
Hay and clover	7·7
Alfalfa	17·4
Flax seed	67·6
Sugar beets	42·2
Potatoes	10·7

I think the house will agree at once that this is a fairly large contribution for agriculture to be asked to make, in view of the conditions existing in the industry at the present time, in view of the shortage of labour and in view of other matters I shall mention as I proceed. I have stated already that production in 1942 was high. Last year we were blessed with bumper crops, and in most sections of the country we enjoyed ideal weather for the harvesting of those crops. But if I may be allowed to say so, I believe those crops were harvested—at least in eastern Canada—at the expense of preparation for

the 1943 crop. In eastern Canada and particularly in Ontario a very small acreage of fall wheat was sown. Fall ploughing was only nicely under way in many sections at the freeze-up, and there were large areas left in grass which would have been ploughed but for the fear in the minds of the farmers that they would be unable to harvest their crop in the fall of 1943.

In spite of these large crops last year, however, it has been shown by the leader of the opposition that shortages already are beginning to develop, that several kinds of farm products are rationed already and that others may be rationed shortly. Some mention was made yesterday of the rationing of butter which, as everybody knows, is an accomplished fact. The Prime Minister took the leader of the opposition to task for not stating that the rationing and the shortage of butter were occasioned by heavy shipments overseas. As a matter of fact I have made some investigations, and I cannot find that there was a pound of butter shipped overseas to the United Kingdom last year. In the case of beef, another farm item which is likely to be rationed in the near future, if we can believe the Minister of Agriculture who, according to radio reports, made a statement to that effect at Brandon a short time ago, there has been very little if any sent overseas. Therefore I think the Prime Minister was perhaps wide of the mark in criticizing the leader of the opposition for making such a statement.

The government has had plenty of warning that there is a labour shortage on the farms of Canada. A short time ago I mentioned the dominion-provincial conference held in December. At that conference where the provinces were represented, where the Department of Agriculture at Ottawa was represented and where the federation of agriculture and other farm organizations were present, a committee was set up to study farm labour problems. They brought down to that conference a report which, I believe, was passed. I have in my hand a copy of the report, and I must say it makes interesting reading. With the permission of the house I will place on record what it contains. The report of the conference on skilled farm labour quoted in the *Farmer's Advocate* of December 24, states:

> In view of this increased production required for 1943, in face of the decreasing labour supply the conference is of the opinion that the urgent necessity for conserving and supplementing skilled farm labour available must be recognized. And in view of the misunderstanding and confusion which exists with respect to farm man-power, the importance of a clearer definition of the man-power policy as it is expected to apply to agriculture is evident. With a view to contributing to the solution of the difficulties inherent in the farm man-power problem the following proposals are submitted for the consideration of the national selective service authorities.

There are five of these proposals, and I shall state them as briefly as possible to the house. They are:

> 1. That agricultural man-power policies be administered with the assistance of local farm committees, and the provincial departments of agriculture working in conjunction with the employment and selective service offices.

As far as I am aware no local farm committees have been set up, and if the provincial departments of agriculture are working in conjunction with the employment and selective service officers it is certainly to only a very limited degree. Then:

> 2. That the initial call-up which goes out to men on the farm be reworded so that they will clearly understand what the notice means in respect to their status as an essential agricultural worker, and state definitely what procedure they should follow for obtaining deferment.

I saw these notices not so very long ago, and as far as I know there has not yet been any change in them. If there has been a change it has been of only a very minor nature. So that as far as I know the second recommendation has not been implemented up to the present time.

> 3. That all farm workers whose essentiality has been established should be given some form of official recognition which would indicate they are performing an important war service.

That is something which should have been done long ago. Many a skilled farm labourer has left the farm to enlist—and all honour to him for doing so—who would have served his country just as well if he had stayed on the farm to produce foodstuffs. He would have been doing just as useful a service there as he could possibly perform in the armed forces. I believe such men would have been perfectly satisfied to remain on the farms, had they had some way of showing that they were doing their part, and that they were willing to do anything demanded of them.

> 4. That a much larger proportion of men on farms where essentiality has been established be granted the longest postponement term with each successive call.

I believe in some instances that suggestion has been followed. Postponements have been granted on the U.F.N.—until further notice—basis. I believe those postponements are fairly permanent. But when the National Resources Mobilization Act was introduced, and it was found that no exemptions were to be allowed, and that only postponements were

permitted, I for one protested against that procedure because, after all, farmers must be assured that they are going to have sufficient help on the farms to harvest their crops. Otherwise they are not going to produce, and are not going to plan for production as they otherwise would. I see no reason up to the moment why young men eligible for war service who are allowed to return to the farm because they are absolutely needed to carry on food production should not have exemptions rather than postponements from time to time.

Those are some of the recommendations made by the conference to the Minister of Agriculture, to be carried to the appropriate authorities. As far as I have been able to ascertain, up to the present time those recommendations have not been carried out, at least in their entirety. I hesitate to discuss the matter of labour at much greater length. Every one knows that for years past there has been a constant exodus of young men and older men from the farms to the cities. They have been lured there by the hope of higher wages and shorter hours of labour. That condition was greatly accentuated during the early years of the war and, as I have already stated, farm labour shortage was very much increased by voluntary enlistments.

I warn the government and the country that unless something is done, and done soon, to assure the farmers of Canada of a more adequate supply of farm labour, the production goals for 1943, to which I have already referred, will never be attained. Owing to the lack of preparation for the 1943 crop, unless something is done I doubt very much whether it will reach the production reached in 1942.

There is another factor which to a great extent affects food production by farmers. I refer to the price ceilings which have been established on so many lines of farm produce by the wartime prices and trade board. My complaint about those ceilings is that they do not establish parity. I can see no reason for the disparity in farm prices. I do not believe the wartime prices and trade board can offer any reasonable excuse as to why there is not a fair relationship between farm prices and the cost of goods and services the farmer must buy. We have more than one proof of the condition which exists. Our federal and provincial governments have recognized the fact, because they are paying bonuses to-day on quite a number of farm products.

In addition to that, the present federal government is setting arbitrary prices on wheat. I have always felt that these ceilings were unfair to agriculture and I have often doubted whether they were necessary or needed at all. In fact, speaking in the house last year from this same place I said that I did not think high prices had done any harm in the last war. At that time the farmers were enabled because of higher prices to pay off their mortgages in a great many instances and to set aside money which stood them in good stead during the days of the depression. Up to the present time I have not seen any reasons whatever why I should change my mind. Undoubtedly the imposition of price ceilings at levels at which they stand to-day has resulted in a great deal of confusion and discouragement to the agricultural industry.

I go on to give what I think is even more convincing proof that these price ceilings are not at a high enough level. Agriculture to-day, as in the past, is not enjoying a fair share of the national income. Hon. members will remember that when the Sirois report was brought down it showed that for the ten years ending in 1938 agriculture in the Dominion of Canada enjoyed only about 10 per cent of the national income although the farmers comprised over one-third of the population. The situation has been very little better during the past four years. Although prices for farm products are somewhat higher, they still present a most alarming picture.

I have in my hand a statement from the bureau of statistics entitled, "Relative importance of agriculture to other sectors of the national economy of Canada". I do not intend to burden the house with a lengthy recital of the figures which this statement contains. There is shown not only the total figures of national income and farm income, but the percentage of farm income originating in agriculture in relation to the national income, at farm prices obtained from the records of gross incomes throughout Canada. I should like to point out that these figures are made up from four items: first, cash sales of farm products; second, the value of products produced and consumed on the farm; third, the computed rental of the farm house, although I have never been able to understand just why this should be included, and, fourth, government bonus payments. While the percentage of national income enjoyed by agriculture is somewhat higher than for the ten-year period prior to 1938, which I quoted a moment ago, it has not yet reached a fair level. For the year 1939 our farmers received 14·8 per cent of the national income; for the year 1940, 13·1 per cent; for 1941, 13·1 per cent and for 1942, 13·3 per cent.

It will be seen that despite price ceilings and bonuses which have been offered by both federal and provincial governments, the farmer

of Canada to-day is in the unfortunate position of not receiving his fair share of the national income. I will go further and say that in most instances he is not receiving for his products prices which will pay for the cost of production and give him a reasonable profit. May I pause here to say I am glad that in the fourteen points which the new leader of the Progressive Conservative party enunciated some time ago there is included the principle that all classes of primary producers should receive a fair share of the national income.

Moreover, if agriculture is to reach the production which is being asked for the year 1943, it is absolutely essential that the farmer should not be asked to produce at a loss. I do not believe that Canada will ever enjoy the prosperity to which our agricultural areas and resources entitle us unless our primary producers can buy the goods and services they need. I believe it is an economic fact that income derived from primary production creates the buying power of the country. It is new wealth which is being produced each year, and for that reason it is one of the factors which contribute very largely to the country's buying power. If the farmers and other primary producers of this country or of any country are not prosperous, that country cannot enjoy the prosperity which it should.

I am not pleading for extremely high prices for farm products. I am not asking for prices which will bolster up inefficient or poor management. I am not asking for prices which will encourage the cultivation of the submarginal lands in certain areas of this country. If we see to it that the farmers receive a fair price for their products, they will deliver the goods. There is no doubt that if the farmer is assured reasonable prices, if he is supplied with a reasonable amount of labour, he will produce to the fullest extent.

There is another reason why these price ceilings are not satisfactory. If there is one thing more than another that the farmers have complained of in days gone by, it is the rapid and violent fluctuations which occur from time to time in farm prices. A farmer must plan a long time ahead. If he is going to produce grain he must plough his land anywhere from six months to a year before he can place the grain on the market or even feed it to his stock. It seems to me that stability in farm prices is absolutely essential, and yet the war-time prices and trade board has perpetuated this system of price fluctuation. In the case of butter, prices are on a sliding scale, and the same applies to beef.

In this respect may I pause to make a suggestion. Under the present arrangement the peak of beef prices will be reached next May. Farmers all over the country, particularly those who have an abundance of feed, are holding their cattle in the hope of realizing these high prices next May. That is one reason why there is to-day a scarcity of beef on the markets of Canada. I would point out that there is grave danger that when the time comes when these higher prices are to be paid there will be such a glut on the market that the abattoirs will be forced to reduce prices in order to cope with the situation. The whole price ceiling policy to-day as it applies to beef seems to me to be most complicated and blundering.

There is another reason I should like to advance to show why it is unsatisfactory. A ceiling price has been placed on beef and it has had the effect of setting a price for killer cattle. But the price of stockers has been allowed to find its own level, and last fall when many men were anxious to buy stockers they found that the price was actually higher than for the cattle which were finished in their stables and which the farmers wanted to sell. The result was that in a great many instances those cattle were held over, and the feed lots in Ontario and eastern Canada were allowed to remain vacant. That was a most unsatisfactory and unhealthy condition to prevail, particularly when we are so badly in need of beef.

There is another matter to which I wish to refer. Last fall, when the beef shortage began to become apparent and when the quota of cattle which we were supposed to export to the United States began to operate in the last three months, the government set up a food corporation the duty of which was to purchase the cattle which were destined for the United States. Drovers went into the country, bought up these cattle at Canadian prices and then sold them to the food corporation at United States prices which were as much as twenty and twenty-five dollars more than the farmer received for the cattle. Somebody made a handsome profit out of these transactions and certainly it was not the farmer, the man who was entitled to it. I am afraid that the activities of the food corporation at that time cost the country a very pretty penny indeed. I have pointed out these matters in the hope that something will be done to remedy the situation.

Just for a moment I should like to refer to another matter. I listened with a good deal of interest and attention last night to the remarks made by the leader of the socialistic group to my left. With his description of conditions in agriculture I very largely agree, but in a recent address which he delivered over the

radio he condemned what he termed "rugged individualism", and he laid the blame for the world-wide depression of the thirties on its door-step. I cannot agree with that statement. The depression was world-wide. It was just as prevalent and just as serious in those countries where private enterprise and individualism were shackled as in our own country or in any other democratic country. It is true farmers will never become wealthy, but if proper measures for their benefit are taken they may arrive at a competence which will provide a fair measure of security. One thing farmers prize above all else is their pride of possession. It guarantees to them the privilege of private enterprise and the right to follow their own way of life. We are at present fighting for these things, for our liberty and freedom. Nowhere are these privileges exemplified in all their beauty and in all their value more than on the Canadian farm. It would be a tragedy, if after these rights have been saved and retained for us by our brave men at the front, they should be taken away from us by any system of regimentation or state control such as is advocated to-day by our friends of the socialistic party.

I know, Mr. Speaker, that my remarks have been rather rambling. They have not been made in any spirit of carping criticism of the government. They have been made with a real desire to point out some of the difficulties under which agriculture is labouring at the present time and, if possible, to point out the way in which these difficulties may be remedied. There is no doubt that farmers, if they are given a reasonable opportunity, are only too anxious to cooperate in our war effort, and I believe that if the remedies which I have suggested are applied and the farmer is assured of a reasonable supply of labour and of a fair price for his products over and above the cost of production, he will produce to his full capacity.

Mr. G. E. WOOD (Brant): Mr. Speaker, at the outset may I extend my congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address. It was refreshing to hear these two brilliant young men speak in this parliament after returning from overseas where they have been defending the cause of liberty. They were both very modest, and I am sure that the leader of the opposition (Mr. Graydon) must have found inspiration in their splendid addresses. Both spoke in a refreshing manner, using no extravagant language at all. It was evident that they were speaking for the sole purpose of revealing the facts as they are to-day.

[Mr. Senn.]

I also wish to congratulate the leader of the opposition upon having been chosen by his party to occupy the exalted position in which he now finds himself in this house. I have enjoyed his friendship ever since he came into this house, and I trust that nothing will ever happen to weaken that friendship in any way. Of course he has taken upon himself the responsibilities that go with the leadership of the opposition, and it may become my duty at times to take him to task.

Mr. HOMUTH: That would be only natural.

Mr. WOOD: I am sorry I did not hear the hon. member. I should like also to commend the hon. member for Haldimand (Mr. Senn) for his contribution this evening in defence of the farmer. I believe he was wholly sincere in presenting his case, and I share with him his concern for agriculture in this country in regard to the labour shortage. But I wish he had spoken a little longer and offered some solution. It is very easy, of course, to find fault, but what we are anxious to hear is a solution of the problems that beset us.

Mr. HOMUTH: That is your job. You are in power.

Mr. WOOD: And I believe that if we do as well in the coming year as we have done in the last three years we shall make a pretty good job of it, too.

Mr. HOMUTH: Ask the farmers about that.

Mr. WOOD: I should like to give a little résumé of conditions as I see them to-day. We have just harvested one of the largest crops in the history of Canada, and if we do not harvest a large crop this year I believe we shall have a sufficient carryover to maintain our production of meat, for which we have a market overseas. We have only a limited market for our wheat and grains, and we are therefore in an extremely fortunate position in having a large carryover of grain because it enables us to maintain our production of meat and meat products.

The hon. member for Haldimand rather challenged the explanation which the Prime Minister (Mr. Mackenzie King) gave last night with regard to the butter situation, and I do not think the hon. member was quite fair. We do not export butter, it is true, but we do export butter fat in the form of cheese, and no one knows that better than does the hon. member for Haldimand. I think he should have completed his statement on the butter situation by giving that explana-

tion if he wished to be fair not only to himself but to the house. Butter is in a similar position to beef. We do not export beef, but we do ship about 200,000 head of cattle to the United States each year. That is done under our reciprocity agreement with the United States which was brought about by this government in 1935, an agreement which has done more to maintain farm income than anything else, I believe, in the last few years.

May I take this opportunity to give a resume of the progress we have made from the point of view of agriculture, as far as the national income is concerned. The hon. member for Haldimand was very much concerned because, on the basis of the prices which the farmer receives for his products, agriculture does not obtain, according to him, an adequate proportion of the national income. I do not take too seriously the percentages given with respect to agriculture's share of the national income and the assertion that it is but a small proportion of the whole, because possibly the hon. member is living in a state of mind suggestive of the days of Christopher Columbus, when 100 per cent of the national income came from the land. We must bear in mind that we are progressing and that we have steel mills and various manufacturing industries, and naturally, therefore, the proportion of agricultural income to the total income will not be as high. But what the hon. gentleman should have pointed out was that the portion which one-third of the population received from agriculture was so much, because many people living in rural sections receive incomes from sources other than the farms. That is something which should be taken into consideration. What does concern me as a farmer is whether the farmer is receiving more to-day than he did in 1939. That is the real point. It does not make any difference to the farmer what anyone else gets as long as he gets his share. That somebody else is wealthy makes no difference to me so long as I receive what I want.

Mr. ROWE: How much more do you pay?

Mr. WOOD: Well, I know that at the close of the last war in 1918 the cost of living had increased by twenty per cent, and to-day it has increased only two per cent in consequence of the restrictions brought about by price control.

Mr. ROWE: And the farmers got forty per cent more for their products then.

Mr. WOOD: Yes, but what good did the forty per cent do? As a matter of fact, it created in the farmer the belief that he could accumulate debts, public and private, and that is something which we are trying to avoid by the system of price control. The national income in 1942 is estimated at about $7 billion, of which labour, with four million workers, gets about $4,150,000,000, or sixty-three per cent. The farmer's cash income this year, according to estimates I have from the Department of Agriculture, is $1,080,000,000 and added to that will be $90,000,000 of subsidies, which brings it to roughly $1,100,000,000. Against that he has costs of production of about $350,000,000. But what I wish to point out is this. There has been a steady increase in the prices of farm products in spite of the fact that we have a ceiling price on the finished articles. Many object to the ceiling price being applied only to the manufactured product, leaving natural products free, but the result of the system is this, that there has been practically a two cent increase in the price of beef from 1941 to 1942. Steers in Toronto in 1940 were $7.50; in 1941, $8.63, and in 1942, $10.16. The average for twenty years was $7.03, so that there has been a pretty fair increase. Let me give prices for the live weight of hogs. In 1940 they were $8.57; in 1941, $9.95, and in 1942, $11.72. Will anyone say that there has not been a substantial increase in the price of farm products? The same applies to lambs and butter.

Butter in the Montreal market in 1940 was 30·2 cents; in 1941, 34 cents, and in 1942, 36 cents, and on top of that we have a ten-cent subsidy until April.

Mr. HOMUTH: And now we cannot get it.

Mr. WOOD: Now that the hon. member has raised that question I might as well discuss it at once. No one knows better than he does the reason why we cannot get butter. It is not that the farmer did not produce as much butter in 1942 as he did the year before. The difference is only one per cent, but the fact is that there was a greater consumption by seventeen million pounds, and we have exported in butter fat to our friends of the united nations thirty-two million pounds which went into cheese. Surely it does not call for a great deal of intelligence to understand why there is a shortage of butter, and I am surprised that the hon. member keeps raising the question. There are few people who have access to the information that he has, and he should not go round trying to sow the seeds of unrest among the population when he could do a kindness not only to himself but to the war effort by informing the public of the facts.

I am quite aware that in a country such as this, under the principle of free enterprise, and especially to us who are the sons and grandsons of old pioneers who came here seeking liberty and who hewed out for themselves a home in the stubborn forests, we do not take kindly to these restrictions. I trust, however, that the day is coming, when the war is over, when we shall get back again to the principles and policies of free enterprise and when we shall not have these restrictions any longer. Until that happens, I heartily agree with the leader of the opposition on the policies and principles which he has endorsed, and I am glad to know that at least there are some things which I have in common with him in that regard.

May I call attention to one matter about which I am concerned. It is to be found in the Atlantic charter in clause 4. I believe the leader of the opposition quoted clause 5, but the one I am concerned about is this:

> They will endeavour, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor 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.

Mr. HOMUTH: Hear, hear.

Mr. WOOD: I am glad to hear the hon. member for Waterloo South endorse that. He is one of those who are in and out, on and off, ready to change their name and adopt any kind of policy, and they seem to get away with it. Nevertheless it is good for the people concerned to know where the Progressive Conservative party stands on the matter of tariffs.

As far as social security is concerned I was pleased to hear that the leader of the opposition was favourably impressed with that part of the speech from the throne and was even prepared to enlarge upon it. I must say that until the Winnipeg convention I cannot recall one contribution he has made as long as he has been in this house that indicated to me that he was seriously interested in broader plans of social security. After all, it is by one's deeds that one is known.

I should like to refer to a contribution I made on this subject, which will indicate that I am not a new convert in the matter of social security. I have always believed that in a country like ours we should at all times exercise sufficient frugality and thrift to set aside a certain portion of our earnings for future welfare and social security. On May 2, 1938, speaking on relief and agricultural distress, I had this to say, as reported at page 2472 of *Hansard:*

> The time has come when, no matter what station in life a man may hold, it is his duty to contribute, according to his ability, to his own general welfare, and I would suggest that when the minister brings down his unemployment insurance scheme he keep that fact in mind.

On June 25, 1940, when asking for extension of the scope of the legislation for unemployment insurance, I made this statement, as found on page 1120 of *Hansard:*

> I should like to see in our social legislation some provision for a contributory national pension scheme which would take the farmer into consideration. To-day he is not only supplying the food of the nation at less than cost, but he is making a great contribution to the education and to the social and industrial life of the country.

No nation can afford to neglect the farmer. The farm has given a great contribution to industry and all branches of society by giving periodically a blood transfusion, as one might call it, to all departments of public activity. Farmers have made a great contribution to the pulpit and to all walks of professional and industrial life, and it is essential that we should retain a strong and virile people on the land. If we have a policy whereby farmers can participate in social security, it will do much to encourage people to stay on the land.

I do hope, however, that no plan will be devised that will lessen or destroy initiative in any way, and that it will only be a plan that will contribute to the minimum requirements of life, and our future policy should be based upon the principle of merit. The greatest contribution that can be made is by individual initiative.

I should like to call attention to the share that labour is receiving in our present war effort. The share of labour amounts to $4,124 million. I do not yield to the leader of the opposition in my desire to serve labour. After all, labour is the greatest customer of the farmer, and it is necessary that the industrial worker should be prosperous. But labour is not entitled to the only place. Very often, especially at times such as this, there is a great desire on the part of organized labour to seek to increase its share of the national income. I have in my hand some Canadian figures showing that in 1929 total wage payments amounted to 61·4 per cent of the national income. It is interesting to note that regardless of what labour does, it seems to be able to obtain only a certain proportion of the national income. I believe it is the duty of labour, as of everyone else, if they want to enjoy a fuller life, to

try to increase the national income. That does not mean, as our friends of the Cooperative Commonwealth Federation seem to argue, that a more or less equal distribution of the country's wealth should be made; that will not raise the standard of living. But if the national income is increased, the standard of living for all will be improved. We must all go down the road of success abreast; there is no use in seeking to safeguard our own class only.

I listened with great interest to the speech by the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) on the radio about two weeks ago. One thing that struck me was that when he was commenting upon the weakness of the old orthodox political parties he made some grand and glorious promises about a new order and a new world. There came to my mind stories that when an election was on, politicians would come to a town and promise the inhabitants a new post office, hoping to secure the votes of that community. But the leader of the Cooperative Commonwealth Federation had them all stumped because he promised a new world.

Mr. DOUGLAS (Weyburn): The Prime Minister promised a new heaven and a new earth.

Mr. WOOD: That would not be very interesting to some hon. members.

What about this new order? I have listened time and time again to these promises of freedom from want and all these other freedoms. There seems to be a belief on the part of some people, who, I am sure are sincere, that by creating certain conditions and changing things around they will be able to take the struggle out of life. I do not think it can ever be done. As long as this world is inhabited by human beings, most of us will have to be kicked upstairs. There is plenty of room there; but we need something to put us up there; it will not be done automatically, and I do not believe it would be a very good thing if that were so.

I should like to direct your attention, Mr. Speaker, to some views I hold and the reason why I take this stand. We talk about the distribution of wealth; we are told very often that there are a few people in this world who have control over great wealth while the rest are nothing but slaves and peasants of the very favoured few, who are able to reach underneath the chairs in which they recline comfortably and pull out anything they want while the rest of us have to get along with very little. If you analyse the income tax returns you will find that if you took everything away from those with incomes of more than $50,000 a year, which is considered the high income tax class, you would be able to maintain our war effort for only a very few weeks. I happen to have before me an article published by the Wood Gundy people, which shows the distribution of our bank deposits. Savings deposits amounting to $1,000 or less account for 31 per cent of all savings deposits, and total some $496,300,000. Accounts of from $1,000 to $5,000 total $522,200,000, or 32 per cent of the total savings of the country. In other words, in this class there is practically 64 per cent of all the savings held by our small bank depositors. We have some $3,100,000,000 lying in our banks, belonging to about 4,000,000 depositors. That is a pretty good percentage of the population of this country. We also have 2,500,000 people holding insurance policies, having an average value of $2,000. Surely there never was a time in the history of this country when wealth was more equally divided than it is to-day. Some of us have perhaps had a little taste of how it feels to have some savings, and we want more. When we look around and see someone with more than we have, of course the human elements of jealousy and envy creep in; the have-nots envy the haves, and we begin to think we need a new order so that we may be placed in a favoured position. But I notice that generally the man in the most favoured position is the man who has earned it. I remember as a boy listening to a sermon in the Baptist church to which I went in the village; I remember that the subject was that the Lord does not trust everyone with talents to the same extent, and I thought there was a great deal to that. The reason why many of us have not very much wealth is that we cannot be trusted with it, and I have discovered that a great many people cannot be trusted in that way. Perhaps the greatest calamity that could happen to many people would be access to too much money. We have records to show that many men who at one time possessed some wealth lost it over a period of time, and it came into the hands of someone else. There is nothing permanent about wealth. We have the income tax, the succession duties and everything else to take away this wealth and hand it back to society, thus giving those who have not been able to accumulate anything a second, third, fourth and perhaps tenth chance to do so.

I notice that this new order is being discussed by many who belong to an element in the community who, as far as I can see, have never known what it meant to make a living,

but under our capitalist system they have enjoyed the privilege of free education. I do not want to be unkind to the academic mind just because I do not happen to possess one myself. I do say, however, that in my opinion if there is anything calculated to disturb the equilibrium of our country it is the few people who have been blessed with absorbent intellects, who have taken advantage of our educational institutions, who have become proficient in the use of the English language and who go round this country talking to working people, farmers and others, but who have nothing to sell except speeches. They are good enough business men in their own line; they are cautious in what they say to their customers, generally saying the things they know their audience want to hear rather than the things that should be said. I am satisfied that these men constitute a challenge to the sober, orthodox-thinking people who have laboured hard, who by frugality and thrift have been able to secure command of some of the good things of this world. Perhaps if some of these men had possessed some capital to offer together with their suggestions, they would not be talking quite so much. Generally speaking, however, it is those who have nothing who are always looking for some new world order to take the struggle out of life.

Just here I should like to mention that I come from the county of Brant, which on February 19 will celebrate its freedom from debt. That is a splendid thing. The county of Brant is out of debt to-day, and I hope to attend that celebration. This is the result of action taken a number of years ago, when a number of frugally minded men—and I want to say that then, as now, they were the sons and grandsons of the old pioneers of Brant county—decided that we would get out of debt and follow a pay-as-you-go policy. That was early in 1930. At that time we had to meet a bill of $220,000 from the province of Ontario, representing our twenty per cent share of the cost of building highways. In addition, we had a funded debt of $218,000, and early in 1933 a bridge was built at a cost of $129,000. We set to work to pay that amount in cash. In order to meet all those commitments we had to sell a bond issue of $150,000, and the balance of what we owed we paid in cash. Previously our funded debt had always been on the fifteen-year plan. We issued that $150,000 on a ten-year plan, which is why we are going to be out of debt this year instead of five years from now. The point, however, to which I should like to direct attention is that we took this action at a time when the purchasing power of the dollar was extremely low. I happen to have before me a record of prices from 1930 to 1934-35, when it just happened that it was not a Liberal government that was in power here.

Mr. HOMUTH: Or 1936 or 1937, or 1938.

Mr. WOOD: It happened to be one of the ancient parties we used to hear about, called the Conservative party. They had a different name, but I guess it is now in the museum. In 1932 it took fifteen hogs to pay my taxes on a 100-acre farm. This year I paid my taxes with three and a half hogs. Nevertheless at that time we had courage enough to start the policy of paying our way as we go. That is one of the reasons why I stand loyally behind this government in its price-control policy, in spite of all the disabilities and the discouragements which present themselves. I believe, when we get far enough away from this war effort, the efforts of the government and its many activities will be looked upon with favour. I hope I shall be able to attend the celebration in ten years' time which will undoubtedly arise from the splendid type of administration we are having. I point this out only to show that the path of least resistance is not the one for public men to take. It is their duty to stand firmly behind their principles, and do those things which they believe right, knowing what the results will be.

We have, undoubtedly, an immense debt. But we are servicing that debt to-day almost twice as easily as we did in 1921 when we took over the debt of the Canadian National Railways. At the present time the average rate of interest is only three per cent, while at the time of and shortly after the last war it stood at about five and a half per cent, and on top of that the money we borrowed was in United States funds. We did not have foreign exchange control at the time of the last war, and as a result much of our money went to the United States. We had to pay it back in United States funds, and we paid interest in the same way. The issues of loans at that time were tax-free. To-day our total investment income stands at about $512,000,000. The interest on our loan is about $237,000,000, and this goes back to the people who, in turn, pass part of it back to the government in income tax. I believe if we analyse the government's financial policy, and if we are fair about it, we must admit that the country's business is wonderfully well financed. I believe, if we deduct individual income tax payments on interest received from government bonds, we shall find that probably the government is paying less than two per cent on our debt.

Let me revert to the policy of the new order. In my closing observation I should like to draw particular attention to some of the things which have taken place under what some will describe as the old capitalistic system. After all, to look back and see what we have done may give us confidence for the future. I wonder if we are fair in our judgment of the capitalistic system. I wonder if any other system could have possession of 1,500,829 automobiles in 1940—and this with only eleven and a half million people. In other words, practically one out of every seven people is driving either a truck or an automobile. That is something to think about, when we are considering how the old capitalistic system has worked. We have enjoyed in Canada, and on this continent, the highest standard of living in any part of the world. In this respect Canada gives place only to the United States. In 1941 we spent $151,865,000 on the purchase of automobiles, and in addition to that we spent $79,935,000 for roads on which to run them. They consumed 702,114,883 gallons of gasoline.

I am satisfied of this, that if we had some of that socialistic order emphasized over the radio by the hon. member for Rosetown-Biggar, while we might get along for a while on the capital and impetus built up under the present system, the time would come when we would have a terrible headache.

In Canada we enjoy the use of 1,461,038 telephones. I do not know of any other system which offers that advantage. Last year aircraft carried 155,591 passengers, 14,440,967 pounds of freight and 2,710,975 pounds of mail. The other night I had the pleasure of listening to the policy of the Cooperative Commonwealth Federation over the radio, and a similar opportunity was offered 1,454,717 other people in whose homes are radios. There are that many radios in Canadian homes.

When we want diversion we may go to the motion pictures. The figures reveal that 152,137,225 admissions were sold to the motion-picture theatres, costing us $37,858,955. In spite of the rationing, in 1940, we each consumed 122·8 pounds of meat and 31 pounds of butter. So that if we are rationed a little bit we have only to spread the butter a little thinner. Surely that will not be considered any great hardship when we reflect upon the privileges we enjoy.

To continue: we find that 21,969,871 people travelled on our railways an average of 99 miles each. For the protection of labour $24,000,000 was spent in workmen's compensation, for the men who happened to get hurt while working. Since its inception the federal government has contributed over $231,000,000 to old age pensions. In 1940, $28,472,475 was contributed for this purpose from the federal treasury, and $1,087,239 was allocated to the blind. For mothers' allowances we paid over $10,000,000. Up to that year 2,661,275 people had subscribed for life insurance policies, bringing the total insurance figures to over five billions of dollars, with an average of $2,000 for each person. Surely these are some of the things we ought to take into consideration before we wreck the house in which we are living.

Mr. SPEAKER: The hon. member's time has expired.

Some hon. MEMBERS: Go on.

Mr. WOOD: I thank the house for this gracious gesture. I do not wish to take advantage of this privilege, but there is one further point I should like to mention. I know there are troubles in this world and there always will be. It is, however, our duty to try to do our part, whatever our station in life may be, and make some contribution toward making this a better world.

I had sent to me a book which I have no doubt other hon. members received. It is entitled "The Common Problem", and is written by William R. Yendall. I have enjoyed reading the philosophy of life outlined in this book and I accept a great deal of it. The solution of our problems is well explained in it, namely, that instead of wrecking and tearing down our present economic order we should follow the plan therein suggested. The author relates that an Irish town councillor called in an engineer and said:

> "We have decided to build a new gaol. We have decided to build it out of the bricks of the old gaol, and we have decided to use the old gaol while we are building the new one."
>
> The engineer laughed, for that is not the engineering method. But the problem of modern society is essentially the problem of the Irish town council, to build a new world out of the bricks of the present world, and use the present world while we are building the new one.

Mr. P. E. WRIGHT (Melfort): Mr. Speaker, I should like to add my words of appreciation to those of the hon. members who have preceded me in the honours accorded to the members of the armed forces in moving and seconding the address of his excellency in the speech from the throne. I think every member of this house realizes that our armed forces are the spearhead which stands between our democratic way of life and nazism, that the very existence of this house is dependent upon their initiative and their success.

I should like also to compliment the new leader of the Progressive Conservative group (Mr. Graydon) upon the honour which has been accorded him by his associates. I am, however disappointed that he should have accepted even the temporary leadership of a group which for the past seven years has consistently set its sails to catch every political breeze which has been blowing in Canada and then found when the sails were set that the wind had veered and they were again left in the doldrums. I am disappointed also that they should, in stating their mobilization policy, have again used the qualifying phrase. The hon. member should have known by now that he cannot compete with the Prime Minister (Mr. Mackenzie King) who has had thirty years experience in this house in the use of that phrase. Their mobilization plank reads:

> We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry and finance.

That is exactly the policy of the government, mobilization where necessary. I do not think that is what the people of Canada desire to-day. I believe they desire total mobilization, mobilization of industry and finance on the same basis as we have mobilization of man-power at the present time. I know that is what the people in my part of Saskatchewan believe.

He complained also about the adoption by the government of many of the planks in their platform. This is nothing more than could be expected because there is to-day no fundamental difference between the two major political parties in this country. They both believe in capitalism; they both believe in the return to capitalism immediately this war is over. The people of Canada realize that to-day there is no fundamental difference. This is not only my opinion; it is the opinion of some of the keenest political observers in Canada. Mr. Grattan O'Leary, writing in *Maclean's* magazine of December 1, 1942, said this:

> Except in labels there has been no difference between the liberal conservatism of the party led by Meighen, Bennett and Manion and the conservative liberalism of the party led by Mackenzie King. If there has been difference at all it has been in that while the Conservatives practised liberalism in office and talked toryism in opposition, the Liberals talked liberalism in opposition and practised conservatism in office. In fundamentals they have been alike as two peas.

But in Canada to-day there are two distinct lines of thought. There are those who believe in the continuation of our present capitalistic system and there are those who believe in a cooperative economy. The one is the direct opposite of the other; both cannot continue to exist and expand in any country; one must supersede the other. Capitalism stands for the control of the services and productive facilities of this country by individuals and groups of individuals who shall operate them at a profit for themselves. On the other hand, cooperation believes that these services and productive facilities should be owned by the people cooperatively in order that the services may be provided at cost. Any political party or parties that contend that they believe in the return to capitalism and believe in cooperation are patently trying to ride two horses at the same time. The farmers of this country know that is an absolute impossibility.

We hear a good deal of talk about free enterprise under the capitalistic system. Free enterprise is fast disappearing under our present monopolistic capitalistic system. The farmers of Canada are concerned over what is going to take its place. The Cooperative Commonwealth Federation believe, as do the farmers of this country, that a cooperative economy is the only democratic solution and is the only method by which the individual can use his initiative effectively at the present time. I do not think I need to bring this particularly to the attention of the house. We have seen in many instances during the past thirty years the disappearance of private initiative. To-day the small storekeepers are finding it practically impossible to compete with the chain stores and the mail order houses. The small manufacturer and the small machine-shop have disappeared. The small farmer is disappearing, and the present-day value of farm property has depreciated fifty per cent from what it was twenty years ago. Farms which were worth $10,000 twenty years ago, to-day are worth approximately $5,000. This is what has happened under a capitalistic system.

That is why the farmer is now becoming more and more a cooperator, and a believer in the cooperative movement. He believes that lack of planning is hampering production on all farming fronts. His criticism is that he is deprived of any opportunity to participate in the planning of the contribution which he will make. Had the counsel of the farmers been sought, many of these blunders might have been avoided. In the fourth year of the war this government continues to leave economic controls largely in the hands of business men who have been trained in the technique of monopolistic capitalism, while they ignore almost completely the counsel of the farmers. Under such domination there

is great possibility of the enterprise and initiative of the farmer being further endangered and crushed.

Not only have the recommendations of the national federation of agriculture been ignored, but no attention has been paid to the part that could have been played by local committees and by the farmer producer and consumer cooperatives. One of the most glaring results of this lack of planning is the farm labour shortage that we have in Canada to-day. Last March the Prime Minister stated in a speech in the house that it was the intention of the government to maintain the men then on the farms in their positions there, except those who wished to enlist voluntarily. After that address in the house, the then Minister of National War Services issued a press release explaining the new policy which had been adopted. In explaining the difference between the new policy and the old, he said:

> There is, however, this fundamental difference, namely, that if the applicant is a person wholly or mainly employed in agriculture within the meaning of the amended regulations, the board, subject to certain exceptions hereafter mentioned, shall—

The word "shall" is underlined:

> —grant him a postponement order until further notice and such postponement order shall be an allocation of such person to agriculture.
>
> It is this direction to the board, namely, that the board shall grant him a postponement order until further notice, that constitutes the "fundamental alteration of the policy regarding compulsory military training and service where such service touches persons wholly or mainly employed in agriculture," referred to by the Prime Minister in his speech in the House of Commons on Tuesday, March 24, 1942.
>
> Previously, under subsections (1) and (2) of section 14 of the national war services regulations, it was provided that the board "shall have power to grant an advancement or postponement order when it is of the opinion that it is in the national interest to do so," but there was no obligation upon the board to grant such orders. The matter was left to the discretion of the boards.
>
> There has therefore been a fundamental change of base in the regulations. It is not a question of greater latitude having been given to the boards in the matter of granting postponement orders. Nor is it a matter of preferential treatment. The amendments go much further and constitute a fundamental change of approach, both by the applicant and by the board. When the applicant has shown that he is a person wholly or mainly employed or engaged in agriculture within the meaning of the amended regulations, he is prima facie entitled to a postponement order until further notice. He does not have to prove, as was the case formerly, a special case for postponement of a fixed duration.

These instructions have certainly not been followed by the mobilization boards in western Canada, at least not by the ones with which I have had contact. As far as the Saskatchewan board is concerned, it has proceeded in exactly the same manner as before. It is calling up men from agriculture and granting them only temporary postponements. The Minister of Agriculture (Mr. Gardiner), speaking in western Canada a short time ago, stated that only ten per cent of the men from agriculture applying for postponement to the Saskatchewan board have been refused, but I maintain that that is only a half truth. The whole truth is—

Mr. GARDINER: Just in order that the record may be accurate, what I stated in Saskatoon was that I was so informed by the board in Saskatchewan.

Mr. WRIGHT: I am not stating that the minister's information was not correct; what I am stating is that if it is correct, these men were granted postponement for only a short period, and within six months from seventy-five to eighty-five per cent of those who had been granted postponement found themselves in the armed forces. I had an instance brought to my attention. A young chap wrote to the board asking for a postponement for three weeks in order that he might complete his arrangements before he was called up. In reply he received a telegram from the board stating that if he would signify his willingness to enlist for active service, there would be no trouble about granting the postponement. These things are not right, and the government must face this problem in a realistic manner. They cannot have at one and the same time both more men in the armed forces and greater production as far as western agriculture is concerned, and I believe this applies to eastern Canada as well. The man-power problem is acute. In substantiation of what I have said I wish to quote a telegram which has just been received by the leader of our group. It is from Rosetown-Biggar and reads:

> Am farming two sections and half of land. Am up against it for farm help. My last man just called up. Have over sixty head cattle, over hundred sheep, thirty brood sows, twenty horses and nobody to look after them. I am sick and cannot get help. What am I to do? It would be a great sacrifice to sell stock. Have had four or five men working other years, now the last man is going. Please advise.

If the government requires greater production from western agriculture I believe that the men who are on the farms in western Canada to-day should remain there.

There is another matter which I wish to bring to the attention of the government. In obtaining evidence as to the essentiality of a man to agriculture the practice has grown

up in western Canada of using the services of the Royal Canadian Mounted Police as the body to make a report. I have every confidence in the Royal Canadian Mounted Police when it comes to enforcing the law. I believe they have done wonderful work in Canada during this war in preventing sabotage, but I maintain that they are not the proper body to make these reports. Many of the men who are at present in the Royal Canadian Mounted Police in western Canada are young constables, the older men having gone to other posts. These young constables are not acquainted with the people in the locality in which they are stationed, and they must go to somebody else to get information to complete their reports. I know of many instances in which they have never approached the individual concerned but have taken the word of neighbours and other individuals as to the essentiality of that man to agriculture. Reeves of municipalities, the municipal doctor, the clergy and other representative men in the locality have written in to the board signifying that certain individuals were required on the farms, and yet the report of the mounted police has been accepted in preference to the advice given by these people on the spot, with the result that men have been taken off the farms and called up for military service. I know of several instances in my own constituency where that has happened, as a result of which the father of the boy has had to sell his stock and rent his farm, and that farm is being used to-day for the production of more grain instead of producing things which the government requires much more urgently at this time. Local committees of responsible men who know the people in their own community and their circumstances would be a much better source from which the board could obtain evidence than the reports made by the Royal Canadian Mounted Police.

There are two specific recommendations which I should like to make with regard tc farm labour. I believe that all men now engaged in agriculture should be continued in their present occupation, and that in cases of emergency, where real need is shown, men might be taken from the armed forces in Canada to supply the deficiency of manpower on the farm. I also believe that the services of conscientious objectors who have experience in agriculture might be used. These conscientious objectors are to be found in some of the camps in large numbers. I do not know what the total number is, but many of them are experienced in agriculture. Farming to-day is a specialized industry, and farm labour must be experienced. A farmer cannot afford to-day to hire an inexperienced man to run machinery which may cost anywhere from two to five thousand dollars a unit.

What happened with regard to the harvesters' excursion which was run to western Canada last fall? Some four weeks before harvesting started in western Canada the government of Saskatchewan made a survey of conditions throughout the province, and every municipality stated what its needs were with regard to harvest help. The provincial government had that information, and I suppose they passed it along to the proper departments at Ottawa. We were told by the Minister of Agriculture and by others that we must depend in Saskatchewan upon our own help in harvesting the crop. Yet when harvesting was almost half completed the labour situation became so serious that the government decided to send large numbers of men from eastern Canada to the west. These men were largely taken from our universities in the east. These men were anxious to do the job, but they were inexperienced and just could not fill the bill. Within a very short time large numbers of them were back in the towns and cities with blistered hands and sore backs, asking to be returned to eastern Canada. Probably fifty per cent of the men who came out on that excursion performed a useful service, but there were large numbers of them who should never have left eastern Canada. There should have been more selection in the choosing of them.

Another thing that happened in Saskatchewan was this. Our university opened as usual. Students from all over Saskatchewan went into the university, and the second day after they were there, universities in eastern Canada closed and started to send their students to Saskatchewan when our own students were there in the university. Immediately the university authorities or the provincial authorities, I do not know which, became alarmed at the anomaly, and the students were sent home. Many of them were left stranded in Saskatoon and had to telephone to their parents to send them the money to pay their fares home. These are examples of lack of efficient planning.

I believe that if serious conditions are not to develop this fall there must be a greater allotment of machinery to western Canada. The allotment of our farm machinery required for production of grain is twenty-five per cent of the 1940 sales. In the case of many companies I was informed that the 1940 sales were very low, and I do not believe that twenty-five per cent of those sales are going to be sufficient to meet the requirements of western

agriculture this year, especially with regard to certain types of machinery. I believe we shall have to have a larger number of combines. One large combine would have taken the place of approximately twenty of those men who came from eastern Canada. During the last year of the last war wheat was selling in western Canada for $2.25 a bushel and you could purchase a binder there at that time for $285. To-day it is worth $385. A seed drill which then cost approximately $250 is to-day worth approximately $400. I believe, and the western farmers believe, that there should be a greater parity between the prices we receive to-day for what we have to sell and the prices we have to pay for the commodities we have to buy. The government's policy of freezing farm prices at levels that obtained between September 15 and October 10, 1941, has, I believe, proven unworkable. In a great many instances it has been necessary to adjust these prices by subsidies. These subsidies in some instances have been paid to the processor of agricultural products. In others they have been paid directly to the farmer, but where they have been paid to the processors it was expected that they would pay a higher price for the product which they were processing.

We in this group do not believe in the principle of subsidies. We believe that the government should appoint commodity boards which would purchase from the farmer the products he has to sell, at cost of production or, if that could not be ascertained easily, at a parity price established on the basis of a period of years in which agriculture has received a proportionate share of the national income. If there were a loss to the government, the commodity board could absorb that loss, and we would not have to set up the bureaucracy which in many instances has been set up in the payment of these subsidies in western Canada. As an example of this I would mention the subsidies paid on the wheat acreage reduction plan. We have in western Canada, according to returns tabled in this house, a list of names of men who were paid for this purpose, and according to that list, there were some six hundred men in the west who were doing this inspection work.

Mr. GARDINER: Six hundred employees.

Mr. WRIGHT: In that particular part of the province which I represent ninety per cent of these men are political appointees, and they are deliberately mixing business with political propaganda. The farmers of Canada have become disgusted with this method of doing business. We had a grain policy announced last Friday by the Minister of Trade and Commerce (Mr. MacKinnon), and I should like to compliment him upon the promptness with which the government's grain policy has been announced this year. I would suggest, however, that it would have been better had he consulted organized agriculture, as represented by the Canadian Federation of Agriculture, before presenting this policy.

There are some things in the policy with which I do not agree. I believe that the stoppage of payment for storage of grain on the farm is not defensible at this time. The minister gives one reason why the policy was adopted. I submit that there are two other reasons. Statistics show that a considerable amount of storage is not being used in the elevators in western Canada. In many instances this is because certain elevator companies have bins which have been available for, say, No. 4 wheat, but a large quantity of grain in that particular district is No. 3 wheat, and when the farmer comes and asks if there is a bin for No. 3 wheat he is told that there is no space available but that they have a No. 4 bin if he is willing to accept No. 4 for his wheat. As a result of that, there has been a great deal of grain held back in the country. There are also a large number of farmers in the west who desire to use their own facilities in the delivering of their grain, and they are holding their grain back until there is room in the pool elevators at their particular point so that they may deliver their grain through their own system. This legislation, stopping the payment of storage, is forcing these men to deliver their grain through other sources than those which they would like to use, and they are delivering grain at a lower grade than they should obtain.

With regard to prices, may I say that they are far below a parity level. There has been a great deal of misunderstanding in this country as to what is meant by parity prices. In the United States they took the period of 1909-1913 as the period in which agriculture in that country enjoyed an approximately equal place in the division of the national income with labour and industry, and they worked out a basis of parity prices on that period. In Canada a great many organizations have accepted the period 1926-1929 as being the basis on which parity prices should be established in this country. I would point out that during those years agricultural income was only one-sixth of the national income, although one-third of the employable males in Canada during that period were engaged in agriculture. As far as we are concerned we are not prepared to accept that basis. We believe that a period should be chosen in which

agriculture enjoyed a proportionate share of the national income with the other economic groups.

According to a pamphlet issued by the Canadian Federation of Agriculture there has been only one period in Canadian history in which this has occurred; that is, the years 1915-1919. Agriculture will be satisfied with parity prices established only on a basis that will give it a proportionate share in the national income with other groups. This pamphlet shows that the average income per farm in 1932 in Canada was $198 in cash and kind, and $111 in actual cash. From that time on there has been a substantial improvement. In 1941 the total cash income of the farmers of Canada was $876,500,000. Adding produce consumed on the farm amounting to $172,000,000, we get a total income of about $1,048,500,000. Deducting expenses of $363,000,000, which according to the Rowell-Sirois report is about what the expenses would amount to in that year, we get a total net income of $685,500,000. This figure, however, does not include depreciation or interest on investment. Dividing it by the number of farm units, we find that in 1941 the average income per farm was $914.

At the present time we have available income figures for only the first nine months of 1942. Working them out on a percentage basis, we find that the average net income per farm for 1942 would be about $1,005. On the average farm there are at least three people engaged. This gives an average income of about $335 for those three people.

In spite of these facts, we see articles in the press suggesting that the farmer is not paying his fair share of the income tax. This is an entirely inadequate income at this time, and if the government are to get the increased production necessary for a successful war effort they must give further consideration to the establishment of parity prices for farm products, which are at present entirely out of line with the returns to industry.

Another matter which I should like to bring to the attention of the government in connection with increased farm production is this. In industry, if the government wants increased production of any commodity and it is necessary to have new plant and equipment for the purpose, depreciation allowances are made which enable the industry to write off the cost of that plant in two or three years. This was shown quite clearly yesterday by the leader of this group when he read quotations from the report of the special committee on war expenditures. But when the government ask for increased farm production they make no allowance for depreciation on the additional equipment that the farmer must buy to get that increased production. This is a distinct preference given to industry.

Again I wish to state, as I did at the beginning of my remarks, that it is only by long-term planning for agriculture that we can hope to obtain much further increase in production. While it may be that the present shortages in butter and dairy products are not entirely the fault of the government, nevertheless they must accept a considerable share of responsibility. I do not like to be one of those who say "I told you so," nevertheless in 1940 I did point out in this house that our export of dairy cattle to the United States had increased thirty-five per cent over that for 1939 and our export of calves to that country had increased by fifty per cent. These were largely dairy calves. Anyone who knows anything about agriculture would know that this increasing shipment of dairy stock out of the country would result in a shortage of dairy products sooner or later. Nevertheless nothing was done about it. At that time the price of butter was entirely out of line with the cost of production, and farmers naturally disposed of a large amount of their dairy stock because of that and of the shortage of labour.

If we are to get the increased production that the government have asked for, we must have long-term agreements with the countries to which we are exporting. It is not enough to have agreements which just run from one year to another. Our agreement with Great Britain should continue at least for the duration of the war and two or three years after, so that agriculture could be assured of a market for its products if our herds are increased as the government is asking at the present time. The methods being followed in the United States in their long-term plan, of establishing local committees of farmers prepared to advise in the carrying out of the AAA programme, have been a means of bringing about great additions over there. It is a democratic way of obtaining the support and the participation of the farmers for any such plan, and I believe it could be used with great advantage in Canada to-day in our war-time production effort.

There are several other matters which I should like to bring to the government's attention. Two of them are the implementation of the Veterans' Land Act and the amendments to the Soldier Settlement Board Act recommended by the committee on land settlement last year. In that special committee last year I endeavoured to have a parity price clause written into that agreement. I thought this might be a suitable place for

the government to introduce the principle of parity prices in our agricultural economy. Here we have a small group of the most deserving of our citizens who were going to be placed in agriculture on their return to Canada. Surely, if the government was genuine in its protestations of desire to better agricultural conditions, this would be a good point to start. They refused, however, to introduce this amendment. Nevertheless the committee brought in a recommendation that the government give further consideration to the principle of parity prices. I should like to know if the government has given this matter consideration, and, if so, what its decision is.

There was also the matter of the treatment of soldier settlers of the last war. I did not consider that the recommendations made by the committee which dealt with the matter were sufficient, and this year I should like to see the committee reconstituted in order that it might receive a report from Mr. Murchison, director under the new Veterans' Land Act, as to what progress has been made under that act, and so that we might be able to make certain recommendations to him at this time.

There is also the matter of the allowances paid to the girls who are at present in our armed forces. I understand an order in council has been passed providing that women employed in industry shall receive the same wages as the men they are displacing. If this applies to women in industry, I believe it should apply equally to the girls who are going into our armed forces. They are displacing men, taking over their jobs, and I believe they should receive the same pay as the men. That is only fair, and the government should give consideration to this matter. There are also the matters of old age pensions, veterans' widows' allowances, health insurance and the social security provisions, on which I hope to have more to say at a later date.

There was, however, one matter taken up in the speech from the throne, on which I should like to say something definite at this time. I refer to the question of redistribution. Under the new act we in Saskatchewan will lose four members, and I believe Manitoba will lose three. We believe that any redistribution at this time is going to work an injustice as far as Saskatchewan is concerned. Large numbers of men and women who formerly lived in that province have gone elsewhere to secure employment. Many families from the south of the province were settled in the north, in the reestablishment areas, where their living was very slim indeed. As soon as war broke out and employment became available in other parts of the dominion, these people came east or went to the coast, where at present they are employed in war industry. There is no doubt that immediately the war ends, many of those people will return to Saskatchewan. If to-day under any redistribution bill the number of seats in Saskatchewan is reduced, two years from now, when those people return to Saskatchewan and our population again increases, as I believe it will, we shall not be fairly represented in this house; and that will apply for the next ten years. Consideration should be given this point in any redistribution carried out at this time. I also believe that instead of a committee of the house we should set up a commission to deal with this matter. Redistribution has been a political football too long. I believe we will get a fairer redistribution through a commission than through a committee of this house.

Mr. D. KING HAZEN (St. John-Albert): Mr. Speaker, I rise this evening to ask the government if it approves the "don't give a damn for the middleman" policy that has been adopted by the wartime prices and trade board. I do not ask this question in any spirit of levity; I ask it in all seriousness, because I have been informed by businessmen from my own community, on their return from Ottawa where they had been discussing with the board difficult problems which confronted them, that the officers of that board had told them in no uncertain terms that they "did not give a damn for the middleman."

I found it hard to believe that such a policy had been adopted by the board, but a short time ago, at a public meeting in the city hall of Saint John, called by the mayor of that city, to inquire into certain difficulties regarding the delivery of milk which had arisen by reason of regulations recently passed by the New Brunswick dairy products commission, the secretary of that commission told the meeting that recently he had been in Ottawa and said, I quote his remarks from the Saint John *Telegraph-Journal* of January 14:

> The wartime prices and trade board is interested in the price to the consumer and the price to the producer; as far as the middleman is concerned, the wartime prices and trade board does not give a damn; he has to stand the squeeze.

A policy that does not give a damn for the middleman or for the little man, a policy that squeezes him out of business, cannot, in my opinion, be justified. Under our system

of competitive business and freedom of enterprise, he carries on because he renders a service to the community. To adopt a policy of "don't give a damn" toward him and to make regulations that will squeeze him out of business is to adopt a policy which at the conclusion of this war, or perhaps before that time, will place all the business of this country in the hands of great corporations and monopolies.

Mr. FRASER (Northumberland): Will the hon. member permit a question?

Mr. HAZEN: Not just now, if you please.

I know that the leader of the Cooperative Commonwealth Federation, or socialist party, in a radio address only a few evenings ago, said:

> . . . when peace comes there must be no return to the old way of doing business with its unplanned, unregulated competition. . . .

I do not agree with that statement. In my opinion, competition subject to proper safeguards as to hours of labour and living standards of wages, is the life of trade and of economic progress; and only as long as we have freedom of competition and freedom of enterprise will freedom continue to exist in this country.

I was not inclined to believe that the government would approve any such unwise and dangerous policy, but only a few days ago I read an address given in Vancouver by Mr. Donald Gordon, the energetic and able chairman of the wartime prices and trade board, during the course of which he said:

> In spite of uninformed critics, responsible government was nowhere more in evidence than in the administration of the board. The suggestion that the board or its chairman could wield wide powers without ministerial control or responsibility was not in accordance with the facts.

If the correct conclusion to be drawn from that statement is that the government approves this don't-give-a-damn policy, then I have no hesitation in saying that it is time it reconsidered that policy, and came to some other decision in the matter. I would say further that the time has come when these regulations, or some of them, should be reviewed, and, when necessary, altered in order to protect the middleman and the small businessman.

This matter was forcibly brought to my attention recently by certain regulations that were passed by the New Brunswick dairy products commission. This commission was established by act of the New Brunswick legislature in 1935. Its object was declared to be, and I quote from the act:

> The enforcement of commercial ethics and marketing conditions that will enure to the common benefit of the dairy trade and the general public.

The dairy trade, the act states, comprises the producer-suppliers, or farmers, the vendors, the dealers or dairies and the storekeepers.

The vendors are the men who buy their milk from the dairies and sell it to their customers who, until these regulations came into force, were stores, restaurants, hotels, institutions and private homes.

Most of these dealers, or dairies, in addition to selling milk to the vendors also have their own delivery wagons, and sold milk to the householders.

These vendors had been in business for many years in the city of Saint John. They would be up every morning, about half past two, and would reach the dairies at a very early hour. They would have their milk delivered to their customers in time for breakfast. They would not finish their work until some time in the afternoon. Their hours were long and the work was hard. But these men did not think the country owed them a living, and they did not look for government bonuses or assistance. They made their living by rendering a service to the community.

Recently, without consultation with the dairies, without consultation with the vendors, without taking any expert advice so far as I have been able to find out—and I questioned the commission about it—the commission issued certain regulations having the force of law, which provided that in future all milk sold to stores, hotels or other institutions had to be sold by the dairies themselves, and could not be sold by the vendors. These regulations took from the vendors about fifty per cent of their business—the best part of it, because it is much easier to deliver two or three cases of milk to a store, hotel or some other institution than to climb up one or two flights of stairs to deliver one or two bottles of milk to one householder and one or two to another. Not only did it take away about half of their business, and the better half, but it cut their incomes in half. It did all this without providing them with any compensation whatsoever.

Undoubtedly it was highly pleasing to the dairies, or most of them, to get the best part of the vendors' business, without any expense to themselves. But it worked a great hardship and a great injustice to the vendors; for these men had families to keep, rent to pay, taxes, insurance premiums and other obligations to meet, and this drastic cut in

their income put them right on the spot. They had no redress other than to appeal to public opinion.

In effect the commission said to these men, "Sell your trucks to the dairies; get jobs with them as hired men, or else be content to get along with half of what you are earning now, or seek some other form of employment".

This, sir, is Hitlerism with a vengeance. It is a step toward the establishment of a totalitarian state in the place of freedom of enterprise in competitive business.

If three or four persons get together, break into my house and steal my property we call them gangsters and thieves, but three or four people can get together and take away half of the business of certain hard-working taxpayers in a community, and we call them a commission. It would be just as well if we called a spade a spade. It would be well—and I think the time has come—to take steps to put a stop to such wrong-doing.

Not all the dairies of Saint John were pleased to get this business. One of them, which had been established by a man who had a thorough knowledge of the dairy business, first as a farmer or producer, and then as a vendor, conducted its business on a different system. It did not make any of its own deliveries. All of its milk was delivered by vendors.

Many dairies which made their own deliveries had had a difficult time of it. Some of them failed. But this particular dairy went ahead. The system had great advantages. Under it the vendors owned their own delivery wagons, and consequently took a greater interest in and greater care of them than hired employees would have done. The vendors were interested in getting additional customers, and this meant more business for the dairy. The vendors made their own collections, thereby making fewer bad debts, and the system resulted in a simpler and cheaper method of accounting for this dairy.

Under the new regulation, if this particular dairy were to remain in business it had to buy additional trucks at a time when it was difficult, if not indeed impossible, to obtain them. It had to hire additional men to deliver its milk at a time when it was difficult, if not impossible, to hire competent men. It had to set up a much more elaborate system of bookkeeping in its office. There was arbitrary interference with business management. It completely upset the system under which this dairy had successfully conducted its business, and the managing director of the firm had grave doubts if it would be possible for him to carry on successfully if these regulations were enforced.

Among other things, the regulations provided that all milk and cream had to be delivered in a conveyance owned by the dairy and operated by a full-time employee. This meant that no dairy could hire a vehicle or a man part-time to make deliveries. The effect of this regulation is that if I own a truck or other conveyance which I do not use all the time and wish to get some additional revenue from it and a dairy would like to hire it from me, I cannot rent it to the dairy nor can I get employment with the dairy for part-time. This is restriction of individual rights that goes to the extreme.

The chairman of the commission said in a statement which appeared in the press on January 4 last that these regulations had been passed "to eliminate duplication and overlapping." As a matter of fact the regulations do not prevent duplication and overlapping. There were just as many trucks delivering milk on the streets of Saint John after the regulations were passed as there were before. They did prevent vendors from delivering milk to stores, hotels, restaurants and other institutions, but they did not prevent them from driving up to a store or restaurant, stopping their trucks, walking upstairs and delivering milk to customers who might live above the store or the restaurant.

The reason given by the commission convinced no one, and the public are up in arms over the injustice that has been done to the vendors who are hard working men, some of whom served in the last war and some of whom have sons serving in this war.

When the public began to take an active interest in the controversy because of the injustice that had been done, the commission announced that these regulations had the approval of the wartime prices and trade board. I do not know the details of the communications that passed between the commission and the board; I have not been informed of any of the details of the conversations that took place between them, but I have good reason to believe that the board was not fully apprised of the situation, although it should have been. I doubt very much if it would have given these regulations its approval had it known that the vendors' business was being taken away from them without compensation and handed over to the dairies as a free gift.

May I give brief details of one or two instances of the effect of these regulations upon the vendors. A man owned a small dairy farm about two miles by road from Saint John. He became a vendor with five customers. These customers were one or two of the largest hotels and two or three of the largest restaurants, all centred about one public

square. When the regulations came into force he went to the commission and asked them if he could deliver his milk by horse and wagon, assuming that the regulations had been passed to save gasoline and rubber. He was told that he could not, but there was nothing to prevent him from loading his motor vehicle up with milk at his farm and driving several miles past the centre of the city to sell his milk at wholesale to some of the dairies who would then pasteurize it and get an additional price and an additional profit when they delivered it.

In another instance a vendor had not been very successful. He was forced to sell his truck and what customers he had to a dairy and get a job as a hired man with it. The dairy then gave three vendors who purchased milk from it about thirty quarts each. This was milk which this man used to sell to householders. But it took away from them over 200 quarts of milk each which they used to sell to stores or restaurants, and it said to them, "If you keep on selling to stores or restaurants we will not sell you any milk at all."

I can readily understand that a system of zoning in the distribution of milk might save duplication and overlapping in large communities, but I am not in a position to say whether a zoning system would be practicable or would effect any worth-while saving in Saint John. These regulations, however, did not establish a zoning system. If they are intended to be the first step toward a zoning system, it has been a very ill-advised step, a step that cannot be justified. If it is proposed to establish a zoning system, the steps taken to set it up should be based upon the foundation of fair play and justice and not upon confiscation without compensation.

In bringing this matter before the house, I do not want to be misunderstood. I am not making an attack upon the wage stabilization and price-ceiling policy of the government. I believe that all reasonable efforts should be made to keep inflation under control. I agree with what the Prime Minister (Mr. Mackenzie King) said yesterday, that there is an obligation upon every member of this house to help to interpret the necessary restrictions that further our war effort, particularly those restrictions which some people find to be irksome or irritating. But I say that neither fear of inflation nor the furtherance of our war effort should lead the government to approve injustices such as taking people's businesses away from them without compensation and making a free gift of it to other companies or corporations.

[Mr. Hazen.]

These regulations which have been approved by the wartime prices and trade board are most unjust. They serve no useful purpose and I would ask the government to instruct the wartime prices and trade board to review the situation with a view to withdrawing the approval which it has given, or else to insist that the vendors be fully compensated for the business which has been taken away from them.

This is not the first time I have complained in this house about citizens having been deprived of their rights without compensation. I have on more than one occasion protested against the regulation that was passed on the recommendation of the then Minister of Fisheries, which deprived the owners of property fronting on the non-tidal waters of the Saint John river of their proprietary rights in fisheries. I do not propose to deal with that matter now, but it is an injustice that must in the end be rectified.

In conclusion, Mr. Speaker, I should like to say what perhaps I should have said when I began. I wish to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address upon the excellent speeches they made. It was most fitting and proper that members of the armed forces, one an English-speaking Canadian from the province of Ontario and the other a French-speaking Canadian from the province of Quebec, one who had been overseas and expects soon to return overseas, and the other who expects to take his unit overseas within a very short time, should have moved and seconded the address. The speeches they made were the speeches of loyal British subjects and of loyal Canadians who realized the very serious situation which we face to-day, and I have much pleasure in congratulating both of them upon what they said on Friday afternoon.

On motion of Mr. Gershaw the debate was adjourned.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 10.58 p.m.

Wednesday, February 3, 1943

The house met at three o'clock.

HEALTH INSURANCE

PROPOSED REFERENCE TO SELECT COMMITTEE ON SOCIAL INSURANCE—INQUIRY AS TO LEGISLATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to direct an inquiry

to the Prime Minister. The speech from the throne states that among the matters which will be referred to the select committee on social insurance will be the establishment of a national system of health insurance. Perhaps the Prime Minister will be good enough to indicate to the house whether or not it is the intention of the government to bring down legislation covering this subject before the matter has been referred to the select committee.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The intention of the government is to have the select committee appointed in the first instance, and when the select committee is meeting there will be special consideration given, among other subjects, to the establishment of a national plan of health insurance.

Mr. GRAYDON: There will be no bill first?

Mr. MACKENZIE KING: No. May I add, lest my reply might be misunderstood, I should not like the impression to go abroad that no legislation may be introduced at this session with respect to some aspects of social insurance, including possibly health insurance. That will depend among other things on the recommendations of the committee, and what the events of the next few months may be.

Mr. HANSON (York-Sunbury): Is it not true that a bill has been prepared and submitted to the medical profession, at least in part? I happen to know that that is true, that the medical profession have seen the bill and have made some pronouncement on the question of health insurance.

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health): I might answer that. For the past year and a half, officers of the Department of Pensions and National Health, along with experts of various other departments, have been exploring certain proposals in relation to health insurance. No bill has been submitted to the government, but certain proposals have been discussed from time to time by my officers and myself with the medical and dental professions, druggists, nurses, and about twenty-two different organizations in Canada. These proposals will probably be discussed before the select committee. But no bill has been submitted to the government. And this work was going on long before the Winnipeg convention.

Mr. GRAYDON: Might I say to the minister that it is pleasant to find one exception.

Mr. HANSON (York-Sunbury): It is submitted to everyone but parliament.

CANADIAN NAVY

ARTICLE IN "BOATING" MAGAZINE BY COMMANDER A. D. MACLEAN (RETIRED)

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Has the government's attention been drawn to serious charges contained in an article in *Boating* magazine, written by Commander A. D. MacLean (retired), extracts from which are published in to-day's *Globe and Mail*, together with an editorial suggesting that this house should concern itself with the charges? In any event, will the minister make a statement at the first opportunity?

Mr. MACKENZIE KING: What charges?

Mr. COLDWELL: The charges are detailed in to-day's issue of the *Globe and Mail*. I thought it unnecessary to read them into the record.

Right Hon. W. L. MACKENZIE KING (Prime Minister). My hon. friend I think will agree that the members of the government can hardly be expected to be reading all the magazines and papers as they appear. If my hon. friend will allow his question to stand as a notice, an answer might be given later.

Mr. COLDWELL: That will be satisfactory.

GASOLINE

INQUIRY AS TO RATIONING FOR ENSUING YEAR

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Minister of Munitions and Supply, in view of the great public interest in the question, whether he is in a position to make any announcement with respect to gasoline rationing for the ensuing year. If he cannot make a statement to-day, will he be good enough to indicate when a full announcement on the subject may be anticipated?

Hon. C. D. HOWE (Minister of Munitions and Supply): I am not in a position to make a statement to-day. Rationing for the coming year of course is closely involved with the supply situation, which at the moment is rather desperate on the Atlantic seaboard. But when the situation clarifies itself I will make a statement in this house. I shall do so as soon as I can.

DEVELOPMENT OF ALBERTA TAR SANDS

Mr. C. E. JOHNSTON (Bow River): In view of the allegedly serious shortage of gasoline I would ask the Minister of Muni-

tions and Supply what progress is being made with the development of the tar sands of northern Alberta.

Hon. C. D. HOWE (Minister of Munitions and Supply): I shall be glad to make a statement on that matter at an appropriate time, but I think this is hardly the proper moment. It will take some minutes to explain the situation.

OLD AGE PENSIONS

INQUIRY AS TO PAYMENT OF COST OF LIVING BONUS

On the orders of the day:

Mr. J. R. MacNICOL (Davenport): I wish to ask the Minister of Labour a question. Numerous letters are appearing in the papers asking when the cost of living bonus is to be paid to old age pensioners. Is the minister able to give the house any information in this regard?

Hon. HUMPHREY MITCHELL: (Minister of Labour): The question of old age pensions does not come under my jurisdiction. The inquiry might perhaps be directed to the Minister of Finance.

Mr. MacNICOL: Will the Minister of Finance tell us?

Hon. J. L. ILSLEY (Minister of Finance): There has been no decision to pay a cost of living bonus to old age pensioners.

RATIONING

REQUEST THAT RATION BOOKS BE SENT THROUGH MAIL RATHER THAN CALLED FOR IN PERSON

Mr. T. L. CHURCH (Broadview): I should like to direct a question to the Minister of Finance in connection with the new ration books, and I am asking it to-day because there is not time to place it on the order paper. A new regulation has been issued requiring individuals to call in person for their new ration books. I have had complaints to the effect that the man of a house may be working and the woman doing war work. The children are not permitted to obtain the books. Will the government make a statement on this matter, and see if it is not possible to return to the old practice of mailing the books? Here we have an organization costing us $4,000,000 a year, and surely the old practice of using the post office would be better. Will the government consider reverting to the former practice?

Hon. J. L. ILSLEY (Minister of Finance): I shall bring the hon. gentleman's question to the attention of the rationing authority, which is the wartime prices and trade board.

[Mr. C. E. Johnston.]

LABOUR CONDITIONS

NATIONAL WAR LABOUR BOARD—APPOINTMENT OF MR. JUSTICE MCTAGUE AS CHAIRMAN

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): As the house is aware, the government has been seeking to secure the right person to fill the position of chairman of the national war labour board, from which the Minister of Labour (Mr. Mitchell) has resigned. I am happy to be able to say that the government has secured the services of Mr. Justice McTague of Toronto as chairman of that board. I need not tell the house that Mr. Justice McTague has had long and exceptional experience in dealing with industrial problems. He has been on many conciliation boards, and I believe is the best person that could be found to fill this very important position.

In connection with Mr. Justice McTague's acceptance of the position there will have to be some reorganization of the board in fundamental particulars. Later the house will be given the further information on that point.

As hon. members doubtless know, for the last year or two Mr. Justice McTague has been acting as chairman of the war contracts depreciation board, and there are matters connected with that board which make it inadvisable for Mr. Justice McTague to resign as chairman for the present.

VISIT TO OTTAWA OF REPRESENTATIVES OF MONTREAL DISTRICT AIRCRAFT WORKERS

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): The representatives of the aircraft industry of Montreal were given the assurance two days ago that they would have the opportunity to present to the national war labour board any grievances or matters they wished to have considered by that board, under the new chairman who was to be appointed. As a new chairman has been secured for the board I am hopeful that this opportunity will be afforded very soon.

HOUSE OF COMMONS

INQUIRY AS TO APPOINTMENT OF DEPUTY SPEAKER

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): May I ask when the opportunity will be given to complete the organization of this house by the appointment of a deputy speaker?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend will recall that under the rules of the house the deputy speaker is not appointed until after the address in reply to the speech from the throne has been agreed on. As soon as the rules of the house have been complied with in that particular the deputy speaker will be appointed.

BUSINESS OF THE HOUSE

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I direct attention to the fact that the third reading of the bill respecting the Chief Justice of Canada appears under government orders. The government would like to have the third reading of that bill before the special order is taken up. I might add that yesterday we could have proceeded with the third reading under the rules, had we wished to do so, as there was no amendment in committee, but the government was not anxious to press the matter unduly.

Mr. GORDON GRAYDON (Leader of the Opposition): I think we of this party are prepared to agree to the third reading, on the distinct understanding that by thus expediting the bill we do not indicate any more approval than we gave it yesterday.

The house having proceeded to government orders:

CHIEF JUSTICE OF CANADA

EXTENSION OF TERM OF OFFICE FOR FOUR YEARS FROM JANUARY 7, 1940

Hon. L. S. ST. LAURENT (Minister of Justice) moved the third reading of Bill No. 2, to amend an act respecting the Chief Justice of Canada.

Mr. SPEAKER: Is it the pleasure of the house to adopt the motion?

Mr. GRAYDON: On division.

Mr. COLDWELL: On division.

Motion agreed to on division, and bill read the third time and passed.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, February 2, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. F. W. GERSHAW (Medicine Hat): Mr. Speaker, in venturing to offer a few remarks during the course of this debate I want first to congratulate most sincerely the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address both upon their eloquence and upon the subject matter which they presented. I do so particularly because they represent in this house the armed forces, and I say all honour should be given that great body of free men who are offering their lives to preserve the precious heritage which has been handed down to us and which is threatened at this time by a ruthless aggressor. All down through the centuries brave men have been called upon to do battle in times of danger. The history of the past records their valiant deeds; but when the history of this war is written the skill and courage of the airmen, the sailors and the soldiers of democracy will add a shining page to that record, a page which will be outstanding in the annals of human conflict.

We who are not facing the enemy directly must bear some trials and inconveniences, but these inconveniences are as nothing compared with the things with which the fighting forces must contend. As has been pointed out, we have some inconveniences with regard to rationing. We cannot sell all we should like to sell; we cannot buy some of the things we should like to buy. We may be restricted to a certain extent in our food supply, but the Minister of Pensions and National Health (Mr. Mackenzie) is setting up a nutrition organization which will teach the Canadian people the art of living and will go a long way toward preserving the health of the Canadian people. Hard work will be the lot of many who remain in Canada. My heart goes out to the elderly men and women who are trying to carry on their work on our farms with the younger people away at war work. Again, we may be confused by the many complicated forms which business men, farmers and others are asked to fill out. We cannot always understand the need of this information being given, because it often takes a good deal of time and energy to prepare. We may be hampered somewhat by the licences we have to procure, and by difficulties in connection with priorities. But the people of Canada are willing to submit to these things, and the officers administering them are willing to adjust them to the needs of the people, so as to cause as little inconvenience as possible.

For seven hundred years there was a small village named Lidice in Czechoslovakia. The

men and women lived there as happy neighbours. The children laughed and played on the streets. Then the German conquerors came. The men were forced to do what they were told to do. The women had scanty supplies of food for their tables. Worship in the churches and teaching in the schools were interfered with. And then, on a road which did not even lead into this village, two men were mortally wounded. The gestapo stepped in. They claimed that a radio had been found and that the people of that village wanted their freedom, and so a terrible vengeance was visited upon them. Their buildings were levelled to the ground, the men were shot, and callously thrown into common graves, and the women and children were carried off to we know not what. That is an example of what is being inflicted upon people in countries overrun by our ruthless enemy.

One other inconvenience we have to put up with is the high income tax, but I am sure that those who can pay that tax do not begrudge it. The single man who earns $3,000 must pay a tax of $668; he who earns $5,000 must pay $2,128, he who earns $10,000 pays $5,122, and so on until we reach the higher brackets, where ninety-two per cent of revenue or income is taken, for this one tax alone.

The great, outstanding issue before the people of Canada to-day, the issue which transcends all others, and toward which we must direct our thoughts is the winning of the war. With the cooperation of the civilian population, the strategy of those in command and the courage of the troops this war will be won. Right will triumph over the hordes who claim that might is all important. Some day the war will end. Unfortunately some of the warriors will not return, while others will come back maimed and suffering revolting disabilities. We hope and trust many will return to Canada to a better civilian state of affairs than the world has ever known. I believe the people of this country and the members of the House of Commons are, like the people of New Zealand, determined that in so far as possible no one will lose for having gone to the war, and no one will gain from having stayed at home.

I believe it is the fixed desire and the firm resolution of the people to see to it that never again shall there be widespread unemployment, such as we endured in the thirties. It is their firm desire that there shall be equal opportunity for adults and children of all classes, and that the four freedoms written into the Atlantic charter will be realized and become a great blessing to mankind. These things are not beyond the realm of possibility. The road to them may be hard and rough, but we must lift our eyes from the plains on which we tread, and look to the hills; because it is not beyond human ability to reach that condition of affairs.

Some one has said: How can it be done? How can this bright picture be realized? I say it can be done by the energy, ability and inventive genius of the Canadian people, guided and directed by the leaders in power at the present time. I say this because a similar and perhaps greater Canadian accomplishment is being unfolded before the eyes of the world, an accomplishment which has received the unstinted praise of Prime Minister Churchill and President Roosevelt. I speak of the Canadian war activity.

For example, consider the situation as regards the navy. Starting with fifteen ships and 1,774 men, the navy has grown until it now has 500 ships and more than 40,000 men and officers. They have patrolled our irregular coast-line; they have defended our shores; they have convoyed thousands of ships bearing vital war supplies to the mother country; they have fought on all the seven seas, side by side with ships of the British navy. It has been the greatest naval accomplishment in all history.

All of us are thrilled by the heroic flights of Canadian-trained airmen over Germany. If we were to study the accomplishments of the army and the air force we would find a similar expansion. We would find that these branches are worthy of a great tribute, and their expansion can be placed to the credit of the three ministers of defence in this government.

At times both in the country and in the house the price-ceiling regulations have been criticized. But it becomes more and more clear that those regulations are working out successfully, and that they have been a great help to the Canadian people. Our regulations constitute a model which has been copied by other countries, and those who were pioneers in producing this measure have the satisfaction of knowing they have made a great contribution.

The success of price regulation measures, and the outstanding success of victory loan drives are indications that the people of Canada have confidence in the ability and sincerity, and in the firmness of the Minister of Finance (Mr. Ilsley). Then, the technical knowledge and managerial ability of the Minister of Munitions and Supply (Mr. Howe) have been a great help to Canada, enabling this country to build up an organization which

employs a million workers at the present time, and which is sending the very best of munitions to every battlefield in the world. The Midas touch of the minister has done much to transfer the peace-time economy of Canada into an arsenal of democracy.

At this point I should like to pay tribute to those thousand or more so-called dollar-a-year men who are making a great contribution, and who have been doing so at great cost to themselves. They are getting little credit for it, but I believe that they are doing a great work. If there is any selfishness in their actions, it has not become apparent.

The Prime Minister (Mr. Mackenzie King) has shown himself to be a master in the art of government. He has gathered around him a group of ministers who are capable of meeting the great responsibilities which are theirs. He has been a great Canadian leader for a quarter of a century. He has held this position in times of sunshine and in times of storm; he has held it in spite of rapidly changing public opinion. He has done much to maintain unity in this country and good-will in an international way, and I think the records of history will justly value what he has done.

I desire at this time to refer to a few matters which are of particular importance to the district whence I come. To a great extent we are interested in the agricultural industry. While the lot of the farmer is better to-day than it has been for many a long day, at the same time there is a class of farmer, there are certain people whose lot is anything but happy. Figures have been quoted in this house to show that during the long ten years of the depression, 33.9 per cent of the people of this country, those who were engaged in agriculture, received only from ten to fifteen per cent of the national income. Their share is higher at the present time, but it still falls short of what it should be.

Those depressed years left a huge mountain of debt. The debt of the farmers of the west is estimated to be $800,000,000. In Alberta alone the farmers owe the banks $35,000,000; they owe the machine companies $50,000,000, and they owe mortgage companies and individuals a total of $100,000,000. The Farmers' Creditors Arrangement Act has reduced this debt by some $21,745,000, but there are still obligations that cannot be met. These cannot be met for one reason, namely, that the farmer is being asked to produce at a figure below his actual cost. During the last few years the farmer has received 45 cents, 50 cents, or perhaps up to 70 cents a bushel for his wheat, but Professor Hope of Saskatchewan university has estimated that for the farmer to be able to meet his costs and have a decent standard of living, the price of wheat on the farm should be at least 90 cents a bushel for the average grade. It may be asked how this industry has survived in view of these circumstances. It has survived because the farmer started in with considerable capital which has gradually been reduced until it is all gone. Some farmers have survived by going into debt and assuming mortgages, and others have survived because their wives and children have stepped in and done a great deal of the work of the farm.

In our economic set-up there is one great maladjustment. The home is the very cornerstone of our civilization. The end and aim of all legislation should be to make conditions better in the home. Yet our farm homes are not what they should be. They have not the conveniences which they should have and which the work of the farm warrants. Men and women on the farm visualize the advantages of general and technical education for their children; their children dream of obtaining this education, but their dreams seldom come true because their hopes are often blighted by despair.

My contention is that farm products should not be sold below cost of production, and my further contention is that farm production should be regarded as a munition of war and should have the same sound, practical support and assistance given to those manufacturers who are producing other munitions of war.

Mr. HOMUTH: The government can remedy that.

Mr. GERSHAW: I am pointing out that the parliament of Canada can remedy that. I want to enlist the support of members of this house for a small section of our population who at the present time are suffering from what I have referred to as a maladjustment.

Farming is a skilled occupation, and yet the return for this work is much less than the return for so-called unskilled labour in our factories. It is a dangerous occupation; yet it is without the protection of the provincial workmen's compensation acts, and the farmers are without the ability to protect themselves with accident insurance. It is a lonely, isolated occupation, and yet it is without the comforts of modern homes and present-day inventions which add so much to the zest and interest of life. About the only security that many of the people engaged in this occupa-

tion, many of the people in this particular group of which I am speaking, can look forward to is the hope of getting an old age pension. Many of them are worn out before they reach the age of seventy.

I want to make an appeal at this time to have a better Old Age Pensions Act placed upon our statute books. This legislation should start at a younger age and should provide more comforts. By all means let all pensioners have the small sum referred to as a cost of living bonus. The difficulties in getting accommodation and renting quarters are real in most of our towns and cities. The prices of the commodities that these people have to buy have gone up. According to a return brought down last year, in 1942 the dominion contributed $20,611,706 for old age pensions. If the pension is increased to $25 a month, it will mean an increase of $7,402,000 If the pensions are paid at sixty-five years of age, the additional cost will be $19,603,000.

There is one other thing which is proving a great difficulty to old age pensioners. The total amount allowed is $365 a year. The maximum pension is $240, and if the pensioner makes more than $125 a year, the pension is reduced accordingly. In these times this means a hardship to a great many of these deserving pioneers.

The people of this country realize that we are at war and are anxious to make their contribution. Go into the rural districts and you will find that men are willing to give their time in the collecting of scrap iron which may be of use, and the women are spending long hours in sewing and doing Red Cross work. Even the children are bringing in their pennies as a contribution. They are unable to buy war bonds, but they are anxious to do what they can in this regard. I have two suggestions to make which I think are of importance. One is that the local officers of the wartime prices and trade board should have a little more authority and the privilege of making more decisions, because it is often difficult and takes a good deal of time to locate the man who can settle the difficulties that are constantly arising. Although the central office must have control, this system works to the disadvantage of many people because of the difficulty and the time it takes to get in touch with the different officers and secure a decision.

One other suggestion I have to make is that local draft boards be given some voice in granting postponements for military service. Conditions differ very much in different localities. In an irrigation district, for instance, a farmer must have a large staff both summer and winter, doing irrigation work in the summer and stock feeding in the winter. When the younger men are called into the army and the older men go into munition plants the owner of the farm is in a desperate situation. It is believed that stock feeding has dropped as much as forty per cent in some of these districts because of the impossibility of getting help. The returns are not sufficient to allow the farmer to pay enough wages to attract the help he requires, and if he could the help is not available.

There is another matter which I wish to bring to the attention of the house. A young man—I know of an actual case—enlisted; he was anxious to do his part. After he had gone, his father was taken permanently sick. No one else was available who could carry on the work. Many efforts have been made and much correspondence has taken place, but that young man has not yet received any extended postponement. In the meantime the life savings of this aged couple are rapidly disappearing. It is cases like this which would seem to make it advisable to give men who are acquainted with the local situation some say in granting postponements.

We in the west feel that we are fortunate in having a Minister of Agriculture (Mr. Gardiner) and a Minister of Trade and Commerce (Mr. MacKinnon) who understand western conditions. We realize that they have obtained for the western farmer as much as any one in their positions could possibly obtain. Millions of dollars have been allotted from the treasury to pay for wheat for which there is no market, and bonuses of various kinds have been granted up to an amount of sixty-five million dollars or even more. All these things are much appreciated by the farmers of that western country, although they do find in connection with the bonuses that there are many discouragements and delays and that often the regulations are such that deserving people are denied the bonus.

I wish to bring to the attention of the Minister of Agriculture one particular phase of this subject. This year there is no prairie farm assistance provided, and yet in southern Alberta we have twenty-two townships where the average yield is much below eight bushels per acre. These people are in a desperate situation, and I hope that arrangements can be made whereby the prairie farm assistance payments can be made to these deserving people. I am not asking for a parity price. I am asking the department and appealing to this house to find out the cost of producing the various farm products and to pay that cost, as it fairly should be paid. The health of the people of the nation demands these agricultural

products. If all the people had all the foods which they really require, the full output of agricultural production would be used up. If the farmers of a country are prosperous, all others share in that prosperity. Here is an opportunity to do some of these things which will bring contentment, permanency and attractiveness to the people of this country.

We must look to the great to-morrows. For centuries yet to come future generations will look back upon the efforts and accomplishments of the people of this generation, and we shall be judged by posterity by the efforts we put forth and by what we accomplish now. This is not only a time of trial but a time of great opportunity. Few generations have had the opportunity which is offered to the people of this generation, an opportunity to shield that precious heritage which has been built up by long struggles and which is now threatened with destruction, an opportunity to build, upon the foundations which have been laid, a more noble edifice.

Mr. ROBERT FAIR (Battle River): Mr. Speaker, let me first of all join with the hon. member who has just taken his seat, (Mr. Gershaw), in extending congratulations to the mover (Mr. Harris, Grey-Bruce) and the seconder (Mr. Hallé) of the address, and by so doing to pay a tribute to all the fighting forces of Canada. It has not been my custom in the past to extend these congratulations, but on this occasion I am very glad to do it because I realize, as all the rest of us here and throughout Canada must realize, that those in the fighting forces are giving everything they have in the fight for the preservation of what we in Canada wish to keep. I cannot say that I am satisfied with everything we have, but it is much better than people in other lands have, and it is our duty to do everything possible to bring to a successful and speedy conclusion the fight that is now in progress.

We have, as has been pointed out on several occasions, a number of small inconveniences to put up with, and among them is rationing. The Minister of Finance (Mr. Ilsley) and the chairman of the wartime prices and trade board could not have been very active when the speech from the throne was being written, because certainly in that document there does not seem to have been any rationing of words, and it is evident that a number of good things which might have been included in it have been omitted.

There is in the speech from the throne only a brief reference to agriculture. We had better all understand that without food we cannot win the war or secure a successful peace. Food is one of the first essentials. I realize, of course, that other things are necessary too, but food is one of the first things, because if we cannot feed our soldiers and our factory workers and those on the other side of the Atlantic whom we have been feeding for the last few years, they will not be in proper physical condition to fight or to manufacture the munitions of war. Therefore, I believe that more attention should have been paid in the speech to the subject of agriculture. I am not particularly surprised to find the references to this subject so meagre, because agriculture has been neglected longer than the period of time I have been in Canada, which is almost thirty years now. Around election time all across Canada farmers are patted on the back and told what good fellows they are; at conventions and similar gatherings members of this house and others hand out bouquets; but when it comes to providing the dollars for the products the farmers raise, we find a number of these good people absent. I am sorry that this condition exists, and I hope something will be done in the very near future to have it remedied.

One short paragraph of the speech from the throne says:

> 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.

We all realize that Canada and the United States are geographically married and that there is no possibility of a congressional or house of commons divorce; and I do not see any reason why we on the Canadian side of the border should not enjoy the fruits of our labours to the same extent as those do who are south of the line.

On Friday last, January 29, the Minister of Trade and Commerce (Mr. MacKinnon) announced the joint agricultural policy for himself and the Minister of Agriculture (Mr. Gardiner). If we look back just one year we may remember the delegation which came from the three western provinces. It was not a delegation wholly of farmers; it was representative of all western business and industrial life. The delegates asked for very moderate consideration. Consideration was promised to them and, I believe, was given; but we were minus the financial consideration when the crops were harvested. The delegation asked for an initial payment of one dollar per bushel on wheat, and later they wanted to receive parity, which I believe some suggested at that time to be $1.41. When the government's policy for the year was announced we found that a price of ninety

cents was to be given, twenty cents above the seventy cents for the year—or for years —prior to that time, and much below what it should have been. The fact is that the summer-fallow bonuses in the year 1942, the prairie farm assistance and prairie farm income bonuses, have shrunk so much that there is very little financial return from that ninety cents when the amount which is taken away by the bonuses is subtracted. We were told by the Minister of Agriculture that the government was taking every dollar it possibly could out of the treasury and paying it on our wheat crop. Hon. members who have followed the record of the various articles which have been purchased for the prosecution of the war will have noted that in every case cost of production plus profit is paid, and that the farmer is about the only class in Canada that is denied the cost of production. We have been told that the operations of the wartime prices and trade board are the cause of prices in some cases not having been put up. But those who are on the land and have had to buy farm machinery will agree with me when I say that wartime price orders did not provide that those from whom we had to purchase these things should be treated in the same way. If you bought a tractor a year ago this spring it cost you about $85 more than it did the fall before; and in several other lines similar rises of price have been recorded. I do not think, therefore, we are getting the equality of treatment which has been spoken of in this chamber time and time again.

I know that the Minister of Trade and Commerce and the Minister of Agriculture have done their best; the hon. member for Medicine Hat (Mr. Gershaw) has given them thanks, and I want to do the same—for small mercies. But the hon. member who preceded me must realize that these two ministers are a minority of the cabinet, that the more powerful interests are represented by the other seventeen members of the cabinet, and for that reason we are denied that to which we are entitled.

Since coming to Canada I have been trying to get farmers organized, and in the course of that work I have discovered various reasons why farmers have been kept where they are easy to deal with—that is, kept as near the bread-line as it is possible to keep them and yet have them produce interest on the money which they have to borrow to carry on their businesses.

In his announcement the Minister of Trade and Commerce told us that we were expected to reduce our wheat acreage this year by three million acres, and that we would be allowed to deliver a straight fourteen bushels per acre. I am not sure whether in all cases we shall be able to deliver fourteen bushels, because, while this year we have had an exceptionally heavy yield of wheat and coarse grains, that condition may not recur for some years. If we look over the averages for a number of years we shall find that the yield this year is nearly as good as that of two average years.

In the course of his statement the minister said that in 1942 we can deliver only 1942 wheat. This, I believe, is a grave mistake on the part of the wheat board and any others who have the authority to deal with the question. There are, I believe, in the house today men who have a carry-over of No. 1 wheat and at the same time are compelled to deliver No. 6 and feed wheat in 1942. That is, they must deliver No. 6 and feed wheat to the wheat board in order not to break the law and incur a fine by the wheat board, while they are compelled to feed to their live stock the No. 1 wheat they have in their bins. I ask the Minister of Trade and Commerce if that is right or just or reasonable or good business. On the day the minister made his statement I asked if he would not immediately bring in an amendment to the Canadian Wheat Board Act and have this changed, and let us get down to business, but because of the rules of the house I did not receive a reply. I now ask the minister and the government to make an immediate change in the regulations so that a common-sense policy can be put into effect and farmers shall be allowed to deliver any grain they may have, whether grown prior to 1942 or during that year. I suppose none of us, when eating a piece of bacon, can tell whether it was produced from No. 1 wheat or feed wheat; and, while we are shipping most of our supplies at the present time to the old country, they over there are not so particular that they will not eat the pork and bacon produced on low grade feed.

We are asked for an increase in hogs, cattle and poultry products. I believe that the farmers of Canada—I am not referring only to the farmers of western Canada—from the Atlantic to the Pacific are doing everything possible to meet this demand. From the Wainwright district I have a number of resolutions; I do not think it necessary to read them because I believe the Minister of Agriculture has copies of them. On December 16 the farmers there met and organized to the best of their ability. I am not sure how effective that organization will be or what cooperation there will be so far as the government is concerned,

but I know that the farmers are doing everything they can to produce to the utmost during the coming year.

One of the shortcomings of the government's programme is the withdrawal of payment for grain stored on farms. It is not possible in all cases for farmers to deliver all their quota, because the local elevators—and they are allowed to deliver at only one point—have not the space available. We are not getting such a high price for wheat that farmers can pay that storage. If you compare our prices here with those in the United States it will be seen that we are very much underpaid. In the *Western Producer* of January 21 last I find this item:

> $1.13 Advanced on United States Wheat
>
> The United States Department of Agriculture has announced that Commodity Credit Corporation through December 31 had completed 514,687 loans on 386,297,684 bushels of 1942 wheat in the amount of $436,695,969. The average amount advanced was $1.13 per bushel, which includes some transportation charges from the area of production to warehouse locations and storage advances on farm-stored wheat. Loans had been completed on 171,874,656 bushels stored on farms, and 214,423,028 bushels stored in warehouses.

So that in the United States they are advancing on grain stored in the elevators and on the farms. I do not think the United States can grow better wheat than we can; in fact I do not think they can grow as good wheat, and their costs of production are lower than ours. Therefore we are being cheated out of a good many cents a bushel on all the wheat we grow.

On January 7 last the Minister of Finance (Mr. Ilsley) addressed the Ontario Federation of Agriculture in Toronto. I do not know whether the minister felt he would catch the farmers napping; he told them that the very real harm that agriculture would suffer would be from the deflation and collapse of prices that would follow inflation. If the minister can show me and show the farmers whom he addressed in Toronto, taking into account the price increases that have been allowed on the things we have to buy, that we would suffer by having the price of our grain, particularly our wheat, raised fifty cents a bushel, he will have to make a better explanation than he has done in this house up to the present time. Deflation and inflation are straw men that are often used to scare the farmers. But some of our farmers are at last getting wise about these straw men and are not taking very much notice of them.

We have been charged on several occasions with coming here looking for charity. The farming class, and I have talked to them in different parts of the country, are the last to ask for or accept charity. Farmers comprise about one-third of the population of Canada. The remaining two-thirds are largely dependent directly or indirectly on the farmers, because if there were no farmers in Canada the country would go back to the Indians and those who in the past have exploited the farmers would be in some other country. We want parity, not charity.

A number of reasons may be given for loss of production during this present year. One of the first I would refer to is the shortage of farm help. On March 24 last the Prime Minister (Mr. Mackenzie King) made an announcement in connection with farm help. At that time it sounded pretty good, but the action taken on several occasions since then shows that the Prime Minister and his order did not go nearly far enough. Many young men necessary on the farms, key men, were called up and given postponement only until a certain date. In several instances those young men, in order to get into the branch of the service that they wanted to be in, enlisted before their postponement had expired, and for that reason I know of several farmers who had to sell their stock and equipment and rent the land. Therefore there will be a considerable reduction in the production of live stock and live-stock products.

Again, because of lack of help in the last harvesting and threshing season, we have millions of bushels of wheat in the stook, and some of it even standing waiting for the combine. This cannot all be attributed to lack of farm help, because we had rather a late and rainy harvest season, and then when the time came that the threshers could be operated, several outfits that should have had a crew of ten men were compelled to operate with two or three or four. In my home district I know of only one outfit that had a full crew of ten men. For that reason, on thousands of acres in that vicinity, and I believe in perhaps forty per cent of the province of Alberta, the crop is still standing in the stook or waiting for the combine. This is not a healthy condition. When the grain is finally harvested the quantity will fall far below the earlier estimates. There will be a drastic reduction because of mice and rabbits and weather and other damage.

There is another serious situation in this connection. In many cases the grain is not all threshed; only sufficient has been delivered to pay the harvesting and threshing wages and other necessary expenses, and while their money is tied up in the field the farmers find that the machinery companies are seizing

their machinery, which should be and would be paid for if the farmers had a chance to deliver their grain.

What is being done to take care of this serious situation? Only a few days ago we learned that the Alberta Debt Adjustment Act was ruled ultra vires by the privy council. I believe the other western provinces, and some of the eastern provinces as well, are in the same position as we are. I wonder what the situation will be before we can get modern judges, trained in the up-to-date modern school, who will give the proper interpretation to the legislation that comes before them. Something must be done. Last session I stated, and I repeat it now, that the President of the United States found it necessary to put progressive judges on the bench before any advance could be made with progressive legislation.

There is another question which will have to be considered before agriculture can get on a sound footing; that is the present farm debt situation. I am not like some people in talking about this; I know of what I speak, because in my own case I bought quite a bit of land when wheat was selling at from $1.40 to $1.70 a bushel, and I had to do work outside of the farm, in different lines, in order to keep up my payments. This is nothing new in western Canada, because under our price structure the farmers have not been able to pay for their farms, and for that reason have been compelled to carry on other remunerative work during their slack seasons. Now principal and interest have piled up to such an extent that the farmers can never get out from under the load; and while plenty of good suggestions are offered, no attempt is made to remove that burden which must be lifted before the farmer can make progress.

In connection with hog and cattle prices, while they are not just what they might be we have not yet received very many complaints about them. But there is a good deal of discontent in connection with the grading of hogs. As usual the packers seem to get the larger share of the melon, and we are wondering how long it will be until this matter is straightened out. Then in connection with the price of eggs, in my part of the country we had a reduction of 17 cents per dozen during the three weeks period prior to January 15. I wonder what the wartime prices and trade board is doing about that. On January 15 the temperature went down to 58 below zero in my district, and I think the Minister of Finance or the chairman of the wartime prices and trade board would have to go out there with a new mash or something of the kind to make the chickens lay in order to produce with a price reduction of 17 cents a dozen as compared to the previous price. I should like to have a good deal more to say on that question, and perhaps the opportunity will come later.

I do not see why the farmers, together with all the help they can get, and their families, should be compelled to work longer hours than any other class in this country and still get such a miserable standard of living. Time after time we have been told by the Prime Minister and others that we must have an equal standard, but I am still waiting and hoping for the day when some government will be put into power here that will do a little levelling up and bring about a fair distribution in this country. Time and again we have asked that representatives of organized agriculture be placed on boards dealing with agricultural matters. Up to the present we have not had much success in having that done, so that again to-day I am offering this suggestion to the government.

I have not time to deal with a number of other questions to which I wanted to refer, but I should like to take up one which I believe is of particular interest to the whole of Canada, since now we are telling the men serving in this war what we are going to do for them when they come back. I am going to mention some figures to show what the men who served in the last war have been done for, not what has been done for them. I am referring again to the soldier settlement board. After the last war, in order to put some of the returned men to work and perhaps to keep them out of mischief, the soldier settlement board was set up; I believe that was about 1919. Originally the number of settlers under that scheme was 25,017; the government advanced loans to the amount of $109,034,331, and I believe the rate of interest was 5 per cent. Up to the end of March, 1941, collections on those loans amounted to $65,640,518. In other words it took about twenty-two years for the government to get back some $65,000,000 of the original $109,000,000, and included in that figure were the deposits or payments made on land which was resold to civilians after the soldier settlers got wise and left. Only 2,750 settlers have obtained title to the land, and a number of these had pensions or a little stake obtained from other sources. On March 31, 1941, according to the figures I have here, of the original number of settlers only some 7,360 remained on the land. Of those, 2,953 had an average equity of 67·5 per cent; 606 had an average equity of 32 per cent; 1,078 had an average equity of

16 per cent, and 2,723 had no interest whatever in their farms. In other words, 2,723 men were staying on the land, wondering from day to day when the director would order them off or take some other action.

That is what we have done for the men who served in the last war. Further breaking this down, we find that 3,801 men, or 52 per cent of the settlers remaining on the land, have an average equity of not more than 16 per cent. Some say it is not good business to look back, but I am looking back and once more bringing before this house the question of the settlement of soldiers after the last war, for the express purpose of seeing that the men and women who come back from the present war are not treated in the same way. I hope hon. members of this house will see to it that when the men and women come back from the present war they are given better treatment.

One of the things that has hurt me time and again is the statement I have heard on various occasions that many returned soldiers from great war No. 1 enlisted in this war because they could not make a living for their wives and families, and saw a way of keeping the wolf from the door by going into the army again and getting the government allowances. But we find that under an order in council passed by this government part of those allowances has been held back and paid over to the soldier settlement board to apply on the debts of these men. Apparently the board would much rather have the ready cash, which rightfully belonged to the wives and families of the men who enlisted, than take a chance on the crops grown on the land, on which the debt was due. The government figures that there is still some $30,000,000 that may be recovered from the soldier settlers who have remained on the land. Up to the end of March, 1941, the cost of administration of this scheme amounted to $25,910,495, approximately $1,250,000 a year. During the period between 1919 and 1941 the government admitted that they had made a mess of the soldier settlement scheme, and proceeded from time to time by six different operations to bring down the debt against those people, and in that way to keep them on the land as long as possible. First of all they brought about a consolidation of loans, then a cancellation of interest charges, then a revaluation of land, then in 1930 a 30 per cent reduction, then a dollar for dollar bonus, and finally the benefits of the Farmers' Creditors Arrangement Act. Total deductions through these six methods I have mentioned amounted to $47,518,215. If things keep on like this, I do not know what is going to happen. We are told that $30,000,000 can still be salvaged; and while $30,000,000 is but a drop in the bucket in paying for and prosecuting the present war, so that things may be made better for the rest of us in Canada, I feel that that $30,000,000 does not begin to balance the misery and suffering endured by those men, their wives and families up to the present time.

On other occasions I have advocated that those who have fought against weather elements and other obstacles and stayed on the land up to the present should be given a clear title to the land. The government has not taken notice of that suggestion. Knowing what happens when a person has to pay five per cent interest, having paid seven or eight per cent myself on many occasions, and knowing the condition of farmers generally, I am now asking for something else namely, that those who have paid an amount equal to fifty per cent of the original debt, whether principal or interest, be given a clear title to their land. The men and women who are administering the act could be put to far better purpose in furthering our war effort, or, as one of my neighbours has suggested, in growing sugar beets, so that we would not have to have so many employed by the ration board. Those who had not paid in fifty per cent, or who would not be covered by that provision, would be placed on the same basis as those affected by the Veterans' Land Act. That is, they would have at least a fifty per cent equity in the land. In some cases this would mean a drastic reduction. But for heaven's sake let us clear the blot of the old soldier settlement board off our Canadian statute book. Give those people a break now, even though it is too late.

When I came to Ottawa a week ago there were so many of our forces on the train that it was almost like a troop train. There were members of all branches of the services, and a finer, cleaner and healthier group of young people you would not see anywhere. I discussed with some of the men their occupations before joining, their reasons for joining, and other matters. And in that connection I should like to place on *Hansard* a poem which was sent to the *Western Producer* by Eric A. Dowson, Runciman, Saskatchewan, because it describes very well the position of the diners who were in the dining car as we came east. This poem is entitled The Diner, and is in these words:

He was dining on the diner;
And the waiter called him "Sir."
White linen decked his table
And gleaming silverware.
They placed good food before him,
He sat and ate his fill,
They paid him every service
And his country paid the bill.
And he thought of another journey
Of a not far distant date;
When he passed through this same country,
Just a hobo on a freight.
His country did not need him,
For he had no work to do
And he wore no service uniform
Of khaki, or of blue.
When his grim task is over
Perhaps we'll understand,
That hungry mouths may all be fed,
From the plenty of our land.

And to go with that I have one further clipping. I am not sure who is responsible for it, but it is very well put. It reads:

Is it possible that when this war is over, the heroes of Dunkirk, the battle of Britain, Hong Kong, and Dieppe must do like so many of their fathers, the heroes of Mons, Ypres, Passchendaele, and Vimy Ridge, did after the last fracas and exchange the weapons they used to defend democracy and freedom for a peace-time issue of picks and shovels? What a "freedom", what a "democracy" the "planners" are planning. Do we never learn? Must this war also be fought in vain?

May I say on my own responsibility that the youth of our country must and will win the war, and therefore must be given their place in shaping and in enjoying the peace that follows.

I had intended to talk about social security, but my time has almost expired, and I do not wish to transgress the rules of the house. In the few minutes left to me I should like to record an incident which happened to me while passing through Winnipeg. The hon. member for Medicine Hat stated in his speech that the Prime Minister is a master in the art of government. A person came up to me while we were waiting at Winnipeg and said, "You are going to be fighting another election pretty soon; our Prime Minister is going to be elevated to the House of Lords." I began to wonder if we were to have another half-day session, or perhaps a day, and then be sent back to wade through the snow in another election campaign. He continued, with a smile, "I do not know what his title will be, but I do know his coat of arms is going to be two snails rampant on a field of red tape."

Before concluding I should like to make one further plea on behalf of old age pensioners. This is one blot which should be removed.

Mr. SPEAKER: The hon. member has exhausted the time at his disposal.

[Mr. Fair.]

Mr. FAIR: I shall come back to this question at a later time.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, as a member of the opposition I admit the government of the day has done a lot of good work in connection with the war. After all is said and done, the onus for conducting the war is on the government of the day, and as long as they are the government they are responsible to the people for a total war effort.

I have been one of those who have been associated with opposition. I do not know what I call myself now. I started in with Sir James Whitney and Sir Adam Beck, and we were called amateur anarchists by Sir John Willison in the *News*, because we went up and down the province on behalf of the people's power scheme, the hydro. I received a telephone message last week-end from a newspaper reporter who asked me if I was a Prog. Con. The telephone connection may not have been very good, and I thought he asked me if I was a frog pond. Of course a rose by any other name would smell the same. As long as we have the word "Conservative" in it I shall not object to any prefixes or affixes or titles—although I do not believe in all those titles, because I have never been anything but a progressive. I have always been too modest to admit it. Of course one may call himself a progressive, but the fact that one calls himself a progressive does not make him a progressive. In 1921 the Minister of Mines and Resources (Mr. Crerar), whom I do not see in his place at the moment, sat in this house with a following of about fifty members. He and his party were known as Progressives, but the fact that he called himself a Progressive did not make him a Progressive.

I have been in this house during every session since the war started. I pay a great deal of attention to the proceedings. I read them every day and I want to compliment the Speaker, the Clerk of the House and the other officers of this house of parliament upon the way in which the business has been conducted since the war started. It is not the fault of this high court of parliament that we as a house are being criticized to-day.

As I see it, under our democratic system the acid test for a newspaper is how it reports the House of Commons. After all is said and done, this is the only forum. We have 245 members and this is the only place where the average man on the street can have his grievances remedied. The opposition and the private members are the connecting link between the government of the day and the electors. When that link fails to function all

parliamentary government is at an end. I sympathize with those who are conducting newspapers in this country to-day. They are under a terrific cost. I want to pay a tribute to what the press has done in this war. We had a newspaper bill up in the house some years ago, and on that occasion I paid a tribute to the press.

In my humble opinion the government of the day made a grave mistake when it changed the old system. We have a press bureau and an information bureau. I have received a huge pile of literature, but I have found that there is a most useful piece of furniture in my office called a waste-paper basket and that is where I consign a whole lot of it. The government has appointed this publicity board, and its officers and other liaison officers are running all over the country. Some of them are in Hollywood, and they are spending money like water flying by air to California, and all over the world. They have been over to the old country and to many other places. It is hard to know, except for our newspapers, what is going on in this country, and the newspapers supply the information at their own cost, without government aid.

The government should put back this function where it belongs with the press of the country. It is a reflection on the press to appoint such a board. The newspapers are quite capable of handling this work. They were doing it at a great cost to themselves. There has been parliamentary criticism since the days of the Stuart kings. Criticism is a tonic; it spurs the government into action. We had an example of this in connection with the bonus to the soldiers. Public opinion in Canada was aroused, and the government of the day were compelled to change their views and grant this bonus, after the municipalities from coast to coast forced it. The money spent by this information bureau will run into a fabulous sum before the war is over, and this money is being taken from the hard-earned wages of the people of Canada. If this money had been given to the press of the country, to the dailies and the weeklies, the work would have been handled much better, and economies effected.

I have been dissatisfied with the conduct of the war during the past two years. I do not apologize, nor do I offer any excuses for the constructive criticism which I have offered on many occasions. From time to time I protested against what I honestly thought were mistakes that were being made and that could have been avoided. I mention some of them to-day. Using the words of Abraham Lincoln, "I have done and said what appeared to me to be proper to do and say on these occasions."

A great deal has been said about the British empire, in which I believe overwhelmingly. It was said here by my former leader, Viscount Bennett, that on empire matters I represent a large body of public opinion in this country. I agree with a very important statement made by the Prime Minister of Great Britain last November when speaking at the Mansion House or Guildhall. He did not use any high sounding phrase like the British commonwealth of nations, first heard of when Lord Rosebery discovered it in 1900. I think the vast majority of the people of Canada will agree with what the Prime Minister of Great Britain then said. It was as follows:

> Let me therefore make this clear in case there should be any mistake about it in any quarter. We mean to hold our own. I have not become the king's first minister in order to preside over the liquidation of the British empire.

I quite agree with those sentiments. I think Great Britain will be known in history as the good samaritan of the nations. Russia came into this world war because she was attacked by Germany. The United States came in after the attack on Pearl Harbour by Japan. The President of our great ally said that he reaffirmed the policy of George Washington and Andrew Jackson, those great presidents who said that, unless attacked, the United States should have nothing to do with world affairs and were isolationists. Britain was not attacked; she came into the war voluntarily because she had given a pledge to Poland. Others had given pledges, but they ran away from them. Great Britain, assisted by the dominions, bore the whole brunt of the war for over two years alone. If it had not been for Dunkirk and the hand of providence, long ago the United States and Canada would have had to make peace with the axis powers. That would have been the end of civilization. As I say, Britain will be known as the samaritan. She did not pass by on the other side like the lawyer, priest and the levite; she came immediately to the help of Poland with her whole strength and organization.

We talk about the League of Nations, but let me say what I have said before, the only League of Nations in the history of humanity that has been a success is the British empire. Long may it continue. Referring to this after the seven years' war, Burke said:

> We ought to elevate our minds to the greatness of that trust to which the order of providence has called us. By adverting to the dignity of that high calling our ancestors have turned a savage wilderness into a glorious empire and have made the most extensive and the only honourable conquests, not by destroying but by promoting the wealth, number and happiness of the human race.

I believe that the little man referred to and immortalized by Strube in England is the personification of the people of the mother country. Those people represent the civilization and the progress of the world. That country is almost in ruins to-day. They gave up everything for an ideal. What was that ideal? The right to live a free life in the world. That is what we are fighting for. Mr. Winant, the able United States ambassador in London, said at a banquet the other day that there is a great divergence of opinion in the United States about our colonial empire. The little man in England is going to be brave enough to destroy Hitler and the axis powers, and after the war the little man whom I described will be able to look after the future of the world without all this planning, which is only an alias for socialism, and to handle reconstruction. I believe in what Lord Bennett said the other day in London when he was addressing the Empire Service League. He said:

> Don't apologize for our colonial history or our administration, than which there is nothing finer in the records of mankind.
>
> Don't apologize for India. There we have given millions of people centuries of peace in place of chaos and blood-letting.
>
> Don't be ashamed to have it said you are an imperialist. An imperialist is a man who bears proudly the responsibilities of his race and breed.

I am surprised that through the Canadian Broadcasting Corporation, a section of the press and come community clubs in this country, speakers are being heard who, through ignorance or for some other reason, do not give the public the truth about the colonial empire of Britain and its splendid administration.

Let me mention two statements which have been made and which are very far from the truth. One is that Britain has taken more wealth out of the colonies than it ever gave to them. That is not correct. The mother country never got one pound in the exchequer out of its colonial empire. On the other hand she has spent millions of pounds on its development, and she has never taxed the colonial empire one pound for all that development work. She gave the colonial empire peace for over one hundred years and poured wealth into the colonial empire in the form of grants of every kind, never asking for one cent in return.

The other statement that was made was that the mother country had prevented other countries from obtaining raw materials from the colonial empire. That is also untrue and false. There has never been an embargo put upon the export of raw materials from the colonial empire. At a time when Britain had millions of unemployed at home she gave the colonial empire a preference in her market, and all the countries of that colonial empire were free to trade as best they could, and dealt far more with foreign countries than with Great Britain. We in Canada should not forget what the mother country herself has done. In any reconstruction or planning that may be done, let us not forget the mother country which saved our shores. I believe in reasonable tariffs; I believe they will be in existence as long as time lasts. We talk about a united states of Europe. The people of twenty-six countries of Europe have been driven out of their homes and look to Britain to restore them. Patriotism is the cement that holds nations together, and these people who have been driven out of their homes will want to go back to their own countries and rebuild them. The duty of Canada and the mother country, and we hope of the United States too, will be to use the principles of the lend-lease system to help them to do it. That same principle was followed by the present Minister of Agriculture (Mr. Gardiner) in the agreement he made in respect to grain, and there have been other illustrations of the same principle. We must help to restore these poor nations in Europe which have suffered such tyranny from our dastardly foe.

There is very little in the speech from the throne for the toilers and workers of this country—nothing but platitudes, inertia, and evasions from start to finish. I think of the experience of the soldiers who returned from the last war. It had been said that they would come back to a country which we would make fit for heroes to live in, a war to end war, and all that kind of thing. But twenty-one and twenty-two years after the last war some of our soldiers were still trying to get a pension and were going through the process of examinations and reexaminations, appeals and all that kind of thing, only to get in the end perhaps one or two or three dollars a week. I also know what happened in connection with the cost-of-living bonus for our soldiers, and therefore I have very little faith in these platitudes, promises and plans, because history always repeats itself.

I see no mention whatever in the speech from the throne of a national coal supply. I wish the government would come down out of the clouds and face realities, such as coal. In the session of 1922-23 I brought in a resolution for a national coal supply to make ourselves independent of other countries for coal.

That resolution was adopted by the house. I had seen Canada pictured in the New York papers and other sections of the United States press as Lazarus sitting along the railway lines of the United States trying to beg a lump of coal. That was the reason why I brought in the resolution to make Canada independent of the United States for its coal supply. I wanted to ensure that all the coal we used should be mined and coked under the British flag, in Nova Scotia, in Alberta, in Wales. The government referred that resolution to a select committee of the house of which the chairman was a very fine gentleman, now Mr. Justice W. F. Carroll, of Halifax, and the committee brought in a report recommending a national coal supply. Sir Henry Thornton told me that I was proposing a lunch-counter system of freight rates for Canada. I told him then I did not know whether he had ever dined at a lunch counter, but I told him that it would be far better for us to have such a lunch-counter system and give bonuses, subventions and subsidies than to send $56,000,000 to Pennsylvania for coal for Canada. Look what happened this winter in our cities and towns and on the farms. You could hardly get a bag of coal delivered. They said that an embargo had been placed on the export of coal from the United States, but we found out that there was no real embargo. What happened that two of our coal controllers went to New York? They were asked by the United States controller if they would object if a suspension was put on the export of coal from the United States to Canada for one month, and they said they had no objection. Parliament was meeting two weeks after that, but parliament was never consulted. The result was that some soldiers' families could not get a bag of coal to keep themselves warm. The system is all wrong, and yet there is no reference to the coal situation in the speech from the throne.

Britain can almost be said to be made of coal. As the great British economist, Ernest Benn, said in a great British publication, the *National Review,* recently:

> If any raw material can be the foundation of empire greatness, then our position in the world is or was firmly founded upon coal. The machinery of the industrial revolution, the shipping of our world trade, everything which has gone and still goes to give us our high standard of living, all can be traced back to coal. And now we are in grave difficulties about our very first national asset. The subject is well worth study at the present moment because if coal, as we understand the word, were accurately analysed it would be found to consist of rather more politics than fuel and by the recollection of what politics has done for coal, we should be able to make an accurate forecast of what politics will do in the matter of our needs for other essential raw materials. . . .
>
> But the planners now at work massing everything together, devising priorities, reducing everything to a speculative statistical basis and arranging for the movement during and immediately after the war of great quantities of wealth from one to the other side of the world, are bold enough to suggest that, the war being over and the aftermath of trouble being abated, then the perfect world can be secured by perpetuating the planning idea. It is at this point that the story of our coal may be useful not only to us, but to the whole of mankind. Planning, which of course is only an alias for socialism, has its roots in the essential but quite natural aversion to the existence of poverty amidst plenty. It proclaims boldly that the well-being of man can be so devised as to provide everything to each according to his needs. It ignores, indeed denies, the natural difficulty expressed in the old proverb, "Necessity is the mother of invention", and bases itself with commendable hope upon the theory that man will work even though with everything provided the need for him to do so is, to put it mildly, relieved of its personal urgency.
>
> The planning of the past remains as a warning, but is a thing of the past, all of it has been concerned with the simple task of robbing Peter to pay Paul: that comparatively easy process has been completed, for Peter has nothing left.
>
> Some of us have spent a lifetime in calling attention to the inevitable end of that sort of planning. It has been proceeding with progressive vigour for two or three generations, but Peter was so wealthy as to obscure its true nature. Two wars have expedited the inevitable end and when the Chancellor of the Exchequer announced the other day that those with incomes of more than £6,000 a year have been reduced to a mere handful of eighty persons, he pronounced the committal sentences or the blessing, whichever way you care to look at it, of the old sort of planning. . . .
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> An interesting sidelight on the story is provided by Lord Passefield who, as Mr. Sidney Webb, had the indiscretion to publish a book during the kaiser's war entitled "How to Pay for the War", in which he advocated nationalization, planning, and all that kind of thing.

I have previously referred to the house which meets in another place. I asked the Prime Minister (Mr. Mackenzie King) three or four times if he would give this branch of parliament more war work, but he would not do it. So much for senate reform.

Ten years ago I brought in a resolution which was debated for two days, stating that the most important problem Canada had before it then—and its most important problem even now—is constitutional, parliamentary, cabinet and law reform. There is not one word in the address about that.

Coming to housing and reconstruction: I moved in January, 1935, for a select committee on this subject, and our then leader, Viscount

Bennett, appointed a committee. Its work was crystallized by the new government a year later in a scheme under which nearly $80,000,000 have been spent on small housing. There is not a word in the address about that. Where are our soldiers to live when the war is over? The government of the day cannot solve the problem of housing even in this one city of Ottawa. How are they going to solve it on a nation-wide scale? One of the main reasons for the decline of agriculture in this country has been the lack of proper housing facilities for the urban, suburban and rural sections. It remains one of our most important problems, with no mention of it in the speech from the throne. Where are houses to be found? When the soldiers come home they will be living in hovels, the way they did after the last war. The government made a football of this question last session; although I brought it to the attention of the Minister of Finance (Mr. Ilsley) almost every week, they did nothing about it. There was a cry of shortage of materials; yet we find sufficient steel and iron can be provided for railway terminals and other places.

What about reforms for the benefit of Canadian youth? In 1935 and 1938, speaking on this question, I proposed to the then Minister of Labour, the late Mr. Rogers, that a plan whereby the young men who were coming out of the high schools at the rate of 200,000 a year could learn a trade, get pocket money, food, clothing and housing and deferred pay, with military training, instead of riding the rods. That was rejected by the minister. Had it been adopted, we should have had 25,000 air cadets, trained pilots and mechanics before the war started.

As regards soldiers' bonuses, I would merely ask hon. members to look at the way in which that question has been handled during the past three years.

The speech from the throne refers to parliamentary under-secretaries. In my opinion it is a system which is not adapted to this country. I have opposed and will continue to oppose it. We have a cabinet of nineteen, nearly three times the size of the cabinet of the United States, a country of 134,000,000 people; and with the controls we have, costing $4,000,000 a year, much of the work is taken away from the minister. The system proposed is duplication and a waste of money.

The government says nothing about what it is going to do to restore the country of Macdonald and Laurier, when Canada was a nation of property owners, so that the poor retail man, the small man, and the wholesalers will be no longer hamstrung by these controls. I have asked the cost, but the minister does not know, from week to week, or from month to month, what the control system is costing.

There is another matter I wish to point out to the house, as I did last June. The auditor general does not audit one cent of the appropriation bills. That is provided for by the cabinet by order in council. Talk about expenditures; there is very little check or audit on them, as far as I can see.

As regards income tax, in 1927 and for three years before that I had a resolution before the house to restore the income tax to the municipalities, where it was before the great war. Their exclusive right of taxation in this field was invaded in 1917 by the dominion for the purposes of the war. When the late Mr. Robb was Minister of Finance it was proposed by me during those debates that we should have a pay-as-you-go plan.

One would like to refer to the war in the Pacific, because the issue is going to be decided there by the command of the sea, and it is not going to be easy going. There is no royal road to victory. Let us devote our whole time to the war. Let us recognize that neither blockade nor propaganda nor attacks from the air will win this war. There must also be an invasion of Germany on land.

I have been glad to see the success in Africa, where the much abused British army has saved the day. Those men are the very same troops who were attacked last spring during the battle of Egypt and they have proved their quality. Once provided with mechanized equipment which made them more nearly equal to the enemy, they conquered them very quickly. There was never any doubt among the people of the empire as to the ability of those wonderful troops, the famous British army, assisted as they were by troops from the dominions, when once they were put on equal terms with their opponents.

I believe several important matters have been left out of the speech from the throne. One is civil aviation. There is not one word with reference to it. Unless Canada gets busy in this direction, it will lose the opportunity of providing a great deal of work after the war for our soldiers. We are further behind in civil aviation than almost any other country. All that has been done is to write essays and that kind of thing. If one gets down to brass tacks, what else has been achieved? Not a thing. As mayor of Toronto I raised this question with Ottawa after the great war. Colonel Barker, V.C., Colonel Collishaw and other airmen were in Toronto for about three months after they came back

from the war, and they told me that we should make the greatest mistake of our lives if we did not develop civil aviation.

I hope that the dominion will invade a field that should be theirs, namely education and health legislation. In 1921 and 1922, when I first entered this house, I introduced a resolution favouring unemployment, health and sickness insurance. That was twenty-one years ago. I also supported the dominion government in embarking upon a constructive policy to aid education and public health. Some good work was done in connection with technical education.

When all is said and done, two things of supreme importance have been brought home to the people of the British empire. One is religion. The people of the empire during this war are turning back to religion as a primary thing. To-day they believe that without religion there is no real education. I believe that this government should recognize in future that it is the first function of government to look after the health, wealth, happiness, well-being and prosperity of its people. In the city from which I come, after the last war Doctor Hastings, the great health officer, and others of the department of health introduced health legislation more advanced perhaps than anywhere else on the continent. We had a modern health department and important measures of inspection in the interest of children and infants, inspection of milk, food and other commodities, and medical inspection, were carried out in the schools and elsewhere. I am sorry that the government has not brought forward a forward policy on this public health matter. For example, consider how many of the working classes are unable to buy insulin at its present price. Free insulin should be obtainable by the universities and the health departments and hospitals of this country. Let it not be forgotten that, if properly administered, insulin puts many a man and woman back where they can do useful work. I know of men who are engaged in heavy work at the present time and for the past several years who but for insulin would have been dead long ago. Equally it is the duty of the government to meet the menace of tuberculosis. Parliament must advance along this line and in many other matters of social security.

As I have said, I believe in education, and I believe further that there can be no education without religion. Christianity is part of the law of Great Britain; it is also, by the act of 1791, part of the law of Canada. Thomas Arnold, the famous headmaster of Rugby who died one hundred years ago, did not believe that examinations were the true key to education. He believed that character building came first, morals and right social relations second, and academic and literary education third.

We are fighting for an ideal. When the war is over some advanced measures will have to be taken along the lines of social security. The Beveridge report is all right as far as it goes, but it is based on the old system of government, the capitalistic system. The capitalist system is not perfect; it will have to be brought up to date. Nobody proposes to go back to things as they were, to the old pre-war system. I have respect for the views of my friends to my left, but my views have been consistent for a long time. The paymaster general, Right Hon. W. Jowitt, who has charge of these measures in Britain, addressing the House of Commons recently, said that the first thing the government is going to do is not to appoint a committee—it will go to a committee later—but to have a three-day debate in order to get the views of the government and of the opposition and of the whole house. That is what should be done here, so that all views may be presented.

After all we are putting the cart before the horse. What are we going to do about the mother country? That will have to be determined. To-day she imports twenty-five out of twenty-seven articles of raw material and food. She has coal and iron; the other twenty-five she has to import. Without export trade and corresponding imports, without an exchange of goods and services, without her dominions and colonial empire, the mother country would be reduced to a second Denmark, would be no longer a first rate power.

There are constitutional difficulties in the Beveridge report as applied to Canada. The house should go into these questions. I believe some way can be found of aiding Europe and our colonial empire under the lease-lend provisions with the assistance of the United States. The Beveridge report is a good report in many ways, but it is based on the old plan. Many of its social features have been adopted by some of the large municipalities in Canada —for instance, the advanced legislation of the city of Toronto adopted twenty-one years ago. We must keep faith with our men at the front. If we give only promises to the men who are offering their lives for us, no guarantee against hardship and suffering when they come home, these heroes will not be getting their due for serving and saving the world.

In the days of Laurier and Macdonald everyone owned some private property—a small farm, a store, a mill—but that has all been taken away and Canada has become a land of proletarians. The right to possess

private property is derived from nature, not from man, and the state has no right to abolish it; it has the right only to regulate its use. I believe in private enterprise and the old incentives of business, brought up to date to meet changed conditions. Those principles made Britain the great nation she has been, and are the principles which should guide this country in the future.

Regarding the price ceiling and related matters I shall have something to say on another occasion.

Let me conclude by reading a short statement about the cruelty of this dastardly foe which but for Britain might have set foot in this country. It may be of interest to some of my friends from Quebec who have crossed the floor to this side of the house. This is from the Lisbon correspondent of *France:*

I hear of the arrival in Bessarabia of 20,000 Jews deported from France to the Germans. The state in which these wretched people arrived when their trains reached that country made a deep impression on the civil and military authorities . . . Twenty thousand men, women and children had been sent from France in sealed trucks, they were to be forcibly installed in the ghettos of these towns.

When the trucks were opened an appalling spectacle was revealed. More than half the prisoners were dead and their bodies were decomposing. Dead bodies fell out on the railway line as the doors were opened. Those still alive were ill from terror, from hunger, from sickness caused by the atmosphere of putrefaction which they had breathed during the journey. Their condition is desperate and few of them will live.

One of the number who could still speak stated that they had been arrested in their homes in Paris in the middle of the night by S.S. men and taken to the railway station. There they were put into sealed trucks. They were not allowed to take any luggage save three days' provisions. The journey had lasted two weeks.

On these wagons of death was written the label "Explosive Material In Transit for Russia"; that is why none of the customs authorities had opened the trucks at the various frontiers.

Just one other quotation. Every day in Europe, now almost entirely dominated by Germany, men, women and children are tortured and killed. Here is the story of one martyr, a Frenchman. It was published in the paper *France* in September, though it related to events many months old. A German colonel named Holtz was shot. In reprisal fifty Frenchmen were murdered by the German rulers. One of them was called Fourny. A farm labourer, he educated himself as a youth; he joined up in 1914. He fought well, but was taken prisoner. In prison he worked at his books, and while there he was condemned to death, but was saved just in time by the armistice. He became a lawyer's clerk and passed his examinations. On the collapse of France he joined the underground organization. In August 1941 he was arrested. Holtz was killed in October. A few days later the first batch of martyrs, twenty-one in number, were chosen and Fourny was among them. The night before the execution Fourny wrote his last letter, and having done this he turned to his comrades, cheering and comforting them, writing their letters home for them, urging them to send messages.

Mr. SPEAKER: Order. The hon. member's time has expired.

Mr. CHURCH: By leave of the house may I read just a few lines?

Some hon. MEMBERS: Go on.

Mr. CHURCH: I thank the house. I would like hon. members to hear something of the way they torture these young people. I quote:

"Tell me what you want to say, I will write for you. Is it your wife, or your mother you want to write to?" All night long he gave courage to the weak and sorrowful men who were to suffer.

When the time came for death the victims were brave, but among them were two lads of seventeen who were in revolt at the thought of what was happening. Fourny put his arms around them and spoke to them quietly. "It is not difficult to die, my children; come with me, we will die together, you will see it will be quickly over, you won't suffer, it is all quite easy." Affectionately putting his arms around them so that they could not see the machine guns, Fourny helped the young martyrs. The same spurt of machine gun fire laid them all three low. The name of Fourny will forever live in Nantes, where he was known and near where he was shot.

Mr. S. H. KNOWLES (Winnipeg North Centre): Mr. Speaker, last year, on March 23, this house paid eloquent tribute to the life and work of one of the greatest Canadians ever elected to this parliament, the late J. S. Woodsworth, whom I have the high honour to succeed as member for Winnipeg North Centre.

The expressions of high regard for the founder of our movement which were made at that time came from every section of this house, and they were reechoed throughout the country. My coming to this parliament is to a very large extent because of Winnipeg North Centre's appreciation of the work of its former member, and I wish to take this opportunity of paying my tribute to his memory. I am one of the many to whom he gave the vision of a better day for the common people of this country. It was my privilege to know him as a close personal friend and adviser. I am deeply conscious of the honour that is mine in being called upon

to take his seat in this house, and I pledge to the people of Winnipeg North Centre and to the people of this dominion my loyalty to the cause of social justice which Mr. Woodsworth served so well.

Coming as I do directly from a by-election campaign, Mr. Speaker, I feel that I am in a position to give to this house a clear statement of the views of the people I represent, and I am satisfied that the views of my constituents are those of an ever-increasing number of Canadians right across this country. In the general election of 1940 the government candidate, though defeated, polled over 40 per cent of the votes cast in Winnipeg North Centre. The Liberal and Conservative candidates together polled 59 per cent. In the by-election held on November 30, 1942, the government candidate, supported by three cabinet ministers, having the old party field entirely to himself, received only 28 per cent of the votes cast and lost his deposit. Our vote rose to over 70 per cent of the votes cast, representing the largest vote and the largest majority ever given in Winnipeg North Centre. I suggest that a similar shift in public opinion is taking place all over Canada, and it behooves this house to consider seriously the matters which are of concern to the people whom I have the honour to represent.

The anxieties of my constituents are two. First, they are deeply concerned about the mess that obtains at the present time in war production and selective service, the existence of unemployment, and matters relating to labour policy. Second, they are filled with fear and misgiving for the post-war period. Speaking further on the present situation, may I tell this house that the people of Winnipeg, anxious as they are to make their fullest possible contribution to the winning of the war, are, to put it mildly, aroused by the lay-offs which have been taking place for some time in war industries. During the month of January I wired the Minister of Munitions and Supply (Mr. Howe) three times, advising him of the lay-offs in such plants as Dominion Bridge, Manitoba Bridge, Western Steel and the Defence Industries Limited cordite plant at Transcona. In the replies I received I was advised on one occasion that a new contract had been awarded which would make possible the reemployment of a number of men who had been laid off, but when I called the manager of the plant concerned I was told that the new contract could be filled without such reemployment. On another occasion a Winnipeg plant, in posting a lay-off notice, stated that full production was anticipated in the spring, but the Minister of Munitions and Supply advised me that such could not be counted upon. The Winnipeg city council, in conjunction with many local organizations, has sought to intervene in this matter. The final word of the minister to the mayor of Winnipeg, as well as to me, was simply this, and I quote from his letter of January 14:

> I regret as much as anyone the dislocation of staff that results from changes or reductions in programmes. However, this is inevitable in war production. One of the principal functions of the national selective service organization is to arrange for the reemployment of any staff that may be displaced in war industry through changes or reductions in programme. This department maintains a very close liaison with national selective service in this connection.

On Monday I asked the Minister of Labour (Mr. Mitchell) what steps his department was taking to deal with this situation, and what was his reply? After trying to minimize the situation by referring to inevitable "pockets of unemployment" he said, and I quote from *Hansard* at page 23.

> The Department of Labour is working in close cooperation with the Department of Munitions and Supply in an effort to place these people where they can be most useful.

These two ministers may feel that they answered my question by passing the responsibility to each other, but that does not provide employment in Winnipeg, nor does it make possible the full production to which the workers are exhorted by posters and placards hanging in the war plants from which they are laid off. The failure of capitalism, even under the impetus of war with its demands for equipment, to maintain full production, is evidence of the imperative need for economic planning. The people I represent are deeply concerned over the failure of the government in this regard.

In his reply to me on Monday last the Minister of Labour endeavoured to brush aside my question by stating that large numbers of those registered for employment in Winnipeg are women, and that other large numbers are unemployables. Entirely apart from those groups, however, on January 21, just before I left Winnipeg, there were 1,800 employable men registered for work, many of them having had machine shop experience. When these men are told to register for unemployment benefits, to remain idle on $9 or $13 a week, with a war on, they use language which I thought was unparliamentary before I came to this house. As for selective service, the people of Winnipeg feel that its only purpose is to hide the fact that the government has no plan for full employment in the production of our war needs.

There is another fact which must not be forgotten, even in war-time; that is, that

when workers are unemployed they and their families suffer want and fear. The Minister of Labour speaks lightly about "pockets of unemployment", but the people I represent feel that it is the duty of the government so to plan our economy that useful work will be provided for all able-bodied citizens. The men who are fighting this war are not fighting so that they may come home to "pockets of unemployment". They are fighting for a Canada in which all our citizens will be employed producing an abundance of goods to make possible a high standard of living for all our people. If "pockets of unemployment" is the best the present government can do now, what in heaven's name are we in for after the war is over?

I listened closely on Monday to the Prime Minister's defence of the Minister of Labour. The Prime Minister (Mr. Mackenzie King) seemed utterly unable to understand why so much criticism has been directed against the Minister of Labour. I may say that I am a member of a trade union. I have close contacts with all sections of the trade union movement in greater Winnipeg. I had unanimous endorsation of the trade union movement in Winnipeg in the recent by-election campaign. I can say to the Prime Minister that labour in this country, both organized and unorganized, is up in arms against the Minister of Labour because he, as a trade unionist himself, posing as a labour man, is willing to administer the government's policy as it now stands. Labour is fed up with being told every time it seeks an adjustment in unjust and low wages that it is unpatriotic, that it is attacking the government's anti-inflation policy. Labour, Mr. Speaker, is fully aware of the perils of an inflationary spiral. But the freezing of unjust wages is not the only way to prevent inflation. It can be done, for example, by taxation and by rationing.

At the present time the government places upon the workers and farmers of this country the whole burden of avoiding inflation, and labour is thoroughly disgusted with the way in which the government uses this weapon to deny justice to the workers of Canada. Let me repeat that labour is fully conscious of the perils of inflation, and is not opposed to the government's aim to avoid it. But labour is opposed to the governments' one-sided policy in this matter, putting as it does the full burden on our farmers and workers.

In the thirties there was no money. Now there is too much money. If it is not one thing, it is another. But labour must be kept down. This is the policy of the government; and no one, least of all a labour man, can expect to administer such a policy without a storm of protest from Canadian labour.

I may say further to the Prime Minister that one of the reasons labour delegations are seeking interviews with him, which he deplored on Monday in answer to a question about the Montreal aircraft workers, is that labour's grievances involve more than the matter of administration in the Department of Labour. They involve the whole policy of the government, in its attitude toward labour. I am confident no member of the house ever spoke the mind of his constituents more clearly than I do when I say that Canadian labour wants a new minister of labour in whom labour can have confidence.

But, Mr. Speaker, that is not all. Labour also wants a new labour policy, and I make that fact known directly to the Prime Minister. Apart from the injustices of the low-wage freezing policy, there is also the government's attitude toward trade union organizations, and the complete failure of the government to make labour, and agriculture as well, full partners in the common struggle in which we are all engaged.

By order in council the government has paid lip service to trade union organization and collective bargaining. But much more effective orders in council have denied these fundamental principles of democracy, in actual practice. I mention Kirkland lake, steel, Montreal Aircraft, Vulcan Iron Works at Winnipeg, and so on.

I would remind the house that the government picks its controllers, its dollar-a-year men, from the big businesses concerned, on the ground that they know what it is all about. But when it comes to the placing of men in employment, at which trade union business agents are specialists, they are not only ignored but their functions are superseded by the hodge-podge of selective service. To labour this is all seen as a well-designed attempt on the part of the government to prevent the common people in this country from coming into their own, in the kind of cooperative society for which this war is being fought. The farmers and workers of this country, supplying as they are the personnel of our armed forces, working and sacrificing in every possible way for victory, have an end in view—a Canada in which there will be full employment, fine homes for all, adequate education, care of our health, a high standard of living and full social security. These things cannot be denied forever. The processes of democracy may work slowly, but they are to-day working in favour of the common man, because of the interest he is taking in his own well-being.

I want to go back for a moment to the matter of unemployment in the city of Winnipeg. It is the responsibility of the government to explain the situation, but I may state here an opinion that is widely expressed where I come from. It is that we are already experiencing the first slackening of the post-war period. This opinion produces two comments. First, there is resentment that there should be any slackening until victory has been won. Second, it drives home the fact that the problems of the post-war period are with us to-day.

I said earlier that the people I represent have two major anxieties—the mess that obtains at the present time, and the fear that a worse state will be ours when the war is over. I have spent most of my time in discussing the present situation, but I may say that the fact of unemployment now, coupled with the government's anti-labour policies, aggravates the fear of my constituents for the post-war period. If production has to be curtailed now, under the impetus of war, what then, when the war is over?

The Minister of Munitions and Supply, speaking in Winnipeg in November in support of the government candidate in the recent by-election, was reported as saying that he was confident there would be full employment after the war. He is reported to have said that we would have new plants and machinery, thousands of men trained in new skills, and a ready market in the needs of our people for cars, trucks, washing machines and radios. All we would require would be to connect these three factors. Precisely. But the people of Winnipeg North Centre know that we had these same three factors—plant, men and human needs—in the thirties; and yet we had unemployment and poverty.

I represent a people who know that both for the production now of our war needs, and for the production after the war of a high standard of living, we need a basic change in our social structure. Private industry, based on the principle of producing only where profit is to be made, in the vain hope that some benefit of that production will fall like crumbs to those who toil, will not fill the bill. The people who are giving their all in this war are entitled to democracy, to the ownership and control of their own instruments of production, so that they might produce goods, not for the profit of a few, but because they are needed by all.

Our men are not fighting to come home to "pockets of unemployment," to relief, to wage-slavery, to $20 a month at the age of seventy. They are fighting for a new Canada, in whose life they will participate in every way. That participation involves a voice in those matters which affect our daily lives. That participation will not be complete, nor shall we have achieved democracy, until our people, through social and cooperative ownership, are in complete control of the economic life of this country, which thus far has been the preserve of private and vested interests, both in war and in peace.

I know that the speech from the throne makes reference to a plan of social insurance. No doubt there are some who imagine that because social insurance, in our view, does not go far enough, we of this group will oppose any steps the government may take in this direction. This is not the case. In fact, since all we have been offered for this session is a select committee, and recalling how long it has taken in the past for other forms of social legislation to pass from the committee stage to the statute books, the chances are that we of this group will find ourselves having to fight for all we are worth to get the government to go ahead with its present intentions, whatever they may be.

But, although we may prod the government to implement its own ideas, let me make it clear that I represent a people who agree with the position taken by this group, that social insurance is not enough. It will not be the century of the common man until we have social justice. What is the difference? Social insurance under capitalism is a means whereby those who are subject to unemployment, sickness, invalidity, and insecurity pool their meagre earnings so that when calamity falls they can be kept alive. So long as we endure capitalism, such will be necessary. Social justice, however, involves an economy in which those who toil, being part of the community, own the productive machinery of the nation and therefore receive every day and every month and every year their full and just share of the wealth they produce.

To-day, the workers and farmers produce the nation's wealth, but get only a meagre portion of it. There is no justice under such a system. Charity and insurance are the best that can be offered. But one day this Canada will become a real democracy, and the workers and farmers will do two things; they will increase our production, and they will get their fair share of what they produce in a high standard of living through the whole of life, including full protection against sickness and invalidity, together with security and dignity in old age.

Speaking, however, of the government's references to social insurance and social security there are one or two comments I would like to make. First, I may say that the coun-

try will not share the government's satisfaction expressed in the words in the speech from the throne:

A considerable measure of social security has already been provided.

Further, may I say that if the government really means business in this field, the least it could have done would be to offer legislation increasing the amount of the old age pension. I mention also the blind, the veterans of the last war, and widows of veterans of the last war. I understand that those discharged from the armed forces now, after one month, if still unemployed, go on unemployment benefits of $9 a week for single men, $13 for married men. This is not good enough for the defenders of our right to build a democracy. And why the discrimination against women in our armed forces? After one month a discharged unemployed woman goes on benefits not exceeding $6 a week.

Coming back to the matter of old age pensions, I understand that two provinces, British Columbia and Alberta, have made provision to pay $25 a month in certain cases. In Manitoba we have been pressing the case of our old people for all we are worth. The Winnipeg city council has urged the federal government and the Manitoba provincial government to raise the amount. I note that the Manitoba government proposes to increase the pension payable in that province by $1.25 a month. Apparently that government dares to hope that this government will provide an additional $3.75 to make a total of $25 a month. That would not be enough, but surely it is the least we might have expected, and I hope, despite its non-inclusion in the speech from the throne, that we may get action along this line during the present session.

I was glad to hear the hon. member for Medicine Hat (Mr. Gershaw) express this view from the government side of the house this afternoon, but I was sorry to hear the Minister of Finance (Mr. Ilsley) say earlier in the day that nothing had been planned as yet in connection with this matter. I hope that the hon. member for Medicine Hat and others in his group will join with us in our continued effort to press for action in this matter while the house is in session.

There are other matters I must defer until later. There is the problem of housing, concerning which we in Winnipeg have been given a disgraceful run-around. I shall deal with this matter at length when the opportunity is afforded. I gather that the city of Ottawa has had an experience similar to ours in Winnipeg. On a future occasion, as the only Cooperative Commonwealth Federation member in this house from Manitoba, I will have something to say on behalf of the farmers of that province. In the meantime, I may say that my colleagues in this group from Saskatchewan are, in my opinion, stating clearly the views of the farmers of Manitoba. Possibly before I get around to a speech on this subject, a by-election will have been held in the riding of Selkirk, now vacant in Manitoba, with the result that we may be joined by a C.C.F. member for rural Manitoba. If Mr. Bracken decides to run in Manitoba, and some other seat is opened for him, we may be joined by two C.C.F. farmer members.

In that event those of the Conservative party who argued at the Winnipeg convention that a leader should have been chosen from among the membership of this house would be vindicated. I recall that the fear was stressed there lest the disgrace of York South be repeated. It may be that they were right.

In closing may I say that I have not indulged in some of the niceties and platitudes with which the debates in this house seem to abound. I do wish, however, to express my appreciation of the cordial welcome that has been extended to me by hon. members whom it has been my privilege to meet. Coming as I do from a much smaller body, the Winnipeg city council, where one gets to know everyone, I am struck with the large number who are here and how difficult it is to get to know everyone. Yet I hope that it may be possible for me to get to know as friends as many as possible of the members of this house even though on the floor of the house we may differ sharply in the views that we present.

I may say finally that I feel that I have been sent here on serious business. I represent a people who want to play their full part in winning the war. Toward that end they insist on full production and on the acceptance of labour into full participation in the war effort. They want a new attitude toward the workers of Canada in the Department of Labour. They want a new minister of labour and a new labour policy. They want some evidence now of a better Canada after the war is over. If social insurance is the best that can be offered by the present government, they want that now, but the people of the constituency I represent insist that from there we must move on to the full realization of social democracy and social justice. In short, Mr. Speaker, the people whom I represent want this parliament to get on with the job of winning the war and winning the peace.

Mr. SPEAKER: The hon. member has just delivered his maiden speech in the house, and because he cannot be expected to be thoroughly familiar with the rules I did not call his attention to the rule which forbids the reading of speeches. I should just like to say that I hope no other member will take this as a precedent when he is speaking.

On motion of Mr. Reid the debate was adjourned.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 5.45 p.m.

Thursday, February 4, 1943

The house met at three o'clock.

FOOD

PROPOSED MINISTRY AND BOARD TO SUPERVISE SUPPLY, PROCESSING AND DISTRIBUTION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): On January 19 last a deputation representing the food industry of Canada placed before the government certain suggested correctives with respect to Canada's food supply, and among other things recommended the creation of a ministry of food and the setting up within that ministry of a food board, with the end in view that responsibility and authority for a complete food programme might be vested in one ministry.

A press dispatch from Ottawa under yesterday's date indicated that delegates attending the twenty-first annual meeting of the Canadian Horticultural Council here passed a resolution urging the appointment of one cabinet minister and a food board definitely charged with the responsiblity of obtaining an abundant food supply, and the maintenance of means and facilities for its processing and distribution. I should like to ask the Prime Minister if the government has given consideration to this request and, if so, when he expects to be able to make an announcement with respect to it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): In his last words my hon. friend referred to "this request". Does he mean the request made yesterday, or the broad question of the establishment of a food ministry?

Mr. GRAYDON: It was the one request, coming from two sources.

Mr. MACKENZIE KING: Any matter of government policy will be announced in due course, and this is one.

FUEL

PROPOSED MINISTRY AND BOARD TO SUPERVISE SHORTAGE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I am going to ask the Prime Minister another question, and perhaps I will have better luck with this one.

From communications I have received, the fuel shortage in many parts of Canada continues to be acute. On Friday last the hon. member for Lake Centre (Mr. Diefenbaker) directed a question to the Prime Minister on this point. At that time the Prime Minister asked the hon. member to allow his question to stand as a notice and indicated that a committee had been appointed by the cabinet some little time ago to deal with the problem. Perhaps the Prime Minister is now in a position to indicate to the house and to the country what steps the government has in contemplation to meet this quite serious shortage.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have in my hand material that was sent to me by the committee to which my hon. friend has referred, but it did not seem to me to be in such form that I would care to present it to parliament. Also I should mention that the committee is associated with the wartime prices and trade board. I think the reply should be made by the Minister of Finance. I have had a word with the deputy minister of finance about the matter, and he indicated that he thought he would be in a position to see that the minister would have a definite statement to give to the house to-morrow.

LABOUR CONDITIONS

REPORTED LAY-OFF AT MONTREAL ANGUS SHOPS

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Just before I came into the chamber I met a delegation of men from Montreal, and as a result I should like to direct a question to the Minister of Munitions and Supply. They are perturbed because reports indicate that a serious lay-off is to be made in the Angus

shops, Montreal, where the production of the Valentine tank is to be discontinued. According to their statement some 4,000 men will be affected, of whom only 1,500 may be taken over for the production of other war equipment. The war expenditures committee had this matter before them at one time, and we were given some assurance that when this time came the men would be given other war work to do. I wonder if the minister, either to-day or to-morrow, for he has not had time to look into it, would be prepared to make a statement, because this matter is seriously disturbing a large number of men in Montreal.

Hon. C. D. HOWE (Minister of Munitions and Supply): With regard to the position of the Angus shops, I am aware that newspaper reports are current that there will be a suspension of the production of Valentine tanks on April 1. That is by no means a certainty. Discussions are going on at the present moment looking to the continuation of the contract. It depends upon a number of factors, some of which are beyond our immediate control, but I should say there is an even chance that the work may be continued. In any event, if the work is discontinued there is other work to go into the Angus shops. We are short of capacity in certain lines, and it is probable that there will be a transference of part of the capacity, in any event. With regard to the transfer of only a portion of the men to other work, I can assure my hon. friend that everyone at present working at the Angus shops will be transferred to employment either in the Angus shops or in other plants in Montreal. Those men are skilled mechanics, and there is and will be I think a real shortage of skilled mechanics.

VISIT TO OTTAWA OF REPRESENTATIVES OF MONTREAL DISTRICT AIRCRAFT WORKERS

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I should like to ask a question of the Minister of Labour. The other day a strike delegation from Montreal, representing aircraft workers, was in Ottawa, and asked a certain settlement of difficulties and grievances which were troubling them. I understand that they were given some assurance that their troubles would be looked into, and some adjustment made. Is the Minister of Labour in a position to report to the house the progress made in settling their grievances?

Hon. HUMPHREY MITCHELL (Minister of Labour): I believe the question the hon. member has just asked was answered yesterday by the Prime Minister.

Mr. MACKENZIE KING: That is correct.

[Mr. Coldwell.]

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Wednesday, February 3, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. THOMAS REID (New Westminster): Mr. Speaker, the speech from the throne this year was one of the most encouraging and reassuring delivered to parliament since the beginning of the war in 1939. Recent successes in Libya, Russia and the Pacific, coupled with the news which has come out from Casablanca to the effect that the allies are now able to maintain the initiative, and will do so this year, has given renewed hope and courage, not only to the Canadian people and their friends across the boundary line, but to all peoples in slavery and under the heel of the nazi and Japanese dictators. Canada's contribution has to a large extent contributed to the initiative we are about to take. Our contribution has been most effective, both as to the men and women in the services and as to the large quantities of munitions and supplies we have sent to Great Britain and our allies.

While continuation of the war until the unconditional surrender of our enemies must be our first consideration, the proposed measures outlined in the speech from the throne with respect to social security have been well received throughout the entire length and breadth of Canada. Some measure of social security was to be expected. In fact I may go further and say that keen disappointment would have been felt by many of us, especially in view of the Beveridge report, had the government not made certain proposals looking to the establishment of social security, the provision of useful remunerative employment, the removal of fear and want, and the creation of a national system of health insurance.

This is not the time to deal with details of any proposed recommendations in respect of social security, but I would commend to members of the special committee to be set up to deal with the report, and to every member of the house, a study of the Beveridge report. It is my opinion that it is the finest document of its kind in the world to-day. It is published by the Macmillan company, and since only a few copies are available in the parliamentary library I suggest to the govern-

ment that steps be taken to see that this work becomes readily available to members of the House of Commons and to the public generally.

If there be any who fear the introduction of social security measures, may I for a moment refer them to the three guiding principles outlined by Sir William Beveridge. In clause 7, at page 6 of his report, we find this:

> The first principle is that any proposals for the future, while they should use to the full the experience gathered in the past, should not be restricted by consideration of sectional interests established in the obtaining of that experience. Now, when the war is abolishing landmarks of every kind, is the opportunity for using experience in a clear field. A revolutionary moment in the world's history is a time for revolutions, not for patching.
>
> The second principle is that organization of social insurance should be treated as one part only of a comprehensive policy of social progress. Social insurance fully developed may provide income security; it is an attack upon want. But want is one only of five giants on the road of reconstruction and in some ways the easiest to attack. The others are disease, ignorance, squalor and idleness.
>
> The third principle is that social security must be achieved by cooperation between the state and the individual. The state should offer security for service and contribution. 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 that minimum for himself and his family.

There are two cogent reasons why Canada must follow the lead given to us by Great Britain. The first is contained in the Atlantic charter, in which Canada fully concurred. It reads:

> 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.

The second is stated by Sir William Beveridge, as follows:

> There will, it may be hoped, come a season when it is profitable to consider the practical relations of social insurance in Britain and of schemes for the same purpose in the dominions, in the colonies and in other countries of the world. On the assumption that once again it will be possible for men to move from one country to another to find the best use for their powers, it will be desirable to consider the making of reciprocal arrangements between the schemes of different countries facilitating transfer from one to the other, that is to say arrangements enabling men on migration to avoid forfeiting security and allowing them to carry with them some of the rights that they have acquired in their former country. That should, in due course, become a practical problem. It is not possible to-day to do more than mention the problem to show that it has not been forgotten.

The matter of immigration following the war has been mentioned by hon. members who spoke earlier in the debate. I shall make only one comment respecting that matter. Canada must first stabilize her domestic economy for her own people, and especially for her own returned men and women, whose sacrifices must never be forgotten, before she embarks upon any general policy of immigration from Europe. Conditions after the war will not be the same as they were before 1939, and it must not be overlooked that even to-day Great Britain is producing well over fifty per cent of her food requirements.

I commend the government for the steps taken, and particularly do I commend the Minister of Pensions and National Health (Mr. Mackenzie), whose activities in this regard have at last borne fruit. I trust that in any legislation that is brought down the guiding principle will be that enunciated by Sir William Beveridge, namely, a national minimum about which prosperity can grow, but with want abolished. We are taking the positive rather than the negative side. I believe it is well to emphasize the positive side. On the positive side we are putting work and useful employment ahead of the other measures. There may be opposition to the measures proposed, not perhaps from inside the house but by interests outside. There always has been opposition when measures have been introduced looking to the betterment of the lot of the common people. There may also be the cry, "Where will the money come from?" We have heard that cry many times in this house, especially up to 1939. It must not be forgotten that in no year until 1939 did Canada spend more than $500,000,000 by way of total expenditures, but this year our expenditures will amount to something like $4,000,000,000, just eight times as much. I think that should answer any cry of, "Where will the money come from?"

Travelling eastward for the session I was gratified to hear that the medical profession from one end of the country to the other were one hundred per cent behind the health insurance proposals and had been most helpful in drafting them. This is a splendid beginning and augurs well for the success of the scheme. I am hoping that the special committee which is to be set up will get to work as speedily as possible and that definite action will be taken during the present session. If this is done, the hopes of thousands of our people may be realized, especially the war widows and other widows, and also the aged. Large numbers of these people have almost given up any hope of a better world this side of the resurrection.

Mention is made in the speech from the throne of a joint committee to be set up by the United States and Canada to deal with agriculture. In their speeches both the Prime Minister (Mr. Mackenzie King) and the leader of the opposition (Mr. Graydon) mentioned the food problem. It is a matter which has become of great importance and it is causing grave concern. I believe we have barely touched upon the food problem which confronts not only the north American continent but all our allies, and the matter warrants more attention than has so far been given to it. All the facts of the situation should be made clear. Many people in this country have not realized that food is required not only for the Canadian people, for our fighting men and women, but for all our fighting allies.

From 1939 up until some time last year the first necessity was for guns, tanks, aeroplanes and other military supplies. The extent to which we have been successful in regard to these was revealed in the speech made by the Prime Minister. I commend to the study of every hon. member of the house the figures which he gave. Sometimes I think that we are not proud enough of the tremendous contribution which is being made by the Canadian people to our allies and to help the bringing about of victory. The important necessity this year is for food. There is a challenge to Canada's fertile plains to provide the food quotas for victory. Although over 100,000 men have left the farms to go into the various services, last year our farmers produced greater crops than in the year previous, and for this some commendation is due them.

I should like to take a moment or two of the time of the house to refer to the great task and the high responsibility which Great Britain has undertaken; it has not been touched upon so far in this debate. First of all Great Britain has her own people and troops to feed and clothe. Her next responsibility is the hundreds of thousands of prisoners of war which were taken in Libya. The people in the Libyan cities which she has taken over must be provided with the necessary food. On top of this, quantities of food have been sent to Russia. I do not think it is generally known that butter left this north American continent last year for the soldiers in Russia. We all know the civilian population of Russia have been denying themselves every possible morsel of food in order that their soldiers may be taken care of. Let us not overlook the fact that many if not all the Russian granaries have been in the hands of the nazis for over a year. Great Britain has also been called upon to send wheat and other food supplies to the people of India out of her own meagre supply.

I have not the figures of the present food requirements of the Canadian navy, army and air force, but the other day I saw some figures in the press with regard to the food requirements of the United States army. I know it will surprise you, Mr. Speaker, as it did me to learn that it takes over 15,000,000 pounds of food daily to feed the army of the United States. What I have just outlined is a challenging problem of itself; but there is something more: there is the spectre of famine which is haunting every country in Europe. All these peoples are looking to the fertile plains of the north American continent for food.

These facts should be placed more plainly before the people of this country. Tell our people what will be required this year, and I am sure they will gladly respond. Can we meet this challenge? I say yes, we can meet it, but not in the way we have been endeavoring to meet it in the past year. Questions have been asked regarding a food ministry. I propose that a food ministry be set up, not next week or next year, but right now. I suggest to you, Mr. Speaker, to hon. members and particularly to the government that the present Minister of Agriculture (Mr. Gardiner) be made the head of that food ministry. But should he be given this power and authority, his efforts would be greatly thwarted did we not also give him the power to fix the prices of farm products.

Mr. HANSON (York-Sunbury): Page Mr. Donald Gordon.

Mr. REID: I am not going to make an attack on the wartime prices and trade board at this time. I criticized the board at the last session, and I may have plenty to say before this session is over. I do not want the Minister of Finance (Mr. Ilsley) or any other member to accuse me of attacking Donald Gordon or the wartime prices and trade board, except in this one particular. I object to the method by which they have endeavoured to handle the farmer and farm prices.

Mr. HANSON (York-Sunbury): Is that a promise or a threat?

Mr. REID: Both. Everyone realizes that there must be control of prices and rationing, but to place under the wartime prices and trade board the fixing of farm prices is entirely wrong. I can imagine the cry that would go up from some in this country if farmers were chosen to handle the Bank of Canada and

other banking institutions. And yet the farmers know more about banking institutions and their bookkeeping methods than the banker knows about the farmer and his problems, and I say that without fear of successful contradiction. The control of farm prices under the wartime prices and trade board is hampering the production of farm products. How could it be otherwise? The job of the wartime prices and trade board is to keep down prices, and with them production becomes a secondary consideration. I have witnesses with me to-day who can support that statement, and I am going to quote from a statement of a member of the wartime prices and trade board, Mr. F. S. Grisdale, acting food administrator, who, speaking at Calgary on January 30, is reported as follows:

"The only means available to the food administration for increasing supply was through the price incentive," he said, adding that the prices board might know something about the supply situation but might not know the viewpoint of the producers with regard to ceiling price on various commodities.

The farmers know the attitude towards them which has been adopted by many members of the wartime prices and trade board and they have resented and do resent the approach which has been made to their problems and the manner in which these have been dealt with. I say, Mr. Speaker, that too much power has been put into the hands of many of these men. I am not going into details to-day, but I should like to cite instances of a dictatorial attitude and of threatening by members of the wartime prices and trade board which I believe should not be tolerated.

The potato growers of British Columbia and the milk producers of the Fraser valley have been threatened that if they did not supply the market with potatoes and milk the prices board might take those products from them. I have before me a letter from a prominent farmer in which it is said that one man from the wartime prices and trade board,—Mr. Nadeau I do not know whether he knows anything about farming or about British Columbia — came out to British Columbia and told the farmers this. He said that the milk in the cow might belong to the cow but once you take the milk from the cow "we have the right to take it from you, and we might do so."

There are two ways of getting men to do their best. One is the German method and the other is our own, and we should be careful to see to it that we do not depart from the democratic standards which we value in this country. Anything in the form of threats should not be tolerated. Last year I spoke of the power that was given to officials on the wartime prices and trade board. I now find myself in very good company, as I see that the Chief Justice of the Supreme Court, Mr. Justice Duff, must have something of the same sort in mind, because in his judgment issued recently he said:

There is always the risk of abuse when wide powers are committed in general terms to any body of men.

Perhaps attention will be paid to his remarks; I know that none was paid to mine when I warned the government last year. I do not wish just to criticize and leave the matter there. I wish to make certain suggestions to the government in regard to the food problem and how I think it should be tackled. First of all, set up a food ministry, to handle food production. Second, remove farm prices entirely from under the wartime prices and trade board. Third, I would have the dominion inaugurate and give leadership to a women's land army. I want to pause here to say a word on behalf of the women of this country.

It was my privilege as a member of the war expenditures committee to visit many aeroplane factories in Canada and I was astounded, first of all, at the large number of women who work in those factories, and secondly at the splendid work they are doing. I want to say to those men who still have old-fashioned ideas about the superiority of men that they had better take note of what these women are doing. They are doing a mighty fine job, and great credit is coming to them for it. Great Britain is employing some seven and a half million women in its war effort; when we talk about the effort of this country let us not forget that in Great Britain, with a population of 46,000,000, there are 23,000,000 persons employed in their war effort, over 7,000,000 of these being women. The question in Great Britain to-day is not what kind of work women can do, but what kind of work a woman cannot do. Women there are employed in almost every class of work. I suggest a women's land army in this country. Let me give a local instance to show how women have risen to the occasion.

When the Japanese were removed from the province of British Columbia some fear was expressed that the British Columbia canneries would lack their usual help. Efforts were made to bring in white girls. Fears were expressed at the outset as to whether they would do the work. There were some difficulties in the beginning, but after the cannery operators had provided proper conditions for the white

girls and paid them decent wages, the employment of white girls in the British Columbia canneries was a success. The employment of women on the land would be a success too if leadership was given from Ottawa. We need not look to the various provincial governments to give leadership in these things. In my opinion the provincial governments today are nothing but glorified municipal councils; when they attempt to do any of these things they find themselves immediately up against officialdom and red tape, and cannot deal directly with members of the government but are referred to officials of some department or other.

My next proposal is this. I would prohibit the various members of the wartime prices and trade board from making statements to the press from time to time as to what articles are to be rationed or not rationed. One day we will read that a certain commodity or article is to be rationed, and the next day that statement will be contradicted. What has been the effect of issuing these statements? It has been to send a rush of people to the stores to buy up the article which the press statement said is likely to be rationed. Why not adopt the system that they have in Great Britain? There, when an article is to be rationed, an announcement is made over the radio on a Sunday, at a time when all the stores are closed, that the new order will go into effect the following Monday morning.

Next I would develop further the national nutritional scheme. Under the Minister of Pensions and National Health a body has been set up to investigate nutritional schemes, and now would be the time perhaps to make many changes in our diet. The people of Great Britain have found that through the many changes in their diet that have been brought about by rationing, and through the eating of essential foods provided them, they are enjoying better health than they ever did before. I was talking to some doctors who have recently returned from Great Britain, and they tell me that various ailments seem to have disappeared over there under rationing and the government's nutritional programme which saw to it that the essential foods were placed before the British people. In this country the Department of Pensions and National Health, under the minister and Doctor Pett, much has been done. But the question of absenteeism is arising. Attention has been drawn in the press to the number of girls in the civil service at Ottawa who are absent from work through illness. I also came across an article by Marion Harlow, entitled "Canada Fights 'Hidden Hunger'". Miss Harlow is assistant director of the Nutrition Services of Canada's Department of Pensions and National Health, and speaking of a survey which has been made of the health of workers in war industry she has this to say:

> Our surveys revealed that many of the younger workers, both girls and men, dash from bed to the plant. Then, by midmorning or earlier they stave off the pangs of hunger by swallowing cake or pastry and soft drinks or coffee bought at the canteen.

That, she claims, is the cause of a great deal of illness and consequent absence from the offices or factories which employ them. Doctors will tell you that more suffering in this country comes from over-eating than from under-eating. The nutrition campaign should be carried further than it has been, though I commend the Minister of Pensions and National Health for having inaugurated a scheme. I am not advocating a lower standard of living.

Then, too, I would add to those who could be employed on the land, the group of conscientious objectors. Something like fifteen hundred in all are so designated. The majority of them are in the province of British Columbia, being given work under a reforestation scheme. The objective is an excellent one, and I am not opposing it, but in these days, when there is so much need of help on our farms, these fifteen hundred men should be sent to the farms and made to work there.

The Prime Minister in his address the other day drew to the attention of the house and the country the great submarine menace and the need for ships. I was not surprised at all as to the need for ships. Last year, when some of us proposed in this chamber that more ships, especially wooden ones, should be built, we were laughed at, although at that time the lack of ships had created a bottleneck; and things are worse to-day. I then proposed to the Minister of Munitions and Supply (Mr. Howe) that he proceed with a programme of building wooden ships, and was rather rudely turned down. I am going to change the direction of my appeal at the present time, and am going to make it to the three ministers of defence, the Minister of National Defence for Naval Services, the Minister of National Defence for Air, and the Minister of National Defence, who we were all sorry to hear had met with an accident and who we hope will soon return to the house. I say to these three ministers that a joint programme should be carried out with the cooperation of the three departments, and a better policy as regards the construction of ships should be put into effect. I do not know what is happening in other parts of Canada, but in British Columbia we are a little worried

about what has taken place there. Instead of building all the ships they want, representatives of the three departments go round and if they see a fine fishing boat they send in a requisition and take it over from the owner. They also go to the various shipyards and if they see a fine commercial boat being built they say, "Oh, we would like that one," and away goes the boat. To-day many commercial owners will not build a boat, realizing that if they give an order to build it they have no guarantee that they will be able to acquire ownership, because the government may step in and take it away from them.

We have shipyards in British Columbia, at Vancouver, New Westminster, Victoria and other points, which are not working to full capacity. I have in mind one now, a shipyard in New Westminster called the Star shipyards, which has eight ways; six of them are idle, and the other two soon will be. That shipyard has been compelled to accept orders for rowboats to keep their men going. We should have a definite programme of building ships, and if we have not the engines to put in wooden ships we should put sails on them. From what I understand, a sailing vessel might pass more easily through the submarine menace than one propelled by engines, because I believe it is the noise and vibration of the engines which conveys the whereabouts of the ship to the submarine.

Mr. HANSON (York-Sunbury): The *Egyptian Queen* did not have quite that history.

Mr. REID: There is no reason why these shipyards should not be working to full capacity, and every kind and type of ship should be built. Perhaps we shall have to come to it, but why has a programme not been inaugurated and proceeded with? I plead with the three ministers of defence to give attention to this matter and to hand over their orders to the Minister of Munitions and Supply; it may be that we shall then get some action along the lines I have just recommended.

My time is passing, but there is one particular matter I wish to discuss for a moment or two before I close, and that is a recent statement of Mr. G. E. Trueman, a member of the British Columbia placement commission, who, speaking at Toronto on January 6th, had this to say:

> The reason for mass evacuation of Japanese from British Columbia coastal areas was not because of the Japanese but because of the white residents. The problem was one of mass hysteria and race prejudice.

Now, sir, I ask the Minister of Labour (Mr. Mitchell) to see to it that Mr. Trueman is called to account for that statement, because I believe it is an insult to the people of British Columbia and should not be allowed to pass without some note being taken of it.

Mr. O'NEILL: Read the rest of what he said.

Mr. REID: Well, Mr. Speaker, that is bad enough. If I had time I would. The members for British Columbia and the people of that province who urged the removal of the Japanese from the coastal area did not do so on account of mass hysteria or race prejudice; they did it for the safety of the people of that province, including the Japanese themselves. No one in this country can tell which of the Japanese—or for that matter some other nationalities, but especially the Japanese—is loyal or disloyal, and it was felt to be in the best interests of the people of British Columbia to move them out. So far as I know, no Japanese citizen born in this country or in Japan, has come forward to the authorities and given any information or made any statement against one of his own race. That is significant. Although an inquiry has been held in the matter of the "Black Dragon", I would say that one of the reasons that none of them has come forward is the fear of reprisals.

In a booklet which has just been issued, entitled "Removal of Japanese from Protected Areas", issued by the British Columbia security commission, the statement is made, regarding the removal, at page 5:

> The libraries of this continent held no reference to guide the organizers in their initial actions.

Well, if they had investigated a little further they would have discovered that this is not the first occasion on the north American continent when there has been a wholesale removal of people. How many hon. members realize that during the days of the war of independence the Americans moved the British people back fifty miles inland—and they did not receive the same consideration as we have given the Japanese, because their property and chattels were confiscated. I mention that to refute the statement that there is no precedent for the removal of Japanese from the coastal areas of British Columbia. Much good may come out of it; and one lesson I think this country should take to heart is that it is not in the best national interests to allow any large group to live away off by themselves and unto themselves. I may be wrong, but I am one of those who believe that difference of language does divide a nation. I point to the amicable relations between the United States and Canada as one outstanding example.

I wish now to deal for a few minutes with the fuel shortage which exists in British Columbia.

We have had one of the most severe fuel shortages that have ever beset our people, as will be seen from the following brief paragraph in this article:

Harassed with cold homes, sick children and frozen water pipes, men and women lined two and three deep before the fuel board office of the Wartime Prices and Trade Board on West Pender Monday afternoon, in a desperate "last hope" to obtain fuel—any kind of fuel just so long as it would burn.

I do not want anyone to think for a moment that I am sniping at the chairman of the wartime prices and trade board, but he went to Vancouver recently and the general statements he made in connection with the fuel situation were in my opinion uncalled for. He wondered what sort of people they were who could not go out and cut fuel for themselves, and he intimated that if he were placed in a similar position he knew what he would do. I need not point out, if he had made the same statement in Ottawa, how foolish it would have seemed, because the people in the city of Vancouver could not go nineteen and twenty miles and cut fuel for themselves and bring it in. As a matter of fact, a great many of them did help themselves, because I have pictures of men sawing up their garden fences, parts of their garages and even part of the furniture in their home in order to obtain fuel—and yet all they get is a statement of that sort from the head of the board. I wonder why he did not investigate the closing down of two lumber mills in British Columbia when lumber was in great demand and when the people could not get fuel. I say to the board that if they really want to do the people a service they should find out why these two mills were bought and closed and hundreds of men thrown out of employment.

Mr. MacINNIS: Private enterprise. That is what the members to my right want. The hon. member should come over here with us.

Mr. REID: I think I am safer here. I see my time is up, but before I sit down I would ask the government to take special note of the fuel situation, which is really serious, and also the fact that on the coast cargo ships being built for the United States government have been changed recently from coal burners to oil burners. We might have had a small tanker to supply our people with fuel. At any rate the conditions are such as to warrant something more definite and satisfactory being done for our people than simply the uttering of a lot of words.

[Mr. Reid.]

I am sorry, sir, that my time is up.

Mr. J. A. ROSS (Souris): I agree with a great many of the remarks which have just been made by the hon. member for New Westminster (Mr. Reid). I have a copy of the Beveridge report, much of which I have read, and I should like to recommend, as he did, that every member of the House of Commons study the report in detail. The hon. member pointed out that Britain is now producing fifty per cent of her foodstuffs. I suggest that her goal for 1943 is a production of over seventy-five per cent of her foodstuff requirements. I agree with the hon. member that the time has come in Canada for the appointment of a food ministry; in fact that time is long past. This is very essential.

I was greatly disappointed to find that the speech from the throne does not contain any constructive suggestions for the proper allocation of man-power or for assistance to Canadian agriculture in these distressing times. One paragraph in the speech from the throne states that 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. That is all to the good, but there is no mention of bringing about parity prices as between the producers of the two countries. Further on, this statement appears in the speech from the throne:

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.

They have only begun to study these conditions in this the fourth year of the war. Again:

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.

This charter of social security comes apparently as a result of the convention held in Winnipeg last December. It has all the earmarks of it. In that respect, notwithstanding the views expressed by the Prime Minister (Mr. Mackenzie King) the other evening in this house as to the composition of his cabinet from the point of view of occupational representation, may I say that the election of the Hon. John Bracken to the leadership of the Progressive Conservative party is regarded

as an event of extraordinary importance, especially to the agriculturists of Canada, because for the first time in Canada's history will the chieftainship of one of the great political parties rest in a man who is essentially of the soil, a man moreover who is well versed in the science of government. His sincere conviction is that Canada cannot be prosperous unless all groups within the country enjoy prosperity. Agriculture is Canada's basic industry, and without prosperous basic industries Canada can never prosper.

The greatest asset that any Canadian statesman can possess is a profound knowledge of agriculture and its many serious problems. The Hon. John Bracken qualifies completely in that respect. He has a scientific, technical and practical knowledge of agriculture such as is possessed by few people in this dominion, certainly not by any member of the present House of Commons. At the Rowell-Sirois conference of provincial premiers with the Prime Minister, held in this chamber, in January, 1942, he proved himself a great national figure, having a grasp of national problems throughout the dominion. The platform or peoples' programme adopted by the Progressive Conservative convention affords ample scope for a leader of Mr. Bracken's broad humanitarian convictions.

Any party is as good as its leader and can never be better. The Minister of Munitions and Supply (Mr. Howe) intimated recently that Canada would presently emerge as a great industrial nation and that the basic industries would henceforth be only of secondary importance. His is precisely the point of view which has condemned Canadian agriculture to the role of hewers of wood and drawers of water for the urban communities. Judging by governmental action to date this view is also held by the Prime Minister, the Minister of Finance (Mr. Ilsley) and the Minister of Agriculture (Mr. Gardiner) and others.

To-day Canada's agricultural population, which is over one-third of the total population, is receiving less than one-sixth of the national income. The Prime Minister, speaking in this debate on February 1, as will be found on page 49 of *Hansard*, said the reason why butter is rationed, with a hint that beef also might be rationed, is that Canada is providing the enormous supplies of food which she is sending to the people of Great Britain, from the supplies of foodstuffs of this country. That statement is untrue with respect to beef. Until the Prime Minister or the Minister of Agriculture or the Minister of Trade and Commerce can stand up in this house and say what quantity of beef has been shipped, giving the dates of shipment, to Great Britain during the past calendar year, or give us that information at least in confidence, then I say that statement is as untrue as it is misleading.

Mr. GARDINER: The hon. gentleman has mentioned my name, and the Prime Minister is not here to reply. What the Prime Minister did state was that the need for any rationing arose from the fact that food was being shipped to Great Britain; and I am sure my hon. friend will agree that if a percentage of the butter fat represented by the cheese being shipped to Britain had been converted into butter, which would have been quite possible, there would have been no necessity for the rationing of butter.

Mr. ROSS (Souris): I was speaking particularly of beef.

Mr. GARDINER: Beef is in exactly the same relationship to pork. We are shipping approximately seventy per cent of our bacon and ham to Britain.

Mr. ROSS (Souris): Pork is not beef.

Mr. GARDINER: Partly as a result, all our beef, much of which previously went to the United States, is being consumed in this country.

Mr. ROSS (Souris): I desire to continue with my speech—and no proof has been given by the minister with regard to beef, the only item I am discussing at the moment. With reference to butter, which the minister just mentioned, the present shortage is due to the price ceiling and to the inefficiency and muddling with regard to the question of manpower in this country. The lack of parity prices, more than anything else, is responsible for the butter shortage, and that is also the case with many other agricultural commodities. Many dairy herds have been shipped to the United States, and many dairy animals have been slaughtered in this country. Last year the producers received 50 cents per pound for butter fat used in making cheese and only 35 cents per pound for butter fat going into butter. To-day, including the 10 cent bonus, the producer receives 44 cents per pound for butter fat going into butter, while his neighbour in the United States receives approximately 50 cents. When Canada went to war the government used as a base period for industry and organized labour the years 1926-29. When the United States went to war they took as their base period for the whole nation the years 1913-14. On January 30, 1943, the

cash grain quotations, Winnipeg and Chicago, were as follows:

	Winnipeg	Chicago	Difference
Wheat	.90	1.45¾	.55¾
Oats	.51¼	.62	.10¾
Barley	.64¼	.90	.25¾
Rye	.65¼	.84½	.19¼

Then the implements of production cost much more in Canada than in the United States. On previous occasions I have placed upon *Hansard* price charts showing these differences. A comparison of the prices of four of the necessary farm implements in Canada as between 1934 and 1941 is as follows:

	1934	1941
2-furrow gang plough.. .. ..$137.50		$155.00
8-foot cultivator.. .. .. .. 143.00		162.00
20-row double disc drill.. .. 250.50		295.25
8-foot binder.. .. .. 257.00		327.00

The average increase in the cost of these four farm implements, which are most necessary on any farm, was 18½ per cent during that period. To-day there is a large demand for power equipment, but it is expensive and difficult to obtain. According to agricultural statistics the average wages of farm help by the month increased by over 65 per cent from 1940 to 1942. It is most difficult to obtain help at any price, since agriculturists find it impossible to compete with industry in order to obtain labour on their farms. In the matter of live stock, Winnipeg and Chicago quotations as of January 30, 1943, were as follows:

	Winnipeg	Chicago	Difference
Fat steers.....	$11 00	$15 50	$4 50
Fat cows.....	9 50	12 50	3 00
Fat calves.....	12 00	16 50	4 50
Fat hogs.....	15 35	15 35	....

The choice hog in the United States weighs from 190 pounds to 330 pounds. The choice hog in the Canadian market weighs from 190 pounds to 230 pounds. The Canadian producer takes a heavy cut in price for the hog weighing over 230 pounds; for any producer knows that it costs much less per pound to put weight on a hog over 200 pounds than under that weight. There is a large disparity in connection with grain, live stock and dairy product prices to-day; and will any hon. member say that the agriculture industry should not be entitled to parity at this time?

In connection with the man-power muddle, there is no master plan. Agriculture, labour and the armed forces are all competing for our man-power resources; there is no co-ordination whatever. Last July a young man in my constituency, the only male on a half section, with a widowed mother, in order not to be drafted volunteered for the air force, and was accepted. He asked for leave to assist in harvesting his mother's crop, but his request was refused. I investigated his case in detail and wired the officer in command of the manning pool in an attempt to get harvest leave for the boy, but my request also was refused. I could cite many such examples. I could go back to the fall of 1941, when a strenuous effort was made to get men into the armed forces and the categories were lowered. I know of one farmer who in many respects was a splendid chap, though suffering a certain physical handicap. He was just over thirty years of age, tactful in the handling of other men, and a fine mechanic who could repair machinery out in the open field. He operated several sections of land and had a large number of live stock. He did not particularly want to serve in the armed forces, but he offered his services so that when his pals came back he might at least say that he had tried to enlist. His neighbours knew of his physical handicap and much to their surprise he was accepted during the fall of 1941. I have already placed upon *Hansard* figures showing what it costs to equip and train a man in the armed forces. This man was trained and sent overseas; after fifteen months he was brought back to Canada and discharged. I know of other young farmers in my neighbourhood who enlisted, came home and sold their farms and equipment, and after a few months were found to be physically unfit and were discharged. Some time ago it was officially stated that there had been more than 60,000 discharges from the armed forces. Imagine the amount of money that has been wasted in equipping and training some 60,000 men, many of whom never should have been accepted, to say nothing of the man-power lost and the lessening of production that has resulted.

The man-power situation has been lamentable in this country. During August of 1940 we had a national registration of men and women, conducted under the supervision of the Department of National War Services, then headed by the present Minister of Agriculture (Mr. Gardiner). Advantage was never taken of this registration, as I had imagined it would be, in order to develop a master plan for agriculture, industry and the armed forces. In this connection those who are interested might read the opinions with respect to farm labour as expressed on June 2, 1942, by the Minister of Agriculture, at page 3267 of *Hansard,* or those of the Minister of Labour (Mr. Mitchell) at page 3471 of *Hansard* for June 9, 1942. The indifference of these ministers at that time to the question of agricultural help is astonishing to many of us now.

The hon. member who preceded me in the debate has referred to the seriousness of the fuel situation in British Columbia. We on the prairies have a difficult fuel situation these days, and it is a condition which prevails throughout all of western Canada. We read in the daily press that in many districts schools, hospitals and other public institutions have had to close down because of a lack of fuel.

Under date of November 21, 1942, I sent a telegram to the Prime Minister (Mr. Mackenzie King) as follows:

Many municipal officials fear that due to lack of fuel with severe winter weather there will be undue hardship and suffering on the prairies. The present labour difficulties at the coal mines is the result of lack of proper coordination by various departments of the government. Imperative that immediate action be taken to avoid a very serious situation.

J. A. Ross, M.P. for Souris.

Mr. MITCHELL: I would like to tell my hon. friend we have put 1,800 men in the coal mines of western Canada since November, 1942.

Mr. ROSS (Souris): I am not disputing that. I received a reply from the Prime Minister stating that the telegram had been passed on to the ministers of the two departments most vitally concerned, and that the cabinet were giving the matter its attention. Those two departments were the Department of Finance and the Department of Labour.

On January 27, 1943, I had considerable correspondence with respect to a meeting of the boards of trade and municipal officials at Minnedosa, Manitoba. I shall not go through the whole of this correspondence, but I shall read the principal resolution, which is as follows:

Resolution of a meeting of western associated boards of trade and municipal bodies held at Minnedosa January 27, 1943.

Whereas the fuel situation is a national problem due chiefly to lack of labour, and the need for fuel is immediately urgent.

And whereas the dominion government controls all available labour, such as conscientious objectors, forestry battalions, and with their consent prisoners of war, and whereas in the Riding Mountain National Park supplies of one hundred thousand cords of dry poplar are now available and in the park and wooded areas of provincial lands great supplies of green wood is available.

Be it resolved that the Minister of National Resources and the fuel controller be urged to take action forthwith to make these supplies available.

Signed Mayor Young, Brandon
Mayor Pollock, Neepawa
Mayor Ramdsden, Dauphin
Mayor Clark, Minnedosa.

I have several other resolutions with regard to the matter, of which the departments concerned have copies.

Speaking on March 24, 1942, the Prime Minister announced the establishment of national selective service, and defined its policy. On August 19 of the same year on a nation-wide broadcast he told of the extension of that policy in order to put all men and women to work in essential industry.

On January 16, 1943 he is reported to have written the Minister of Labour asking for detailed answers to some nineteen questions relating to Canada's man-power situation, or as to what has become of the words uttered by the Prime Minister himself on March 24 and August 19.

Mr. MITCHELL: I do not know how that letter got out, but I think the use of it is reprehensible. I am not referring of course to the use made of it by the hon. member who is speaking. But it was merely a routine letter such as is sent out every year by the leader of the government prior to a session. I say that the use of that letter is unfair and unfortunate.

Mr. HANSON (York-Sunbury): Well, if it was unfortunate, let us have the letter.

Mr. ROSS (Souris): I have only taken it from the daily press; and in view of what the minister has said now, he should let us have a copy of it.

In the meantime two things are entirely responsible for the present difficulties in connection with food production, namely, the price-ceiling set-up without proper consideration for parity prices, and the mishandling of Canada's man-power problem. With respect to the price-ceiling may I say that since June 29 of last year I have had a question on the order paper concerning the wartime prices and trade board, and I have not yet received an answer to it, because some of the information asked for Mr. Gordon does not wish to give.

I believe most people realize that inexperienced men cannot properly operate and take care of modern mechanized agricultural equipment. With it, one man can do several times the amount of work that can be done by a man using horse-propelled equipment. Many of these experienced operators have left the farms. Under the present set-up it would be difficult if not impossible to get them back on the land. A great deal of planning and effort must be put forth before a crop is produced and harvested in this country. Much of this production is used, in turn, in the production of beef, bacon, poultry, eggs, dairy

products and the like. Agricultural production in Canada during 1942 was very high. But increases on a wide range of products is asked during 1943. Some fourteen farm products vary in percentage increases of from 8 to 67·6 per cent. This is a large contribution for agriculture to be asked to make, in view of the present labour shortage and other difficulties now confronting that industry. The importance of a clearer definition of the man-power policy, as it is expected to apply to agriculture, is now most evident to all; and I trust that governmental authorities will work in closer collaboration with organized agriculture.

The report issued by officials of the Canadian Federation of Agriculture while in session at Calgary last Saturday, January 30, to the effect that they had not been consulted about 1943 production, is disappointing. When the grain policy for 1943 was announced last Friday by the Minister of Trade and Commerce (Mr. MacKinnon) it was disappointing to learn that payments of storage of grain within the quota held on farms would not be allowed on the same basis as that paid the elevator companies holding grain for the government of the day. And equally disappointing was it to find that a parity price would not be paid for the quota the government agrees to take from the producers of this country.

In conclusion I would ask the government:

1. To assure the nation that our army as now organized will be properly reinforced when they go into battle and suffer casualties —as they surely must do at some future day. It is most important that the nation should have this assurance now.

2. That a food ministry be established in order that Canada may do her utmost in the production of essential foods for the united nations at this time. This is a matter which may be of vital importance in Canada in the coming season.

3. That parity prices be created immediately for all products and services essential to the war effort and the human family.

4. That industry be decentralized. Plants for the production of alcohol from wheat, plants for the manufacture of synthetic rubber and flax processing plants should be established west of the great lakes, adjacent to the raw materials and the abundance of cheap power which is available in that area.

5. That redistribution of representation in the House of Commons be not dealt with until after the conclusion of the war, because there has been a considerable movement of population in various parts of Canada since war was declared. If necessary the British North America Act should be amended in this respect. An amendment to that act will be necessary if social security legislation is to function properly.

6. That old-age pensions be increased to $30 a month.

I shall support, Mr. Speaker, the amendment of the leader of the opposition (Mr. Graydon) which reads:

> We respectfully submit to Your Excellency that this house regrets that Your Excellency's advisers have failed:
>
> (a) to provide an adequate plan for the effective use of Canada's man- and woman-power;
>
> (b) to adopt and carry through a national labour policy which will ensure maximum production and give to labour its rightful position as one of the major partners in our Canadian democracy; and
>
> (c) to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

Mr. A. W. ROEBUCK (Trinity): Mr. Speaker, I listened with a great deal of interest to the pungent and eloquent remarks of the hon. member for New Westminster (Mr. Reid) and I want to join with him in the congratulations which he offered to the government of the day upon the forecast which appears in the throne speech, to which we are speaking at the present time, in regard to security measures.

The hon. member for New Westminster has spoken of the increase in the national income during these years of war. If my memory is right—I am not quoting him but giving my own memory of the figures—the national income of Canada in 1939-40 was four and a half billion dollars. To-day it is somewhere in the neighbourhood of eight billion dollars. In other words, in a time of disorganization and disruption consequent upon a state of war we have practically doubled the income of Canada. I would call the attention of hon. members to the fact that we have done that during a period when we have withdrawn from active production as many as 600,000 of our healthy, young and otherwise producing men by enlisting them in the armed forces. The old statement, "Where shall the money come from; what shall we use for money?" is hardly applicable and can hardly pass as an argument. Were we to maintain the productive power of the Canadian people after the war closes at only the rate at which we are producing now, and producing under difficulties, in factories newly established and worked by men recently trained, it would be possible for us to double the income of every man and woman in Canada—yes, and maintain all the graft and exploitation that goes on as well.

[Mr. J. A. Ross.]

Mr. MacINNIS: Why maintain it?

Mr. ROEBUCK: I am not advocating the maintaining of it. Do not take that meaning out of my words. I say that even if you do maintain the exploitation and waste in future years, as I hope we shall not, we could still double the income of every working man in this country. So that the time for saying we have not the wherewithal to deal with the necessary calls upon our purse has gone by. When the war needs and the fear that war engenders has passed, Canada should be able to build a secure and prosperous and healthy people. I mention these matters referred to in the speech of the hon. member for New Westminster because they are along the lines of the remarks I had planned to make.

Many tempting topics present themselves to a speaker in the debate on the address in reply, but I propose to confine myself to just one, and thus I may lend greater emphasis to the cause I propose to plead. I wish to bring as forcefully as I can before the people of Canada, if my voice carries that far, before the members of this chamber and the members of the administration, the matter to which I intend to refer.

I ask hon. members to throw their minds back, not very long in the memory of man, and recall the days when the soldiers of Canada marched away to world war No. 1. They donned the king's uniform and left this country to engage in the horrors of trench warfare. When they were going, from thousands of platforms, from the floor of this house and from the mouths of the responsible statesmen of that day they were assured that under no circumstances would their dependents suffer want. The men who made those speeches believed in what they said. They had a right to believe in what they said, because I have no doubt they had every confidence that that would be the wish of the people who would succeed them. I do not mean necessarily the government; I mean the people of Canada who would come after them. They felt that it would be the desire and the determination of all men that under no circumstances would any of the dependents of those bold young men of that day be left in want.

A little more than twenty-five years has gone by since those fateful days when the young men of Canada marched to war. To-day several thousands—I do not know how many; it is impossible to know—of aged widows of the men who were then youths are in dire poverty, living upon charity, or dependent upon relief. The humble pleas of these poor, poverty-stricken in many instances, and old women—I do not think they will take offence at my calling them old, since most of them are far beyond middle age—have been presented to this house on numerous occasions, but seemingly they have fallen upon deaf ears. No, not deaf ears, that is wrong; they have been heard with sympathy, but for some reason nothing has been done. I hold in my hand a petition which was circulated among some of the members at the last session of parliament, and in substance it says this:

That the soldiers of the last great war were assured that their dependents would not be left in want; that many widows of deceased veterans of the last great war are now living in poverty, are dependent on charity, or are in receipt of municipal relief; therefore your petitioners pray that all widows of deceased veterans of the great war of 1914-18 who are now in necessitous circumstances be pensioned in an amount sufficient to provide the reasonable necessities of life.

Mr. MACKENZIE (Vancouver Centre): May I interrupt my hon. friend?

Mr. ROEBUCK: I have a good deal more to say.

Mr. MACKENZIE (Vancouver Centre): If the hon. member is referring to the delegation of non-pensioned widows that came here last year to interview the committee, and which was sponsored by himself and the hon. member for Davenport (Mr. MacNicol), I may tell him that provision is being made in the estimates this year to meet some of the considerations then advanced.

Mr. ROEBUCK: I am sorry I objected to the interruption. The news, Mr. Speaker, is splendid news. I hope that the measure which the minister has announced will be a wholesouled and sweeping measure. I suppose I can hardly hope that it will be as sweeping as I should like, but I do know the kindly spirit and the sympathetic nature of the Minister of Pensions and National Health (Mr. Mackenzie). The hon. member for Westminster had occasion to compliment the minister no less than three times during the course of his speech, and in each of those compliments I join, because the minister has accomplished something in an outstanding way since he assumed the most important office of the ministry of pensions and health.

I should like to say something further on this question, notwithstanding what the hon. member has said, in order that I may urge the fullest consideration for the cause I am now pleading. I know that the words the minister has just uttered, brief but much to the point, will bring a measure of relief to many a poor old woman in many a humble home across Canada. They will be accepted with gratitude and relief, almost with exulta-

tion, by those who for years have advocated the cause of these poor women—the soldiers' organizations and the friends of dependents of soldiers generally.

To understand what the position now is which the minister says will be relieved, one should bear in mind that in the past only those widows were entitled to pension whose husbands drew fifty per cent disability pension. That is to say, those who drew pensions less than on the fifty per cent basis were not entitled to a continuance of the payments made to the soldier when he finally passed on, unless of course it was possible to prove that the husband died as a result of injuries directly related in some way to the war.

I think we all know that practically all the men who took part in trench warfare from 1914 to 1918 returned as casualties. We know that, and their wives and their widows know it. But it is another matter to prove direct connection between the loss of life and the war. It is much easier to be satisfied of that in your own mind than to bring evidence sufficient to prove it to the meticulous gentlemen who sit on the pensions board. And so it is that very few, comparatively speaking, have been able to jump that hurdle and actually prove that the death of the husband was the result of war service. Pensions accordingly have been restricted for the greater part to those whose husbands were in receipt of a fifty per cent disability pension. The result is that the great mass of the war widows of world war No. 1 have been non-pensionable irrespective of how necessitous were their circumstances.

We made considerable progress in 1941. Section 11 of the new act is an illustration, for now a member of his majesty's forces who dies in service either in Canada or abroad leaving a widow in necessitous circumstances may, in the discretion of the board, receive a pension. It was not so in past days.

I have a memorandum here which may be interesting to hon. members. It is to the minister from the chairman of the pensions board, dated June 22, 1942. The chairman says:

> Since May 1, 1941, when the select committee of the House of Commons received representations in regard to the non-pensioned widows, a total number of 59 pensions have been awarded to widows under section 21 of the Pension Act by the Canadian pension commission.

I do not know what the figures would be if I brought them up to date, but I fancy they would not be changed very greatly. In any event I am confident of their total inadequacy. Fifty-nine pensions only have been granted to those in necessitous circumstances. I know of more than that number myself, I think, personally. It is totally inadequate. I have

given and I give great credit for the improvements in the act brought about primarily by the Minister of Pensions and National Health. He was not only legally, shall I say, formally, responsible but he was chiefly responsible. A great many consecrated absurdities were washed out of the old act and some time-honoured wrongs were abolished or mitigated. We ironed out a lot of wrinkles which should never have been in the old pensions act. Evils were removed. In some cases sores were healed, but unfortunately many of the scars remained. This is one of those scars. Had the Pension Act of 1941 been in effect since 1918 I think it is safe to say that many soldiers would have received pensions who, under the older and harsher act, were disentitled, and that some of them would have received larger pensions under the new act than they did under the old.

But here is where the scar remains. The present act will benefit veterans of the present war and those who still live from the last war. But what about those who have died? It is small comfort to the widow of to-day to be told that she must live in penury and want without government support, because of the harshness of a former law which kept the pension which was given to her husband below the fifty per cent basis or denied him a pension altogether; that she must not benefit because he did not benefit. But that is in effect the rule. Unless he was able to secure a fifty per cent benefit there is nothing now for her. It is a rule which is incapable of logical defence. Moreover, that whole fifty per cent rule is in my judgment arbitrary and illogical; and I hope that in the measure which the Minister of National Revenue has forecast he will sweep away at least that—what shall I call it?—technical defence to a claim which would otherwise be good. "National Revenue", did I say? Well, I will include the Minister of National Revenue (Mr. Gibson) in some of the compliments I have been extending to the Minister of Pensions and National Health. If I have mixed the two, their characteristics of sympathy and consideration for the weak and helpless are as one. I mean that. A minister of national revenue gets mighty little sympathy. He is the one who makes us pay our taxes; and I know that the present Minister of National Revenue does it as easily, as kindly and as politely as it can be done.

But to come back to what I was saying: I do hope that the ministers will eliminate all stultifying technicalities of the kind and look these women in the face. Let us get down to realities; let us get down to facts

and see these women as I know them to be. I suppose most of the hon. members who are listening to me went to the little red schoolhouse about the same time as I did and read the old third and fourth school book. If they did they will remember the old-time Song of the Shirt:

> With fingers weary and worn,
> With eyelids heavy and red,
> A woman sat, in unwomanly rags,
> Plying her needle and thread,—

The women whom I am pleading for to-day and intend to make the sole topic of my speech in this debate cannot get jobs at all. Most of them who are employed are mere charwomen; most of them have spent their lives in bringing up a family, or possibly have been attending a sick husband over weary months and long years, and have thus unfitted themselves for the competition of the modern labour market. They are not old enough to qualify for an old age pension, and they are too old to obtain work in our factories or war production plants. The time when they could receive the mother's allowance has long since gone by, because in the most instances their families have now passed sixteen years of age. So, without work, or in most cases the ability to work, they are depending upon charity, living in the houses of relatives to whose economy they are not able to contribute. Their position is a most unenviable one. They are the wreckage of world war number one.

Parliament in the course of this debate will concern itself with post-war problems. I hear them discussed in almost every speech; and there will be many speeches, no doubt, in which reference will be made to two of the four freedoms of the Atlantic charter—freedom from want and freedom from fear. We shall be speaking, in an academic way for the most part, about these matters; for it will be a want of the future which is to be relieved and not of the present, and so in a sense we shall be discussing academic problems. But the one I am laying before parliament now is not a problem of the future only; it is a problem of the present. The fear and the want are right here now; and it seems to me that if this parliament wishes itself to be taken seriously in its discussion of the abolition of fear and want as a post-war problem, it had better take care of the fear and the want which are before our eyes at this very moment. It can easily be done. I am only asking for consideration on behalf of the widows of soldiers of the last war—it might even be restricted to those who saw service abroad, although I do not advocate that; I can see no special reason for drawing that line—widows of men who served twenty-five years ago and who are in necessitous circumstances. That is all. I am asking not for a general pension for these people, but simply for the relieving of the distress of those in necessitous circumstances. If this house cannot do that for the women whose men were assured by our predecessors that they would never suffer want, then we need not be expected to be believed or be taken seriously when we talk about freedom from want and freedom from fear in the years to come.

I may have said some things which it was unnecessary to say in view of the assurance just given by the minister, but perhaps what I have said will do no harm; and it may strengthen the hand of the minister in preparing the measure to know that at least on this side of the house there are many who agree with it. I know I can speak for every one of those whose names appear on the document which I read; I think I can speak for every private member on this side of the house, when I say that the dire necessities of these soldiers' widows should be relieved, and relieved immediately.

I congratulate the minister of pensions upon what he has said. He said only a word or two, but as I caught it I thought he gave the assurance that at this very session of the house steps will be taken to deal with this matter. Is that what he said?

An hon. MEMBER: That is what he said.

Mr. GARDINER: There is provision in the estimates.

Mr. ROEBUCK: There is, or will be, provision in the estimates? Well, that fills me with joy. I am happy, very happy to have received that assurance. These women have been looking to me to say something on their behalf. I congratulate my hon. friend across the way upon what he may have contributed to this matter. I see that the good women have put me down as an honorary patron of the Toronto association. It will make me happy indeed to tell them of what has taken place in the house this afternoon.

Mr. W. F. KUHL (Jasper-Edson): Mr. Speaker, to say that we are living in the most serious period of the history of mankind thus far is to make a statement which by now is almost worn threadbare. Nevertheless I believe far more importance is to be attached to that statement than many are prepared to acknowledge. I am not thinking so much of the outcome of this war. We are all heartened, as has been expressed by most of those who have already spoken, by the turn of events in

the military conflict. We are all quite certain of the successful conclusion of the military conflict. We can rest assured that the armed forces and all those associated with them are going to do their part, and, with certain adjustments at home, we are all quite satisfied that the outcome of the military conflict is not in doubt. My greatest fears are in association with the order that we shall have after the war is concluded. We are not bound to win the peace as an automatic result of winning the war. Judging from what some say one is led to believe that they conclude that just because we shall again win the military conflict we shall automatically win the peace. That is not so. I believe that after the war is won, even while we are winning the war, the common people are going to be obliged to fight and to exercise themselves to the utmost to assure themselves that they are going to win the peace as well.

From my observations and reading I am satisfied that in behind the scenes there is an unholy, ungodly, devilish gang of individuals who are determined that we shall not win the peace, and I am satisfied that they will move heaven and earth to see that we shall not win the peace. At the present time, because we are beginning to see through the woods in this military conflict, many proposals and plans are being made for a new world order. Everyone everywhere has some conception of a new order. All parties in this house are suggesting plans and programmes for a new order, and I think we do well to examine every one of these proposals and programmes very carefully for two purposes, first, to discover whether they are genuine solutions, and, second, to discover whether they are disguised plots against the people's liberties.

As I look over these proposals and plans I have two comments to make. First of all, as has been emphasized by the hon. member for Lethbridge (Mr. Blackmore) in his address, many of these proposals indicate that their objective is economic security. In fact, they all do. But the thing that is conspicuous by its absence in most of them is the technique, the method by which the objective is to be attained. We are all aware of the circumstances that prevail in the way of poverty, destitution and the low standard of living, and I do not think it is necessary to emphasize these aspects of our national life. The question to which we ought to be confining our attention is that of ways and means of eliminating these unnecessary conditions. I think the most serious aspect of many of these proposals is that while they do provide for security, many of them do so at the price of individual liberty, and I believe that what we desire in Canada, as elsewhere in the British empire, is not only economic security but individual liberty as well. Not only are we fighting a military aggressor, but we are supposed to be fighting for a way of life as well and not alone for the right to establish economic security.

To me the alarming situation with regard to some of these proposals that are being made is that they have as their basic philosophy the very philosophy against which we are in armed conflict and which we are trying to drive from the earth. As I look over the proposals I find that everything from absolute anarchy to absolute despotism is being advocated, and all in the sacred name of democracy. It is time that we gained a very clear conception of some of the objectives for which we are fighting, and in what I have to say this afternoon I shall endeavour to point out what I consider are some of them.

What constitutes our way of life? What are the requisites of complete democracy? What is the basic philosophy of our way of life? These are questions which are proper at this time and which ought to be answered. There are those who suggest that we ought to throw overboard everything that existed in pre-war days. Personally I cannot subscribe to that view. I do not believe that everything that has obtained in pre-war days is wrong and unjust. I think it is mere childish prattle to suggest that we must throw overboard everything in order to have a new order. Consequently the question arises: what are we going to preserve from pre-war days?

I believe the answer to that question depends upon certain basic major fundamentals which we desire to see obtain in the new order of which we speak. Some of these principles have been at work in what is referred to as the old order, and in my opinion we shall have to preserve the best of these principles, making changes or additions where necessary. There are three aspects of democracy—the political, the economic and the social. One could elaborate at great length on all three aspects, but this afternoon I wish to confine my attention particularly to the economic aspects of democracy.

I believe we are all fairly satisfied that we have a good measure of political democracy, but there is never anything so good that it cannot be improved, and there are many ways in which we could improve our political democracy, though on this occasion I am not going to offer any suggestions in that regard. Social democracy is largely dependent upon what obtains with regard to political and economic democracy. We have yet to achieve economic democracy in this country; and in

considering what is involved in economic democracy, the first thing we have to settle in our minds before we can make any progress is, what is the object of an economic system; what is its purpose; why have we an economic system? I suggest that the only legitimate purpose of an economic system is the production of the greatest desirable abundance with the very least amount of work and trouble. I consider that a sound fundamental. It is basic; and unless we properly establish the object of an economic system, then any superstructure we may erect upon it will be faulty and to no purpose.

I have listened to various proposals which have been made, but as yet I have heard no group in this house or outside it, other than those who subscribe to the social credit philosophy, advocate as a basic fundamental the maximum production of goods with the minimum amount of work and trouble. Today we hear from many quarters, including the speech from the throne, the suggestion that the object of an economic system is to find jobs, to put people to work at full employment. The speech from the throne states:

> 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.

I suggest that the providing of jobs is an illegitimate objective of an economic system. The objective of an economic system is, I contend, to produce abundance, whether or not that creates jobs. I consider that principle to be sound. I believe we ought to engage extensively in national projects once the war is over. The other evening the hon. member for Rosetown-Biggar (Mr. Coldwell) suggested that an appropriation of $5,000,000,000 ought to be set aside to be spent during the first two years after the war. I also observed, however, that he skilfully avoided indicating where this amount of money was to come from. I certainly believe there are many national projects in which we ought to engage when peace comes. There is no reason in the world why we should not have at least a two-lane, hard-surfaced highway from coast to coast, or a four-lane highway if necessary. There is no reason why all the roads in this country should not be hard surfaced, right up to the front door of the farm-house. There is no reason why we should not make every natural beauty spot in this country accessible to the people. I am very much interested in this aspect of our national projects by reason of the fact that I have the honour to represent one of the largest and most beautiful places of this kind not only in Canada but in the whole world. In looking over the situation I am satisfied that we could build a thousand miles of hard-surfaced roads in Jasper park itself in order to make these beauties of nature accessible to the people of Canada as well as to the outside world. I am satisfied that we could spend a million dollars very easily in one year in Jasper park in order to make it more readily accessible and more attractive. Again, I see no reason why we should not launch a national housing programme under which we would rebuild up to three-quarters of all the houses and dwelling places in this country. Again, our forests ought to be replanted and there ought to be far more fire protection than we have at present. We could also devote attention to the reclamation of waste land, to irrigation projects, and to the complete electrification of every home in the country.

I consider these legitimate projects; and if it takes work to bring them about, well and good. We ought not, however, to engage in these projects for the sake of providing jobs. We ought to build roads because we want roads on which to travel, not just in order to put people to work. We ought to rebuild houses because we want our people to live in the most congenial surroundings possible, not in order to put carpenters to work. If we adopt that attitude toward all our projects we are going to get somewhere; otherwise we are going to do a lot of foolish things such as we did previous to the outbreak of the war.

In carrying out these national projects, as well as in conducting our industrial enterprise, we ought to take the fullest advantage of all technological improvement and progress. As I have suggested several times already, there are those who constantly suggest that it is the duty of industry to provide jobs. I say definitely that is not so; it never was, should not be and cannot be. It is the duty of industry to produce, and that is its only objective whether or not it requires human effort. We all know that in this modern day, by reason of technological advancement, human energy is a very small factor in the production of anything. The constant trend of human endeavour ever since man was placed on this earth has been to free himself from nature-forced labour. That is why we have had all these modern inventions. Man is trying to free himself from the bugbear of drudgery so that he may have more leisure time, and I think that is a legitimate objective. We ought to use every piece of machinery that

can be devised by man, whether or not it puts people out of jobs; but we should see to it that everything produced by the machinery is distributed among the people. If this is done, if we take maximum advantage of technological advancement, it will mean that the necessary hours of work can be reduced to a very small amount, perhaps even to the extent of four hours a day for four days a week, as has been already suggested. This means that all the people would have leisure—paid leisure. Leisure is not a loafer's paradise. It is an opportunity for man to satisfy his creative instinct, an opportunity for him to satisfy his musical inclinations, his artistic inclinations, and many of the things which people call hobbies.

That is the attitude we ought to take with respect to this question of work. I assert that we are not fighting for a work state. A work state is simply a slave state. We are fighting for the opportunity to satisfy our creative endeavours. We are fighting for a set of circumstances under which man can engage in and satisfy his creative instincts to the maximum.

Therefore the first fundamental we must establish, if we are going to make progress in the establishment of a new order, is to insist that the purpose of an economic system is to provide abundance, and not jobs. A second fundamental which I suggest must be recognized and established is that there must be a definite relationship between the money issued, which is created and put into circulation in the nation, and the goods produced. I consider that one of the greatest false assumptions—and it is an assumption of Liberals, Conservatives and the Cooperative Commonwealth Federation as well—

Mr. GRAYDON: Progressive Conservatives.

Mr. KUHL: Yes; I beg the hon. member's pardon. I consider one of the greatest false assumptions in economic thinking is the assumption that automatically there is always a definite relationship between the money put into circulation and the goods produced. That is not so. There are direct statements, and statements which imply that national income and national production are one and the same thing. That is not true, and anything based upon that assumption cannot stand. It is false to assume that automatically there is always in circulation an amount of money which equals the prices of the goods the people are expected to buy. There are many who assume that if a farmer produces a thousand bushels of wheat and it is priced at fifty cents a bushel, automatically the consumers have $500 with which to buy that thousand bushels of wheat. It is assumed, too, that when a manufacturer manufactures shoes to the value of a thousand dollars, automatically the consumers have a thousand dollars with which to buy a thousand dollars worth of shoes. That is a false assumption, and anything based upon it is unsound. One can discover that by going into the books of any business. It can be discovered in the "Canada Year Book".

The sum total of the situation that existed in Canada before the outbreak of war was that we had a production of goods or goods priced to the extent of six billions of dollars, whereas the money paid out in the course of production was only around four billions. It is apparent that four billions of dollars in money or purchasing power, which represents all the money and all the income that all the people rich and poor alike have, cannot buy six billions of dollars worth of goods. Therefore any scheme or any proposal based upon the redistribution of the national income cannot do the job.

I contend that we shall not be on a sound basis until the amount of money put into circulation in this country is equivalent to or governed by the desirability and the capability of the people to produce goods. That was not the case in pre-war days, and if the policies still intact to-day are continued in post-war days, it will not be so then. The reverse is the situation to-day. I am referring of course to a time of peace. In peace time it is always the amount of money put into circulation which determines the amount of goods we shall have. The reverse should be the case. The amount of goods we have or the amount of production we have should determine the amount of money in circulation.

I say, therefore, that the key to the whole solution, to the solution to all the problems, lies in the restoration to parliament of its high prerogative, namely, that of creating and issuing the money of the nation. When the government has control of that prerogative, it is master of the situation. Does anyone think the old banker Rothschild was joking when he said, "Permit me to create and issue the money of a nation, and I care not who makes its laws." Was he simply joking when he said that? Of course he was not. If parliament is in possession of its most sacred prerogative, then the government is in absolute control—and not until then.

I say, therefore, that one of the major changes which ought to be brought about is the restoration to parliament of its highest prerogative, that of creating and issuing the

money of the nation. Once that is done, it should be the duty of the government to use money to reflect physical facts. That is not what happened between the last war and this one. That is not happening now. Money does not reflect real facts to-day; neither did it in pre-war days.

We are told that the cost of this war is blood, sweat and tears. That is true. Which of these elements is it that the Canadian people are not providing? Canadians as a whole—in the armed forces, in the workshops, in the factories, in the mines, on the farms, behind the desks, or anywhere you wish to go —are expending their energy, or are giving their time, and are applying all their ability. The people as a whole in Canada are providing the blood, the sweat and the tears from moment to moment as this war is being fought. Therefore they are paying for the war in full from moment to moment as it is being fought. Consequently our financial policy ought to indicate that situation. The fact is that it does not. Our financial policy indicates that we are not paying as we are going. We are going into debt. That is an absolutely false situation. It is preposterous and unjust to suggest that after the people of the country have paid for their participation in the war with their blood, their sweat and their tears, they should have to pay a second time for a good part of it. There is absolutely no need for a war debt, neither is there any need for a national debt in peace time. It is only so because of a false financial policy. Our financial policy does not reflect physical facts. Once the prerogative of creating money is restored to parliament, then it is the duty of parliament to make money reflect facts.

In the use of this privilege the first objective of the government should be to see that production is stimulated to the highest desirable possible level. That is the first thing to do once the government is absolute master of the money situation. Because of the manner in which prices are established in our modern industrial set-up, the situation always arises where production is in excess of income. Prices of goods are always greater than the money paid out in the course of production. This is not because somebody is getting away with exorbitant profits. If profits were fair all the way through, if all charges entering into prices of commodities were just and sound and fair all the way through, nevertheless the condition would be as I have stated. By reason of the way in which business is transacted to-day, the natural consequence is that prices of goods coming out of any institution are always greater than the money paid out in the course of production. Consequently there is always a part of the national production which is unmonetized, which is not represented by money anywhere, in people's pockets, in savings accounts or anywhere else.

The second duty of the government should be to use this privilege to monetize that unmonetized portion of production. In normal times, before the war broke out, there was a deficiency of approximately $2,000,000,000; there were $2,000,000,000 of prices of goods, the equivalent of which did not exist in money anywhere. In the post-war period there is no reason, provided production is stimulated to the maximum, by using the increase in production machinery that we have during the war, why national production should not go up to $10,000,000,000 worth of goods. The only limit would be the capacity of the machinery of production and the desire of the people to produce.

The difference between national income and national production must be monetized. It is the duty of the government to issue to the people, either directly or indirectly, an amount of money equivalent to the difference between total income and total prices. This money can be used for national services of one kind and another, for national projects and so on; it can be supplied to the citizens, either directly or indirectly, and as a consequence our economy will be balanced. I insist that when the government uses the prerogative of creating and issuing the money of the nation as it should, our economy will be balanced and, as a consequence, many of the problems which to-day are regarded as special problems will automatically disappear.

We shall no longer talk about the returned men's problems, either of this war or the last war; we shall no longer talk about the war widows' problems; we shall no longer talk about the problems of the aged, the blind and the maimed. We shall no longer be confronted with the problem of supplying medical aid and dental care. Farmers' problems will take care of themselves once the government is in supreme control of money. The government can then make any price for any commodity, and in that way the producer of any kind of commodity will be assured a just price. The labourers' problems will disappear and, as a consequence, they will have security and will be enabled to purchase the products of industry.

One problem which is common to all the problems raised both inside and outside the house is that of relating money to physical facts. When that is done, the majority of these problems automatically disappear. They

will be solved by reason of the fact that the major, fundamental and basic problem is solved. This would solve not only our internal problems, but would largely solve our international problems as well. It would remove the incentive for trade wars. Under present methods, by reason of the fact that the people of this country have never had an amount of money to buy the total production of the country, there is an incentive to export goods. Most of those goods could be consumed right here at home. The greatest potential market for Canadian production is the Canadian people. If they had an amount of purchasing power equivalent to the prices of the goods offered for sale, there would not be this drive for foreign markets, which is one of the contributing factors to the causes of war. We would distribute among our own people our own production to the limit of their desire to consume, and what would be left would be a genuine unusable surplus, a surplus which the people could not use. That would be something which could be legitimately traded for anything that we desired from the outside.

I suggest that if the fundamentals to which I have referred are established, we shall not only have economic security in this country in the post-war period, we shall also maintain and preserve our individual freedom. I should have liked to elaborate somewhat extensively the philosophies of some of the proposals which are being made to-day, but my time is about up and I shall simply say these words in conclusion. All the proposals that are put forth to-day as a solution or as a programme for our post-war days can, I believe, be classified in two classes. They have as their objective making either the people supreme or the state supreme. Some of them may lean slightly in one direction or the other, but all the proposals that are made can be classified in these two classes. I insist that we want a post-war period in which the people are supreme, in which the state is the servant of the people, not the reverse. Democracy stands for decentralization; totalitarianism stands for centralization. Any proposal that tends toward centralization of power is a repudiation and negation of democracy. We want decentralization. Let us, when we examine the proposals that are made, try to discover into which one of these two categories they fit. When this war is over, we are going to have, as a consequence of the peace terms we draw up and the proposals we implement, either a supreme state or a supreme people. If we establish and carry out the fundamentals to which I have referred, we shall have an economic set-up in which we may have economic security as well as individual liberty.

[Mr. Kuhl.]

Mr. J. K. BLAIR (Wellington North): Mr. Speaker, first I wish to compliment the government upon the splendid way in which they have handled the problem of price control. During the last war prices were allowed to go to extremes, and it was very difficult to arrive at proper valuations. I must say, however, that at the present time I am receiving many representations from farmers and farmer organizations in my constituency urging that the price of cattle be raised to some extent, but not to any excessively high level. Our farmers bought their cattle on the understanding that the Canadian price would be on a parity with the United States price. They have their cattle, and plenty of food on the farm for those cattle, but the Canadian price is not sufficiently high to guard the farmer against loss. Many of these cattle cost more than 11 cents a pound. It would be satisfactory if the price were raised to 12 or 12½ or even 13 cents. Our farmers would then sell a great portion of their cattle.

A report has been spread abroad that there is a scarcity of cattle in this country. I believe that report is false. I know of hundreds of stables which are full of choice cattle. They are not being sold by our farmers because they are not prepared to take a loss. They believe that they have what they consider a promise from this government that they would receive a price equal to the United States price. There is an embargo on Canadian cattle going to the United States, but it was understood that the Canadian price would be maintained on a level with the United States price and our farmers have bought their cattle on that understanding. Naturally to-day they are disappointed at the Canadian price. Many of them have written to me urging that the price be raised, and I think it is only right that I should bring this matter to the attention of the government. If nothing is done, these cattle will be thrown on the market when spring comes, and the market will be flooded with cattle. We should give the farmers some encouragement to produce, particularly because at the close of this war the food supplies which are available among the united nations will be a power which we can use in the peace negotiations. There are many Esaus in the world, and there will be many starving nations which will want food supplies. Consequently it will be realized that food supplies may play a great part in the peace negotiations.

Our farmers are deserving of consideration, and I think we should be careful not to shut

out our cattle entirely from the United States. It will be remembered that a few years ago Mexico was shipping three times as many cattle to the United States as was Canada. I took the matter up with the then Minister of Trade and Commerce, Mr. Euler, and asked him so to arrange matters that Canada and Mexico would ship cattle into the United States in the ratio of their respective imports from that country. Mr. Euler sent two men to Washington, and within four days he rose in his place in the house and stated that he wished to advise the hon. member for Wellington North that Canada's allocation of cattle to be shipped to the United States market was to be in proportion to our imports from that country. As a result of that agreement we shipped into the United States that year three times as many cattle as we did the year before, and that arrangement continued in effect until the present embargo was imposed.

It is a serious thing, Mr. Speaker, to close any avenue of trade and commerce.

Mr. ROSS (Souris): Hear, hear.

Mr. BLAIR: I am glad to hear that coming from the old Conservative party. I should not like to see the Liberal party adopt a policy of restricting trade and commerce, because trade and commerce is the great thing to keep any nation on its feet.

I trust that the representations which have been made by the farmers of my constituency will be given consideration by the government. They believe that some form of undertaking has been given by the government with respect to the price of Canadian cattle.

Moreover, I should like to see the control of our cattle trade put into the hands of the Minister of Agriculture (Mr. Gardiner). He may have his faults; indeed he has often been criticized in my district, but I have more confidence in him that I have in a bank manager. I am always afraid of a bank manager and will keep away from him in business affairs. I think it would be well for us to develop closer relations between Canada and the United States because we are both fighting in the same cause, and it should be possible to arrange for parity between the price of Canadian and that of United States cattle. Then our cattle would flow freely on to the market; the Canadian farmer would be on an equal footing with the United States farmer as far as price is concerned, and the Canadian farmer would win out every time because we have better soil, better cattle and better farmers. Therefore I hope that the government will give these representations its serious consideration. There is a real necessity for raising the price of Canadian cattle, and there is the further fact that when spring comes, if nothing is done in the meantime to raise the price to our farmers, Canadian cattle from east and west will be thrown on to the market. What will happen then to the price?

The packers spread the report that there was a scarcity of beef. Why, Mr. Speaker, the country is full of cattle, and the sooner we realize that the better. It would not hurt the Canadian people if a few of our Canadian cattle went over to the United States side. Those cattle would have to be paid for in United States funds, and we would still have a fair supply of Canadian cattle left to meet the demands of this country.

Mrs. DORISE W. NIELSEN (North Battleford): Mr. Speaker, when I listened to the speech from the throne I certainly realized that there is a tremendous number of problems which we must begin to tackle at the present time and that there is a great deal of planning to do; but reading the speech over again, I thought from what I knew of conditions in western Canada that there were some things which I should like to bring to the attention of this house which are far more urgent than any planning for future security. After all is said and done, the majority of us in this house realize that there are many things which have yet to be done before we can have any right to feel that victory is secure for us. A tremendous number of things must yet be done to ensure that victory, and in the doing of them we can lay the foundations for the post-war years. I am in agreement with planning; but planning, that is in an academic way, will fall far short of what will be required when the time comes to put those plans into effect, unless while the war is continuing we lay the foundation, the economic basis, so that we shall have something substantial upon which to work. It is because I believe this that I wish to devote the main part of what I have to say to the question of the fight on the food front.

Before I come to that, there is one thing I wish to mention in passing which came to my attention as I listened to the speech of the Prime Minister (Mr. Mackenzie King). Toward the end of his speech he mentioned the various categories or types of people whom he hoped to see as representatives in this chamber in the years to come. He mentioned labour and the farmers; he referred specifically to returned men and hoped that many of them would have seats in this house to help with future legislation. He then mentioned men with broad human sympathies. But he never mentioned anything about the women.

I cannot let that pass. I believe that every hon. member and every person in Canada will acknowledge that during these war years the women of this country have proved by their deeds what capable people they are. They have gone into practically every one of the industries which are vital to war production. They have undertaken heavy physical labour. They have also taken on types of work requiring executive ability and the kind of ability which is of the brain and not so much physical. In view of these facts, I hope that the omission to which I have referred in the Prime Minister's speech the other evening was not intentional but occurred merely because he failed for the moment to think; for when we realize what women have done, are doing and will continue to do to fight for the preservation of democracy and for Canada, all must agree that they have a place among legislators to decide on the issues of peace and war, to see to it that this country in post-war years has those things which the people need.

As I have said, what I wish to speak about mainly is the fight on the food front. It was stated in this chamber, I believe last session by the Minister of National Defence (Mr. Ralston), that with regard to the question of supplying men, materials or food, he would not like to place any one of them in the first position; that men, armaments and materials of war, and food, all three of them, are so tremendously important that none can be considered before the others. At the present time the position of the people who are fighting on our food front is receiving less consideration than any other branch of our war effort. During the recess I spent possibly about a week in my own home; the rest of the time I spent in the rural areas among the farming people of Saskatchewan and Alberta, and during that period I learned much at first hand as to the ability of our farm people to put up the fight which they want to make on their particular front.

Our job to-day in this house is to tackle immediate problems as they come up; that is the first job of legislators during a period of war, and I fail to see why the speech from the throne did not mention specifically this matter of the fight on the food front. I will not call it just an agricultural problem. Were I to do so, it might bring up in the minds of many hon. members something of a rather painful nature. It is rather like a boil on the neck; it has come up so much during the years of depression that now, in war-time, many hon. members think of agriculture, as they did in the past, as something which is painful because it is difficult. I speak of it as the fight on the food front to bring it before this house as a war emergency; for that is what it is. We are asked to tackle in a realistic manner the problem of increasing food supplies; and if we do so in the way in which we have tackled the problem of industrial development for war needs, not only will it aid in the winning of the war, but the measures we introduce to increase food production will lay the foundation of economic security for our farming people in the post-war years. We shall have a structure upon which we can plan. Unless the economic security of our farming people is made possible now, all the plans that are made will tumble about our ears like a pack of cards in the years after the war.

The question of the fight on the food front is not a political question; it is an issue of national importance. I am not bringing it forward because I am an opposition member and wish to use this material, so to speak, to hurl at the government because I sit among the opposition. It is a question which should command the interest and understanding of hon. members of all parties; and the speech of this afternoon of the hon. member for New Westminster (Mr. Reid) shows that it is a subject which hon. members on all sides are going to ponder more and more.

The Minister of Finance (Mr. Ilsley) has expressed the hope that this particular debate will soon finish so that he can bring before us some financial bills. I can understand his anxiety to attend to those matters; but let me point out that agriculture will not wait, either, because agriculture and the fight on the food front depend upon the seasons of the year. The matter of increasing the production of food and stock and of ensuring that the maximum acreage of land is under cultivation this year has to be attended to before farmers get out with their ploughs in the spring. The question of stock increase is particularly important in the spring of the year. Whatever we are hoping to do to fulfil the quotas which have been set for us must be done very soon. That is why I am anxious to bring before the house certain points with regard to this fight on the food front.

The increasing tempo of the allied offensive leads all of us to hope that in the very near future we shall be able to foresee the ultimate victory—the sooner the better. But in considering the question of food increases we must remember that the achievement of military victory does not mean that we can sit back with a feeling that there will then be no further need of these increases. With the winning of victory in the field, demands for

food and breeding stock for the countries of Europe will necessitate the increasing of our supplies many, many times.

What we have to do is to consider right here and now the problem of laying a correct basis for what we believe, and, in my opinion, properly believe, will be the necessity for increased food production over a period of many years. After all, we have a stupendous task. Last year we were fortunate in that we had the cooperation, shall I say, of nature. We had a year of bountiful rainfall, a year in which the production of crops was outstanding. But what basis have we for believing that the coming season will be as generous to us? Therefore we have to see to it now, in the early part of the year, that every possible piece of machinery, every single acre of land, and every animal are used and are ready for increased production during the coming season.

During the weeks and months I spent in Saskatchewan and Alberta, in very close contact with the farming people, I came to the conclusion that it was absolutely impossible for one to feel the degree of optimism which has been expressed by the Minister of Agriculture (Mr. Gardiner). The Minister of Agriculture himself, speaking recently in Saskatchewan, stated, as reported in the Saskatoon *Star-Phoenix* of January 16, 1943:

> There are sufficient reserves of man-power on Saskatchewan farms to make possible the increased production of hogs, cattle, butter and eggs which the government is seeking in this province this year.

I do not know of any people; I do not know of any section of the Canadian people who are working longer hours than are the farmers in western Canada. I do not know of any people who are striving more than they are to reach the production goals which have been set before them; and yet, after this close contact with the people, I fail to see how, under existing conditions, they are going to be able to reach those goals.

It is all very well for the Minister of Agriculture to be optimistic, but I must tell the members of this house that our farming people to-day are feeling a sense of frustration on account of their inability to reach those production goals for lack of that assistance which they need. To say that they are dissatisfied is to put it very mildly. In fact, I doubt very much if I could possibly express in parliamentary language the deep disgust of the farmers. I remember, as everyone does, the marvellous and stirring effect of the words of Mr. Churchill when he said, "Give us the tools and we will finish the job." The farmers of western Canada to-day are saying the same thing to the government of Canada, "Give us the tools and we will finish the job." At present, however, they are lacking the various things they need to give them an opportunity to step up production, and for that reason they consider that this one job of the great war service which they could render has fallen far short of what they would like it to be.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mrs. NIELSEN: To continue, Mr. Speaker, I find myself in disagreement with the Minister of Agriculture (Mr. Gardiner) again, upon the question of which type of farm we can look to for our increases in production. In one of his speeches I believe he drew an imaginary line across Saskatchewan and said that to the south of that line, where there are many of the larger farms, he expected to see large increases, particularly in live stock. I am willing to admit that these days in the provinces of the west there are many farms which still are not producing the maximum of which the land is capable, but this is so for various reasons. I think the Minister of Agriculture, in expecting increases in production on the larger farms, will find that lack of labour on those farms may, in some instances, bring about some curtailment of the production of live stock, instead of increases. It is on the smaller farms which stretch over the northern parts of the province that we have had great increases in the past and, I believe, can see further increases in the future.

The trouble, of course, is that the farmers are cautious. Owing to the fact that there is uncertainty in connection with prices, and no guarantee as to what the future may bring, many farmers hesitate to increase production even if they could do so, because in the past they have had some sad experiences. On many of the smaller farms we find that lack of ready cash with which to increase herds is preventing an increase in production. These farms lack the necessary machinery; they lack the foundation stock, and of course they also face a labour shortage. I do not think I have to remind hon. members that there has been a great exodus of people from the prairie provinces. That is an epic story, which perhaps some day will be written. The harvest of last year was brought in only because we were able to get workers from eastern Canada, and because we had the old grandfathers and

grandmothers and the school children out in the field. It is doubtful whether next year we shall have that supply of extra labour from eastern Canada, and therefore we have an extra problem in that regard.

What is really happening in those western provinces to-day? During the last few months, and in fact at the present time, valuable breeding stock has been or is being slaughtered, chiefly because of the lack of help but also because of the need of ready cash. Many of these farmers have wheat in their bins, but they have no cash, and therefore they are unable to meet their operational and living expenses. Therefore they have to forfeit some young heifers or other young stock in order to find the cash they need in order to carry on. There are people on many farms who would like to buy an extra milch cow which their neighbour has to sell, but they also lack the cash with which to do so. This year, in Saskatchewan particularly, we are asked for an increase of seventy per cent over last year's hog production, a tremendous increase. The fact is that we must realize that last year we lacked the proper accommodation on our farms for the increased number of hogs we then had. There was disease because in many instances our farmers lacked the cash with which to buy the necessary vaccines. I believe one of the field representatives of the provincial government stated that last year we lost forty per cent of the young hogs in Saskatchewan through disease, and that loss could have been prevented. Then we find that machinery in the west is breaking down, following the years of drought, depression and low prices. The machinery problem was acute even before war commenced; farmers were not able to keep their machines in repair or to buy new machines. To-day we find that there is a shortage of blacksmithing and blacksmithing repairs. High prices and the present regulations governing new machinery sales are penalizing some of our smaller farmers. Then, of course, cash orders are usually honoured first, so that the man who can pay only by instalments is penalized in this manner also.

I should like to mention one matter in particular with regard to industry in western Canada which I think is pertinent to the question of agriculture. I refer to the matter of distilleries. Before too long I should like to hear from the responsible ministers why we have not as yet any distilleries built and functioning in the western provinces. They are going ahead with distilleries in the United States; on the prairies of the western states huge plants are being constructed. I am informed that this government already has under construction at Sarnia a large plant for the manufacture of synthetic alcohol, and I am further told that this plant is to use oil as the base. This oil will have to be brought from Colombia or some other place in South America by tanker. I understand further that a plant using oil for the manufacture of synthetic alcohol takes about eighteen months to build and equip. That is twice as long as it takes to build and equip a plant for the manufacture of synthetic alcohol from grain. I am also given to understand that the cost of building and equipping one of these plants such as we have at Sarnia is twice that of building a distillery. What I should like to know is this. Why was this huge plant built at Sarnia instead of distilleries being built in the western provinces? Who is going to have this plant at Sarnia after the war is over? Is it going to revert to some of the great oil interests of this country, so that in addition to having a monopoly on oil they will also have a monopoly on synthetic alcohol and the manufacture of synthetic rubber? I am told that the mash which is left after the distillery has extracted the alcohol lacks a certain amount of starch but is very rich in vitamins and therefore makes a better feed for cattle and live stock than the original grain. Consequently, even from that point of view it would have been more advisable for the sake of the war effort and for the sake of speed and efficiency to build distilleries in the west instead of building this huge plant at Sarnia. As far as I can see, the use of alcohol in post-war years is going to be very important. In connection with the manufacture of plastics, particularly, alcohol is an essential ingredient. If some of these giant distilleries had been erected in western Canada we would have had a basis for the manufacture of plastics. We in the west have lacked industries in the past, and here was a base upon which we could have built something for the future. Apparently, however, we are not to have it. It appears to be nothing more or less than that once again the people of western Canada have been sold down the river, that private interests have once more had the ear of this government instead of considering the needs of our western people, both now and in the years following the war.

Then I cannot understand why, when various farm bodies in this country have brought forward proposals with regard to increasing production, those proposals apparently should be disregarded by the government. What is the good of farmers having elected, representative bodies to bring forward proposals if governments do not pay any attention to them? We have had proposals advanced by the federation of agriculture, by the wheat

pool and others, but apparently they have not succeeded in gaining the attention of the government. During the last recess I spent my time among the farming people of the prairies. There have been numerous conferences and gatherings of farm people, because the farmers themselves are only too anxious and willing to make their contribution to increased production. But as I said before they lack the facilities. At these conferences there has been very wide, broad discussion as to what the farming people need, and this evening I want to lay before the members of the house not my opinion as to what it is necessary to give the farmers of this country in order that they may have an opportunity to produce what is needed, but rather the suggestions which have been brought forward by the farmers themselves. Goodness knows, if anybody knows what is needed, they should know. With regard to their suggestions in connection with lack of labour and shortage of man-power, some hon. members may consider their proposals are somewhat drastic. But possibly we have come to the time when this man-power shortage can be solved only by the taking of drastic measures.

The first proposal, for the three western prairie provinces, is that for the time being and for some months ahead all voluntary enlistments be stopped.

The second, that the draft itself be postponed until at least the month of June, when work in connection with seeding operations is completed.

The third, that an arrangement be made during the season when help is greatly needed, particularly in the fall for harvesting operations, so that men who are taking their basic training can go to the fields and work under military discipline. Instead of doing their physical jerks three times a day, stretching their arms and touching their toes, I suggest that they be allowed to do stooking. That would limber up their muscles just as well, and they could do it under military discipline. In that way there would be established a feeling between the farmers and the forces that they were doing work of national importance which has to be done.

The fourth has reference to the women's land army. That has already been mentioned by the hon. member for New Westminster (Mr. Reid). I am of opinion and have been for some time—in fact I believe I mentioned it last year when I spoke—that women can be very effective on farms. I think a small number of women could start, first of all, to see how efficient they would prove to be. It would be possible to get from farmers an estimate of how many would be willing to take women on their farms. In many instances these women would not have to be trained. They would be well qualified to drive tractors or trucks, or to milk cows or feed poultry. There might be the necessity of giving some of them a few weeks training. The government would equip them with strong footwear, breeches and a good stout coat. There is no reason why these land girls could not prove as beneficial and as efficient as the land women have proved in other countries.

Again—and this, I would remind the house, is from the farmers themselves—they consider that on many farms where the whole family has to be enlisted in farm work, where the son, the daughter and the wife go out and do outside work, a cost of living bonus should be paid not only to all agricultural labour but to sons, daughters and wives of farmers who can prove that they put in so many hours of work each day outside in the fields.

Then, with regard to the encouragement needed to producers to get into production, I have one or two observations to make. First of all, I must say I read in the press this afternoon that it is quite possible we may have a food ministry. I am satisfied that this will go some way toward helping the present situation. In any event, removal of control of prices on agricultural products from the war-time prices and trade board is an essential procedure. There should be an upward trend of prices toward parity. Not only that, but legislation should be brought down in this House of Commons ensuring over a period of years, or at least for one or two years into the future, a definite price standard or level, so that the farmers may know what to expect.

Then, there is the question of small loans for the smaller farmers. I have been on farms where, for lack of a small amount of cash, farmers who had plenty of feed did not have money to buy an extra cow or two to milk, or did not have money to buy concrete to build a hog-pen so that they could increase their hog production. With a little money women could go into the raising of poultry so that they could sell eggs. And, remember, if we went into poultry raising on a greater scale we would be helping out the beef shortage we are likely to encounter soon. For lack of cash on many thousands of farms production, which might otherwise be made possible, is going to be impeded.

These loans need not be large. I believe $200 or $300 might be as much as any farmer would want. When we come to consider it, the loans could be made on the land. I believe these loans should be interest free. We could lend $200 or $300 each to a hundred

thousand of our farmers, and still the aggregate sum would be roughly only two per cent or three per cent of what has been taken from our national income to help speed up industrial production. The cost itself relatively is really very small. Small loans would be used for building up stock, for payments in connection with the operational expenses, so that farmers would not have to sell the stock they now have in order to take care of their living expenses.

I do not think the farmers in the west are wanting any special sectional interest with regard to machinery, but they are expecting that machinery requirements will be taken care of better than they were last year. There is no doubt an understanding on the part of many hon. members that lack of repairs was responsible for the break-down in our farming operations last year, and that this is why so many stooks to-day lie underneath the snow. Possibly an increase in the quota of repairs will be necessary, if we have as bountiful a crop as we had last year, and if we have a large acreage of coarse grains seeded this spring.

I believe that the matter of lower prices for farm machinery is something which must be tackled by the wartime prices and trade board, or whoever is responsible. I say that because present prices of farm machinery are beyond the reach of the small farmer, even though by custom work he put such machinery to full time use.

We shall have to have more cooperation among the farmers, and I know they are going to be willing to give that cooperation. They are going to pool their machinery, and work as they worked in the early days, sharing the machinery which is available. They will go a long way toward cooperating with this government and do everything within their power, as long as the government will give them the little bit of assistance they so desperately need.

As far as increase in hog production is concerned, I believe that there, again, loans would do a great deal toward helping the situation. Some assistance must be given by the government to the small farmer in connection with supplying free vaccines, so that these farmers may not have the loss from diseases that they had last year. Then, too, farmers need greater grading supervision for cattle, hogs, cream, eggs and poultry. I think we should have a youth-training plan to include courses in dairying, poultry-raising and so on, so that our young people on the farm may grow up competent, and may be able to make the greatest possible production in their various fields.

[Mrs. Nielsen.]

I find it is almost impossible to go into great detail in the forty minutes allowed. It is impossible to discuss in detail the many improvements necessary for the farmer. I have seen in the press, however, that provincial governments are assisting in the setting up of small farm committees, and I would recommend that the federal government should do everything within its power to assist in this idea of the setting up of those committees. It is not a bit of use for the farmers to set up committees and take stock of what is needed in their own district unless they can have the assurance that the federal government will listen to their needs, and will supplement what is needed in the districts concerned, as far as supplies, stock, machinery and other materials are concerned. If they had the assurance that the federal government would do that, I believe there could be built up a scheme of cooperation between farmer and government which would result in an encouraging increase in production.

As I said before, this is a detailed matter, and something which cannot be covered by any blanket scheme. Schemes such as we have had in the past such as bonuses for the reduction of wheat acreage and for increases in the production of coarse grains do not give the assistance which is needed. That assistance is required in various ways on the smaller farms. I need not remind hon. members of the old rhyme about the lack of a horseshoe nail resulting in the lack of a shoe, the lack of a horse, the lack of a man, and finally the loss of a battle and a nation. What is the use of our planning a war effort as a nation, if any one of those branches in the war effort is falling short. If we fall short on the food front, then that shortage is going to damage the national effort of Canada all the way along. We must pay attention to the needs of our farm people. They are not asking for special attention; they are not asking for anything for their own salvation; they are asking only for an opportunity to get out and produce in a fair and decent way that which is needed.

If this government will give the necessary attention to the details, then I consider that there will be an opportunity not only to fulfil the quotas but to have on our farms in western Canada the right kind of security and happiness instead of frustration. Our farming people will then know that they are able to make a contribution worthy of them. Without these small details being attended to, we shall have cattle being slaughtered when they should not be slaughtered; we shall have fewer hogs; we shall have honey not collected; we shall have

sheep flocks not being started; we shall have less feed grain, fewer eggs, poultry and so on. It is a question of paying attention to the details in connection with all these smaller interests. If that is done, I feel that the farmers of western Canada not only will fulfil what is expected of them but will find that security and that basis for post-war planning which is so necessary. All they are asking is that they shall be given an opportunity to fight as they want to fight. In other words, they are saying to the government, as I said before, "Give us the tools and we will finish the job".

Mr. DANIEL McIVOR (Fort William): Mr. Speaker, I should like to take up a few minutes of the time of the house because I believe I have something to say. First of all, I should like to congratulate the leader of the opposition (Mr. Graydon). I consider him a Christian gentleman, and that is about the highest tribute one can pay to a man. In my imagination I see the Elijah of the past and the Elisha of the future travelling to the Jordan of the Winnipeg convention. I come back to the house and I find a pleasant thing. I saw that Elijah had cast his mantle and allowed it to fall on the shoulders of the youthful Elisha. I can see him with that mantle striking out into the future to help the common people of Canada. I congratulate the Conservative party upon having these two leaders, because they are really one.

The speech from the throne interested me considerably. The first thing I want to speak about is something that I was determined to bring before this house, namely, that there should be some form of health insurance, whether it is called state medicine or any other name. About six years ago I introduced a resolution into this house, and I did my best to have it agreed to. I was supported by the hon. member for St. Boniface (Mr. Howden), but I am sorry to say that there were four medical members of this house who opposed the resolution. The next year they had changed their minds, because three of them did not speak while the other one supported it.

I find now that the Canadian medical association is in favour of some form of health insurance. I should like to refer to the words of my old friend, Doctor Gordon S. Fahrni, who was president of the Canadian medical association last year. A year ago he said that there were two very good arguments why health insurance in some form should be provided in Canada. One was the sense of security which would be given to the people during the post-war reconstruction and rehabilitation, and the second was the fact that if the war continued for many more years we would find ourselves under a bureaucratic rather than a democratic form of government. He told the medical association that health insurance in some form was coming and that they should get behind it. The Canadian medical association met again in Ottawa on January 19, 1943, and they passed unanimously the following resolution:

1. The Canadian medical association approves the adoption of the principle of health insurance.

2. The Canadian medical association favours a plan of health insurance which will secure the development and provision of the highest standard of health services, preventive and curative, if such plan be fair both to the insured and to all those rendering the services.

It is a fine thing to know that now the government is bringing forward some form of health insurance. The public is behind it, especially the farmers. If anyone has suffered during the past years because of a lack of medical service it is our farmers. It was not those who were on relief; it was those who come in between, the men who would rather do without medical treatment than put their wives and families into debt.

They have many fine leaders in Ontario who are not afraid to speak their minds, but I was a little disappointed when one leader found fault with the administration of the dependents' allowance board in Ottawa. When I heard that, my dander was up. I do not think this board warrants criticism of that kind. I have sent a great many requests to them, and I have yet to be treated other than courteously. I have always been given splendid service. When the board was organized Mr. MacNamara put it on a sound basis, and I want to pay my tribute to the efficiency of that board.

I should like to congratulate the Prime Minister (Mr. Mackenzie King) upon the speeches he has been making. I would commend to hon. members to my left the speech which the Prime Minister made to the congress of labour in Toronto. I think we all realize that he is a leader of the first water. He spoke of the new order, and I believe he meant it when he said that it must be built on a sound foundation. He continued:

The new order must be based on faith, leading to cooperation between the parties in industries and to cooperation among the nations of the world. The new order must be based on human rights; not on the rights of property, privilege or position. The new order must be a world order. It must be governed by a universal rule of law.

It will be seen that this new order is tempered with mercy, whereas the new order in Germany is based on inequality. I know hon. members will expect me to congratulate the Prime Minister upon his radio address on

temperance. I think he was most sensible and showed the clergy of Canada how they should act. If they would give the leadership that the Prime Minister of Canada gave, they will be leading in the right direction. I commend the reading of that speech to hon. members.

I should like to say a word about Fort William. The Department of National Defence hit us rather hard this year when they took away our fine skating rink to make it into an armoury. However, the sports and athletes of Fort William are not to be beaten. They have made other skating rinks, and hockey games are being played every night all over the city. After the war they will be able to provide the finest of hockey players for the rest of Canada and the United States. I would remind the Minister of Public Works (Mr. Fournier) that there is a petition piled high in the Department of Public Works asking for an armoury. But we did not get it, and I did not push for it any harder than I ought to in this house.

I should like to thank the Department of Public Works, the minister and his officials, also the Postmaster General (Mr. Mulock) and his officials, for allowing us to use the basement of the new post office for a dry canteen. It was taken over by a group of unselfish women; a lot of money has been spent on it, and it is at present the best used place at the head of the lakes. It is all right to have enough to wet one's whistle with, when you wet it right. This dry canteen is now in difficulties because, while the building is fireproof, these young men and young women are denied the right to dance.

I should like to mention a few of the things that we have at the head of the lakes. We have farmers there who are just a little bit restless owing to lack of farm help. Some of them have had to sell out on that account. I think it should be made perfectly clear to the farmers of Canada that any man who is essential to the work of the farm will be left on the farm. I know that the registrars of the selective boards are doing a great job and that it is their duty to find men for the armed forces, but men are also essential to carry on agriculture.

The resources we have at the head of the lakes are astounding. The other night I heard an address by a specialist of the Great Lakes Pulp and Paper company, and he convinced me that if the pulp and paper resources of the Thunder Bay district were utilized to the full they would provide work for everybody in the district and for far more than that. As a result of recent scientific discoveries, wood and pulp are taking the place of steel, and the gentleman who gave this addressed convinced me that we had enough resources in the timber limits of the Thunder Bay district to keep everybody working.

Our city is now organized for the reconstruction period that will come after the war. At the head of the lakes we have also shipping, and mining, and I should like to read now a resolution from the city of Fort William which was pressed home. It is as follows:

That the attention of the provincial and dominion governments be again drawn to the fact that a vast deposit of nickel and other valuable minerals is being allowed to lie undeveloped near Shebandowan lake in the district of Thunder Bay and that this property is practically untaxed.

This council feels that the owners should be required to develop this ore deposit or in default of this, the government should have thorough tests made of the ores and arrangements made to have same put into channels of production for the benefit of the united nations in this struggle.

West of Fort William we have perhaps the most outstanding mining area in the whole Dominion of Canada, and we are grateful to know that the "Go" signal has been given by both the provincial government and the dominion government to the Steep Rock mine. This is perhaps the finest source of hematite ore that there is in Canada. According to Judge McKay and Julian G. Cross, an eminent mining engineer, our iron ore apart from nickel and other types of ore at the head of the lakes, if developed, would make the whole Dominion of Canada boom.

I should like now to say a word to the men in Canada who I think have been wronged by the war. There is no group of men who have been harder hit by the war than the commercial travellers. One of them came to me and told me that he took out a life insurance policy two years ago, paying a premium of $501, but at the end of the second year he had to let his policy lapse because the sales of the article he was selling had been so drastically curtailed. That insurance policy had cost him $1,002, and all he received from the company when the policy lapsed was $235. In two years the insurance company made out of that commercial traveller $767. I have apprised the Minister of Finance (Mr. Ilsley) of the facts of this case. I do not think any insurance company should be allowed to get away with that sort of thing; I care not whether they contribute to the victory loans or anything else. It is practically taking away what does not belong to them.

I should like to speak for half an hour on the need for extending the old age pension, but I am sure that this subject will be well taken care of by others. A government like ours which has fathered the old age pension,

will surely see to it, when it knows that public opinion is behind it, that the present old age pension of $20 a month is increased to something like $30 a month, so that those old people who through sickness or misfortune or perhaps even through their own neglect have been unable to provide for their own old age, will be assured of enough to eat and a place to sleep in their declining years.

I come now to the chief reason why I wanted to speak to-night. No government in Canada has done more for labour than this government. I supported vigorously not very long ago a law brought in by the late Minister of Justice giving labour men the right to organize and making it a crime to dismiss workers for belonging to a union. Men should have the right to organize if they are citizens of Canada, but if they are not citizens of Canada I think they should keep quiet until they become naturalized. I have been interested in labour practically all my life. I take second place to no man in this house or outside in being interested in the man who toils. I know what he feels like when he works for ten or fifteen cents an hour for perhaps ten or twelve hours a day. I know what he feels like when he spends his money foolishly or spends it in a way that does not bring in the results he expected. But just the same I say that every man needs a job; when he gets a job he needs to put a day's work into it, and I think labour on the whole is ready to do that. I heard a labour leader say at the head of the lakes the other day: "We should have no strikes in Canada now." He also said: "We should have no underpaid workers in Canada now." I know of a plant at the head of the lakes where at one time some men were working for thirty-five cents an hour while others were getting two dollars an hour. I gave my criticism to a member of that union. To-day the lowest-paid man in that industry receives fifty-seven cents an hour. I say that every man has a right to a living wage. The Minister of Labour (Mr. Mitchell) thoroughly agrees with me, and that is why I am going to support him.

In this matter we need cooperation. I hope the government will bring in legislation making it compulsory that representatives of the workers, the management and the directors shall have meetings to forward cooperation. I have attended meetings of this kind in one industry at the head of the lakes, and I learned a great deal. But when a man who is head of a corporation says, "I am not here in the interests of labour, of the worker; I am here to make money for the people who have their money invested", that man in my opinion is not fit to lead men; he is simply a tool. Labour, management and capital need to practise the golden rule, so that, as the Prime Minister said, quoting President F. Cyril James, there will be a levelling up as well as a levelling down.

Here I should like to interject that I have been greatly disappointed to learn that men working for the Canadian Pacific Railway have been removed when they had only two months to go before being entitled to pension. They have received no pension, and although they might be taken back and work for two more years it would make no difference in this respect. There should be some way whereby, when a man works until two months before entitlement to pension, he should receive part of it.

I am also of opinion that a man and a woman doing the same work should get the same pay. To give the man more money is a mere relic of the system under which man lorded it over the weaker sex.

I wish now to make some reference to the Minister of Labour. I suggested to the Prime Minister that he should get an outstanding labour man to represent labour in the cabinet. He told us the other day definitely that he tried to get Tom Moore. When he could not get Mr. Moore he took Mr. Moore's advice, and we have the Hon. Humphrey Mitchell. Before I have finished I shall show the house that the Prime Minister did not make much of a mistake.

History shows us that some men run along for quite a time before they encounter difficulties; but the greatest leaders of the past and even of to-day are men who have had the experience of being pretty well hounded out of office. Take that great Irishman of whom all of us who love a fight like to think, the Duke of Wellington, who relieved Europe of the scourge of Bonaparte. When Wellington became Prime Minister of England, because he did not pass legislation which suited certain classes they stoned him in the streets of London, broke the windows of his carriage, and tore his horses away. Yet the great Wellington came back. I think of another man whom nobody to-day would dare to call a second-rater. Some of us remember that when Winston Churchill first entered the House of Commons he was well recommended, but it was not very long before he became just a lone wolf. The Liberals did not want him; the Conservatives did not want him, and certainly labour did not want him. But Churchill had a message for the nation and the world, and to-day he is doing a great job. I would say to the Minister of Labour, "Let the other fellow do the worrying. You stick to your job; look after the man who toils,

and if you do, some day the sails will flap the other way and you will find that the men who are most against you will be right on your side."

I do not agree with those who say that all labour in Canada wants the resignation of the Minister of Labour. That is not according to my information. I find this report in a Winnipeg paper:

Stand of Mitchell praised by McBride

Approving the stand taken by Canada's Minister of Labour, Hon. Humphrey Mitchell, in the recent controversy regarding the operation of selective service in Canada, J. L. McBride, business manager of the Electrical Workers' Union, to-day forwarded a wire to Mr. Mitchell. It read:

Hon. Humphrey Mitchell,
Minister of Labour, Ottawa.

Dear Sir,

Permit me to congratulate you for your recent actions. Had Elliott Little been permitted to carry out his theory of selective service the efforts to place men in suitable employment by business managers of labour organizations and even labour unions themselves, would be nullified. Take little notice of the gushes from Bengough, Mosher, Swailes, Chapel and others who do not seem to understand the situation. Carry on, Mr. Minister.

J. L. McBride,
business manager,
Electrical Workers' Union.

Let me tell hon. members who Mr. McBride is. Jack McBride is known in Winnipeg and was known to me before I left that city, my second home. He is one of the oldest trade unionists in Winnipeg, and, for that matter in Canada. He is an officer of the International Grand Lodge of Electricians, as well as being business agent of the local. As far back as 1918, at least, he was their business agent. He is the labour member of the workmen's compensation board, having been appointed by Mr. Bracken.

When I think of labour leadership to-day, I contrast the lot of some men working for fifty-five and fifty-seven cents an hour with the position of leaders of labour in the United States who receive bigger salaries than that of the Prime Minister of Canada.

Robert Levitt, general secretary of the United Mine Workers of America, district 18, Western Canada, gets $7,500.

William Green, president of the American Federation of Labor, $20,000 a year and expenses.

Philip Murray, president of the Committee of Industrial Organization of America, $20,000 and expenses.

John L. Lewis, president of the United Mine Workers of America, $25,000 and expenses.

Caesar Petrillo, Chicago, gets $25,000 a year as president of the Chicago local of the American Federation of Musicians and another $20,000 as president of the American Federation of Musicians, national body.

He plays a great tune, and they pay for it. I think that, when the leaders of our labour organizations can receive from the toilers of Canada and the United States from twenty to forty-five thousand dollars a year, they should practise what they preach and share up with those at the bottom.

The chief objection to the present Minister of Labour comes from C. H. Millard, national president for Canada of the Committee of Industrial Organization. It is a rather peculiar thing that he is candidate in York West for the Cooperative Commonwealth Federation for the next Ontario provincial election. I am not going to labour that, though I may have something to say about it later on.

Who is this Minister of Labour? When the minister came into this house he had a record behind him, and that record is still unsullied. Here it is:

Financial secretary, local 105, International Brotherhood of Electrical Workers, 1919.

Secretary, local 105, International Brotherhood of Electrical Workers, 1920.

Delegate, Hamilton Union Labour League, 1920.

Delegate for a number of years to Hamilton District Trades and Labour Council. President (two terms) and secretary (twenty-two terms) of Hamilton District Trades and Labour Congress of Canada, 1924.

Member, Ontario executive board, Trades and Labour Congress of Canada, 1924.

Chairman, Ontario executive board, Trades and Labour Congress of Canada, 1925-31 inclusive.

Secretary, Ontario executive board, International Union of Operating Engineers, 1924-36.

Member, Institute International Affairs.

Member, Canadian Political Science Association.

Delegate to conventions of Trades and Labour Congress of Canada, 1919-36, serving as chairman or member of various committees.

Appointed by the Trades and Labour Congress of Canada to serve on a special committee on workmen's compensation, under the chairmanship of the late Senator Gideon Robertson, Edmonton, 1928.

Served on a special committee of the Trades and Labour Congress Railroad Brotherhood in preparation of case submitted to Chief Justice Middleton acting as a royal commissioner on workmen's compensation.

Chairman or member of grievance committee, Dominion Power and Transmission Company and Hydro-Electric Commission, 1919-29.

Financial secretary, International Union of Operating Engineers (one year).

Delegate and member of committees of International Conventions Union of Operating Engineers, 1924-30.

Secretary, Hamilton Cooperative Creameries and prime mover in its organization.

Delegate to the British Trade Union Congress, representing Trades and Labour Congress of Canada, Brighton, England, 1933.

Delegate to International Federation of Trade Unions, representing Trades and Labour Congress of Canada, Brussels, Belgium (served on a number of commissions appointed by this body).

Visited Russia on the invitation of and as a member of a trade union delegation, 1935.

Visited Poland, Germany, France and Holland in 1935, studying the labour movements and the general conditions in these countries.

Alderman, city of Hamilton for three years.

Member of the Hamilton Board of Education one year. Resigned owing to duties in Ottawa as director of labour transference.

Member of Board of Governors, Hamilton General Hospitals, 1928-37. Resigned owing to duties in Ottawa.

Member of the House of Commons, 1930-35.

Perhaps this is where he made a mistake. He did not line himself up with anyone. He wanted to be an independent labour man and that he was, and that he remained. He was president and secretary of the central branch, Independent Labour Party of Hamilton. He was secretary of the Independent Labour Party of Ontario for a number of years, and at the request of the late Hon. Norman Rogers, a former Minister of Labour, he served on a special committee to investigate relief camps from November 28, 1935, to March 20, 1936. He was director of labour transference from 1936 to 1939, when the camps were demobilized, transferring men to railways, farm work and other employment, and he also negotiated agreements with all the provincial governments.

In this connection I met him, and I formed my opinion as a man with, I believe, fair judgment and with a bias toward the man who toils. The minister negotiated agreements with the provincial governments with respect to the farm placement scheme and the establishment of forestry camps and work in British Columbia, Alberta and Manitoba, to meet the problems of the single transient unemployed. He directed during 1938 the rehabilitation of men in the older age brackets and negotiated agreements with various provinces to assist in the general organization plan.

I wonder where in heaven's name can you find a man who has a better background to lead labour in the House of Commons and in the government of Canada than the man who, we are told, is not fit to occupy the position. I like to stand up for the man whom certain people like to strike when he is down. I say to the minister again: Carry on. Do your duty and let the other fellow do the worrying. Trust in the Master Workman, and you will blaze, in this house and in the country at large, a trail that will be second to none in Canada.

I should like now to say a word about the soldiers. I congratulate the government upon the increased pay not only to soldiers but to their dependents, and with your permission, Mr. Speaker, I should like to place on *Hansard* a table showing that the highest paid soldiers in the world are Canadians. For the man with wife only, the amounts are as follows:

Country	Amount
Canada	$59 40
United States	50 00
Australia	42 78
New Zealand	34 92
South Africa	42 09
United Kingdom	24 06

As will be seen from this table, Canada stands at the top, and I think the government should be given credit for this. As I said last year, why take a man out of his work, make him a soldier and pay him less money than he was getting. Before the government has finished, I hope it will pay the soldiers better than ever before because they are the ones who are taking the risks.

I congratulate the Prime Minister upon the fact that when the corvette *Port Arthur* put a submarine out of business he gave honour to whom honour was due. I would ask the Department of National Defence, however, when they are sending their silver crosses to mothers, not to forget, where there is no longer a mother, to send the cross to father, sister, aunt or other dependent. It is not very much to ask, but it would mean a great deal to a woman to look at the cross and say, "That stands for my brother."

The men in uniform were rightly honoured when two of them were chosen to move and second respectively the motion for an address in reply to the speech from the throne. I was greatly interested when the hon. member for Winnipeg North (Mr. Booth) addressed the house the other day. I do not think I

have ever sat in this house when more rapt attention was given a speaker than was accorded that lieutenant-colonel. Let me tell the house something of the spirit of the youth who have left Fort William. One of our boys, who was a great helper to me—how I miss him!—a splendid young musician, got his wings, but he was not satisfied to stay in a training centre though his mother wanted him to remain there. He said, "The struggle is bigger than I am", and I think that is typical of the youth of Canada. I know what it felt like after the last war when returned soldiers could not get twenty-five cents an hour, and we did our best to find employment for those who were refused work. After this war is over, whatever government may be in power, if work cannot be found for the returned men and others, whether I am in this house or out of it, I shall be leading these men in an effort to obtain employment and to impress upon the government the needs of the community.

I understand, Mr. Speaker, that there are to be some changes in the house. Well, there is one change I should like to see. When you are opening this house in a very reverent way, only the members are present. I think the house should be thrown open, at least to the press; I think the press should hear you when you lead us in prayer and ask for victory. They may not appreciate it, but in our press gallery we have many gentlemen whom I consider to be very fine, Christian characters.

In one point I disagree with the Minister of Labour. I think every toiler should have his Sunday off. He will do more work; he will be a happier man, and he will be able to make a better contribution to the welfare of the country at large if that is done. I should like to quote from "The Common Problem," written by William R. Yendall, in which he quotes a philosopher whom I knew and whose works I have read, John Watson of Queen's:

> Gentlemen, a serious thing has happened in Europe. Official Germany has abandoned a spiritual interpretation of the world and has adopted a materialistic interpretation. History does not always repeat itself, but it has an uncanny habit of doing so and if it does so in this instance I would say that rivers of blood will flow before this wrong in the world of thought is righted.

That was written in 1912. We all know what happened after that and what is happening to-day because of materialistic Germany.

Mr. SPEAKER: I have to inform the hon. gentleman that his time has expired.

Mr. McIVOR: I could finish in three minutes.

Some hon. MEMBERS: Go on.

[Mr. McIvor.]

Mr. McIVOR: Thank you. Sunday observance was recognized by the great Gladstone as the bulwark of the nation, and I think it is the business of the church in Canada in all its branches to work and fight for freedom. The great apostle to the Gentiles said, "He is free whom the truth makes free, and all are slaves beside." The church to-day and the governments of Canada stand at the cross-roads, where error and selfishness drive men to confusion and conflict, speaking the right word, offering sympathy, dispelling darkness by the alluring vision of a grander conception of the Master Workman. It is littleness that makes people unhappy and afraid. It is the sense of kinship, of the Power and Wisdom of the universe, that drives out fear and greed; and when a man knows the ground on which he stands and practises his faith every day, whether he is the Minister of Labour or the leader of the Progressive Conservative party he is doing something that will contribute to Canada that which will be vital to the welfare of our country.

Mr. SPEAKER: During the course of his remarks the hon. gentleman wished to place a table on *Hansard*. That can be done only with the consent of the house, since it is a practice which should not be followed because of the possibility of abuse. With the consent of the house it may be done.

Some hon. MEMBERS: Agreed.

Some hon. MEMBERS: No.

Mr. SPEAKER: If objection is taken, the table may not be placed upon *Hansard*.

Mr. GRAYDON: We are not sure what the table is.

Mr. SPEAKER: The hon. gentleman read a comparative statement of the pay and allowances of soldiers in our country and those in other countries.

Mr. COLDWELL: Is the table accurate, up to date and authentic; and by whom is it compiled?

Mr. SPEAKER: I take it that there is not the unanimous consent which is required.

Mr. GRAYDON: We are not anxious to place any obstacle in the way, but there is a suggestion that the table may not be entirely accurate.

Mr. G. K. FRASER (Peterborough West): Mr. Speaker, this is the fourth debate of this kind in which I have had the privilege of taking part, and I do so to-night in the hope that I may be able to offer the government one or more constructive suggestions in order

to help Canada's war effort. I do not say "the government's war effort"; I say "Canada's war effort," because without the help and co-operation of all the Canadian people there could be no effort and no production. In last week's issue of the *Financial Post* the hon. member for St. Lawrence-St. George (Mr. Claxton) said that what was needed in this country was constructive help from the opposition and the press, and less carping criticism. I feel that the press of Canada and this loyal opposition have offered constructive criticism during these war years. I also feel that without this carping criticism, as it is characterized by the hon. member for St. Lawrence-St. George, Canada's production to-day probably would be on a 1940 basis instead of a 1943 basis, because it has been this criticism by the press and the loyal opposition that has pushed, shoved and prodded this government into taking action, whether or not it wanted to do so, in order to carry out the suggestions brougth forward by the press and the opposition.

I will acknowledge that to-day we are producing very well, but that is not the fault of the government; it is the people themselves who want to produce. Part of the trouble to-day may be found right here in this House of Commons. The members of this house are not allowed to voice their views as they should, owing to the rules of the house and, I may add, the lop-sided parliament, because there are too many members on the government side. The press is not allowed to criticize the government, nor are we. We are told that if we offer any criticism we are hindering Canada's war effort. The press is afraid to criticize the government as it would like, because the government have many advertisements to put in the newspapers such as war-time prices and trade board and ration board ads, and others, and if the newspapers criticize the government too much they are afraid these advertisements will be withdrawn.

You will notice, Mr. Speaker, that I referred to our war effort. I did not say our total war effort, as it was characterized in the speech from the throne, because we do not have a total war effort in Canada to-day. We have an effort, but it is by no means total. We all know that the people of Canada can do and are willing to do more than they are doing to-day.

Right from the start the allies have expected Canada to do more, and they are expecting us to do more right now. In fact, Canada is to-day on the spot. To use a slang expression, we are behind the eight ball. Canada must show the whole world that we will and can do things. Unless we do, after the war is over we shall not be a favoured nation; we shall not share in the world's trade, as we would if we were a favoured nation. Unless we do, we cannot expect prosperity and happiness.

To-day in Canada there are certain groups of people who take every possible opportunity to destroy peace and happiness within Canada. They attempt to create dissatisfaction among our people. Canada was built by pioneers, built by our forefathers who worked and sacrificed in order that you and I might have the things we have to-day. They built for the future, these hardy, rugged individuals. They hewed paths and made clearings; they built their log cabin homes, many of which still stand. They built on solid foundations. The people who are causing dissatisfaction within our borders, these constant cackling fellows, tell us that we should not have ambitions, that we should be content to have complete government control of everything. That would be a wonderful state of affairs for people who are not supposed to have ambition, but who, if they ever obtained control of the country, would have control of our farms, our stores, our homes, our houses, our automobiles, our working hours, our hours of recreation—everything. These people without ambition would dominate; they would control you and me and tell us exactly what to do and what not to do.

This is the condition people in Canada fear to-day. They fear government control of everything; and that is why I believe that, as soon as this war is over, all these government controlled bodies should be done away with. If they are not dismantled, all those things for which our armed forces are fighting will be lost. All those things which soldiers' wives and mothers and families have deprived themselves of and suffered will have been for nought. Those boys who have been killed overseas will have died in vain. I say: God help Canada if we have full government control after the war. If we as Canadians are not allowed to do our own thinking, to do our own governing and to act for ourselves, we shall be in a position even worse than the cattle one sees in a cattle car—because those cattle are at least good for food. We would be good for nothing.

As one man told me, he felt that if those people advocating government control obtained power, we would be controlled by a handful of control-crazy fellows. We would be subjected to all sorts of regimentation—and we have had enough of that.

We can have peace and happiness in Canada after the war if we go about it in a sane and sensible way. I suggest that a sane procedure would be for the government to adopt the Bracken fourteen points, as laid down at

the Winnipeg Progressive Conservative convention. The wartime prices and trade board regulations have forced men and women out of business. Those men and women have been compelled to sell their stores, their garages, their homes, their farms, and in many instances they have lost their life's savings. But the government has done absolutely nothing to reimburse those people for their losses. Many of them are to-day in want because of government regulations which even the devil himself would have difficulty in deciphering—regulations issued to-day by the wartime prices and trade board, changed to-morrow, changed the next day and perhaps changed the next day, and then perhaps at the end of the week thrown out entirely, and something new offered in their place. It is high time the regulators making these regulations should be regulated. Canadians are willing to put up with almost everything to win the war, and accordingly I suppose we shall have to put up with these regulations until after the conflict is over. I hope—I know—that the end will be victorious.

Canadians are hoping that, when the war is over, the rest of the world will look to Canada and say that Canada saw her duty and did it well. We in Canada must not and will not fail, if we have the proper leadership—leadership such as that offered by Churchill, and by Roosevelt, leadership the British are proud of and the people of the United States are proud of. If we had leadership like that in Canada, our Prime Minister (Mr. Mackenzie King) would have been at Casablanca instead of here, at Ottawa, trying to dig up out of the Progressive Conservative policy as laid down at Winnipeg a pre-election platform which he could include in the preparation of the speech from the throne.

I doubt very much whether the government will ever carry out some of the promises contained in the speech from the throne, because they are only promises. On the other hand the policy as laid down at Winnipeg will be carried out. Health insurance and hospitalization have been and are likely to be mentioned many times. In my opinion the house should set up immediately a special committee on health insurance and social security. At the present time we have a measure of unemployment insurance. Most industrial organizations across Canada have a system of health insurance to which the workers contribute. In some instances the plants pay the whole shot. At the present time, however, there is something the worker is worrying about, as well as the storekeeper and others. These men are worrying about sickness in their homes. They feel that if they must send a member of their family to the hospital, it will likely take all their life's savings. This has happened in many homes throughout Canada. I was talking to a man the other day who had mortgaged everything he had to pay hospital and doctor's bills for his wife. He had lost everything by reason of sickness.

A committee should be set up to study hospitalization as well as health insurance and such matters. It should consider methods of keeping the people healthy, and ways should be found to stop the spread of disease. The spread of tuberculosis and certain social diseases has caused great unhappiness throughout Canada. Many such cases have come to my attention in the years I have been in welfare work, and this will be borne out by children's aid society and salvation army workers, as well as by ministers and priests. I know I am right when I say that a healthy nation is a happy nation.

In the rural districts there is practically no hospitalization and very little medical care. In isolated districts throughout the north country babies are being born without any medical care, and the mothers know that they will have no medical care. I understand that the Canadian Red Cross Society is taking care of this to some extent by guaranteeing doctors in certain districts an income of $4,000 a year if they will look after the territory within a radius of twenty-five miles of their office. This plan was set out in the *Canadian Medical Journal* of October, 1942.

Canada is spending very little in checking up the health of her people. The report of the auditor general for 1942 shows the following expenditures:

Industrial hygiene	$ 7,294 99
Medical investigations	24,007 34
Child and maternal hygiene	22,106 18
Public health engineering	33,368 44
Nutrition services	7,134 46
Venereal diseases	49,408 82

I think the government would have been better advised if it had put into our health services the $1,500,000 which was spent on the plebiscite. I do not think the Minister of Pensions and National Health (Mr. Mackenzie) will contradict me in that statement.

There is something else the government has side-stepped in the speech from the throne. Agriculture is mentioned, but it is just glossed over because the government is really unfamiliar with farm problems since it has not given proper leadership to our farmers during the war years. I called the farmer the forgotten man in 1940, and that term has stuck to him ever since. I think he will always be the forgotten man until we have an absolute change of policy. To-day the farmer is out on a limb, and the government has put him

there. After putting him out on the limb, the government has proceeded to saw it off inch by inch. Many farmers have fallen to the ground, and many more will fall unless we have a little better direction in connection with farming.

Farmers who are operating dairy farms to-day do not know how they will carry on unless they get help this spring and summer. I know of one farmer over seventy-five years of age whose wife is sixty-eight years of age, and the two of them are looking after a herd of twenty-seven cows. They are working eighteen hours a day. They will be able to stand that only so long before they will have to quit. There are many thousands of farmers across Canada who are not looking for time and a half for overtime even though they are working from five o'clock in the morning until midnight; all they are thinking of is to do their bit, and they will continue to do it even though it kills them. I know it will kill many of them. If our farmers, the dairy farmers especially, do not get help, our dairy production will drop considerably during this year.

I suggest that in Ontario, and in the other provinces where there is extensive dairy farming, the government should make a survey of all farms in order to see which ones can be tractor-ploughed, disced and seeded. The government should then form a farm tractor corps of trained tractor men, even though it may be necessary to take these men out of the armed forces. This tractor corps could work day and night in eight-hour shifts to plough, disc and seed these farms. This work requires skilled labour which the farmers cannot get. The government will have to provide this help. In reply to the query, "What is parliament's main job?" by the *Financial Post*, January 30, 1943, I replied:

> There are many main jobs facing parliament at the coming session, but in order to keep up the morale and health of our people the production of food I believe is one of the most important. Numerous farms will not be in production this year owing to lack of skilled farm help. I suggest that farms be put on a munition basis. I also suggest a survey be made of all farms to see which ones can be tractor-ploughed and seeded. Skilled farms corps should be formed in each district to plough, disc and seed these farms on a custom basis at below cost. These tractor corps should operate twenty-four hours per day. Women's land army of uniformed corps should be formed and capable farmers working on poor land should be moved to good land to produce.

I was pleased to hear the hon. member for North Battleford (Mrs. Nielsen) and the hon. member for New Westminster (Mr. Reid) refer to a women's land army. In Great Britain they have 53,000 women in their land army, and I notice from the paper, I think it was yesterday, that they expect that number to be doubled this year. The harvesting on these farms could be done by women and also by school boys and girls, because harvesting does not require the skilled labour that seeding and ploughing require.

I should like to make a suggestion on the subject of education, a subject which was not mentioned in the speech from the throne. Voluntary committees should be set up throughout Canada to pick out bright and healthy—that should be one of the main qualifications—boys and girls with a view to seeing that they are put through university to become doctors or dentists, scientists, engineers, agriculturists. To-day in Canada we have many boys and girls who would be only too willing to go on to university but whose fathers and mothers cannot afford to send them. I know of one particular case, the child of a veteran of the last war, a girl who won a scholarship, the brightest girl in the whole of Ontario, who was unable to go on to university on account of the lack of funds. It is boys and girls like that who should be helped.

There is another subject upon which I shall touch. I had not intended to mention it, but the Minister of Pensions and National Health (Mr. Mackenzie) is in his place and that is why I refer to it now. It is with regard to the men and women who have been discharged from the armed forces and returned home, some of them after two or three years in the service. I know of one case—the minister knows it too—where a boy had been in the service for a year and a half and was then returned home. He was anxious to do some work even if he had to do it sitting down. He wanted some work to do with his hands. The pension board gave him a pension of forty dollars a month. The boy, of course, is tickled pink to have the forty dollars, because he has been sponging on his sister who has had to go out and work to support him. But the boy is anxious to do something for himself and earn his own money, and there are many others who are in the same position, anxious to do something for themselves. We should not wait until after the war to prepare jobs for these men and women. We should have jobs for them now, and if there are no jobs for them we should create jobs. Surely there is something they can do even if it is done in their own homes.

I have touched on many subjects, Mr. Speaker, but in war time there are many subjects of interest to us all, and I can only thank the house for its indulgence.

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, the hon. member for Rosetown-Biggar (Mr. Coldwell) and the hon. member for Winnipeg North Centre (Mr. Knowles) have placed before the house the opinions of this group with respect to social security and most of the other matters arising out of the speech from the throne, but there are a few observations which I should like to make.

First, I want to join with those who have preceded me in paying tribute to the two members who moved and seconded the address. They made excellent speeches. There is, however, something I wish to point out in that connection. It arises from the statement which was made particularly by the hon. member for Medicine Hat (Mr. Gershaw) and others that the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address represented in this house the armed forces. I do not think that statement is correct, and I draw attention to it advisedly. Both these hon. gentlemen were elected by constituencies in Canada and sent to this house to represent their respective constituencies. They became members of the armed forces later on, and to classify them as giving voice to the opinions of the armed forces is not correct, for they have no mandate to speak for the armed forces and can express only their own opinions; and being members of the government party they are morally obligated to express the opinions of the government on any matters pertaining to the armed forces. I say that not because of any antagonism to these two members themselves. I listened to their speeches and heard them eulogize—and rightly so—the educational programme which the government is carrying on in the armed forces. They also drew attention to many other matters which were favourable to the government.

I know that the members of the armed forces both in Canada and Great Britain have definite opinions upon the question, for instance, of rehabilitation, and they have definite grievances with respect to legislation now in existence and affecting them at the present time. The members of the armed forces cannot be represented in this house unless the government is prepared to change the elections act to permit the armed forces both overseas and in Canada to nominate and elect their own candidates to this house, with a mandate from the armed forces on matters pertaining to them and their future. Until such time as that is done, I do not think anyone has the right to create the impression, consciously or unconsciously, that some particular member or members exclusively represent in this house the armed forces. We pay tribute to those two members themselves for the fact that they are in uniform and recognize the fact that a greater contribution to winning the war is necessary than merely lip-service. They have demonstrated that they are prepared to make their maximum contribution to winning the war.

I have taken this position, Mr. Speaker, and I have taken it advisedly. If I am elected to represent a constituency in this house, that is a big job at the present time, and any member who comes here and tries to do that job is going to have to work at least sixteen hours a day. On the other hand, if I feel that my maximum contribution can be made in the armed forces and I decide that that is where I am going, that is a full-time job also, and anyone who undertakes to do the two jobs can do neither one of them well. With all due respect to those who are in uniform, I think a decision should be made one way or the other as to whether they belong here or in the service, because no man can do both jobs. It is done in England, some will say. It is all right in England, because the armed forces in Britain are in the front line, and when you are in London or in any other part of England you are at the front.

Mr. MACKENZIE (Vancouver Centre): Many members of the armed forces are in the British house every day.

Mr. MITCHELL: The hon. member for Cape Breton South would not suggest that these two hon. gentlemen should resign their seats in this house?

Mr. GILLIS: That is entirely up to themselves. I am merely pointing out that either one of these jobs is a full-time job, and when you try to do both one of them suffers. I know this statement may not be popular, but I make it in passing and I am not particularly anxious whether it is popular or not, if it is correct. I think it is correct, and I am prepared to make it. I do not intend to allow anyone to create the impression that certain things are being done that are not being done. Definitely, the forces require direct representation in this house; and as far as this group is concerned, it is prepared to give it to them. I would welcome in this chamber men, who I know have definite ideas with respect to the future and the things they are fighting for, sent back after a free election, to put forward their programme. I can assure you, Mr. Speaker, from conversations and correspondence I have had with them, that we of this party would see eye-to-eye with them on almost everything. Until that is done, the illusion is not going to be created that the

armed forces have direct representation. There are many things of which they complain, as every hon. member knows. For example, there is the question of dependents' allowances. There is an angle which should be straightened out, and if I represented exclusively the armed forces I would draw attention to it; in fact I have done so on several occasions during the past two years. I refer to the practice of discontinuing the allowance to dependents when the man is absent without leave for more than twenty-one days. There are a number of such cases at the present time. If the absence is longer than a couple of months the allowance is cut off. It is a pathetic situation. The man is away; the woman has a family, and often she is put in the position where she is obliged to place the children in a home. It is a crying shame, if the army accepts the responsibility of taking a man and placing him in the forces and he commits an infraction of military law, that his dependents should be punished for it. He himself should be punished; but he is not, because his food and clothing are provided for, and even after he is picked up he is no worse off. His wife and family, however, have to go through a period of misery and degradation waiting for the allowance and the straightening up of the situation. There is quite a lot of that, and it is something which should be taken care of. The attention of the house has been drawn to it on many occasions.

Again, the increase of pay looks very nice on paper and is a good gesture, but it is not working out as it should, and it is not what it should be. My understanding was that the soldier was to receive twenty cents additional and that his pay would be increased to $1.50 a day without any strings on it, but I find that quite a lot of strings are attached to it. He must be in the army for four months before he gets the first ten cents, and then only upon the recommendation of his commanding officer. When he has been in the army for six months he receives another ten cents, again upon the recommendation of his commanding officer. Discretionary powers are placed in the hands of the commanding officer. If he recommends it, the man gets the ten cents; if he does not consider him an efficient soldier, the extra twenty cents is withheld. If he has a crime sheet or has been confined to barracks, he is not considered an efficient soldier, and accordingly he does not get the increase. Also, he must make application for it. Consequently there are strings on this increase, and I contend that there should not be, if the government meant to award the increase of pay to the armed forces. I had accepted the statement as I saw it in the press, and I did not know the facts until I came to Ottawa, since the opening of the house. There is unfortunately quite a lot of friction in connection with the administration of this matter, and there should be service representatives in the house to take care of it.

I am concerned about the treatment of the soldier. The soldier has a definite place in the future of this country. I do not like the present trend of events, and I am particularly anxious that the soldier is given everything that we think he is fighting for. I do not want to see any antagonisms created in the mind of the fellow who is overseas to-day and will come back here some time. There are elements in this country that would like to use him for their own purposes, and there are developments which may make this possible. I believe every hon. member would be well advised to see to it that those at present in the armed services, both men and women, are well taken care of, and that everything we can do for them is done. Let us not make gestures that we are going to do something and then put all kinds of administrative stop-blocks which build up antagonism. Far better not to do anything than to put forward an attractive paper programme and give it an administration which will not make it workable.

The Minister of Pensions and National Health (Mr. Mackenzie) is sitting opposite. He knows the problems of rehabilitation, the plans necessary to deal with them, and the run-around they are getting. There is resentment right across the country. I am not speaking here to-night for the purpose of creating antagonism or helping to break that machinery down. I want to see it work; there is no other hon. member who tries harder to make it work than I do. But the administration with respect to the whole programme is not what it should be. It is developing many illusions which I do not like to see developed, and making it possible for people to capitalize on it whom I do not want to see capitalizing on it.

I make these observations in passing on account of the fact that someone has said that the mover and the seconder of the address in reply to the speech from the throne represent in this house the armed forces. If the soldiers are to be represented here, I want to see them represented in the way I mentioned, namely, by being sent here by a free election, nominated by the troops themselves, and having their own programme. It will then be our duty to see that that programme, embodying the hopes and aspirations of the services and brought direct from them to this house, is carried into effect.

I now wish to say just a few words to my hon. friends to the right. I do so because they have invited our attention. We of this group endeavour as far as possible to deal on their merits with the matters before the house. Nevertheless, when someone brings us into the picture by criticisms which we do not think are legitimate, or tries to misconstrue what we stand for, we are obliged to reply to them. I notice that my hon. friends to the right have acquired a new name—the Progressive Conservative party. I am not particularly anxious about the tag. It does not make much difference what label you put on a thing; it is the basic principles which count, and whether they can be applied or not. It seems to me that the major job of that particular party at the present time is to get in between the Cooperative Commonwealth Federation and the Liberal party. Their technique is clearly expressed in this chamber by each member of the party as he rises and through their official press, the *Telegram*, the *Globe and Mail* and the Montreal *Gazette*. For the past two or three months these newspapers have consistently referred to the Cooperative Commonwealth Federation, not as such, but as the "socialist party". The socialist party is, of course, a left wing movement, and the Liberal party is a right wing movement, and therefore the Progressive Conservative party is going to get in the centre with a sound and sensible programme for the people of Canada. What I want to make clear is this. The leader of the Conservative party—

Mr. MacINNIS: Which one?

Mr. GILLIS: The one in the house at the present time. He is the leader. The one outside is, in my opinion, just an organizer. He is not doing very much leading, he is organizing. The leader of the official opposition did a very good job. His initial performance was good; he made a nice speech, and I believe he means what he says. But my job to-night is to try to warn him. He is fishing in troubled waters. There are many sharks, and an innocent chap like him is apt to find himself in a lot of trouble.

They have tried to prove to the people of Canada that the Cooperative Commonwealth Federation is bringing to Canada some foreign ideology, a mysterious something imported from other parts of the world. Let me call attention to the fact that the Cooperative Commonwealth Federation party in Canada was born out of the needs of the Canadian people. It represents the efforts of the Canadian people for the last thirty years to lay down a political expression for themselves in Canada. For at least twenty-five years I have had some knowledge of the different labour parties across Canada, from British Columbia to Nova Scotia. I know that in 1932 they came to the realization that there was no solution for our problems in the provincial fields, and consequently men and women who were active over that period of time met in Calgary and examined the problem on a national basis and set up a national organization, because our problems are national and not provincial. That is where the C.C.F. was born.

It was a federation of all the existing political organizations of labour and of farmers in the country at that time, and they drafted a programme based on the economic set-up in Canada, couched in language which is acceptable to the mentality of the Canadian people. Better than that, they meet in convention every year. That programme and policy is reexamined by the rank and file of the Canadian people, and if it is necessary to change it they do so, but the control is completely in the hands of the people. If we do not like Coldwell next year, we shall replace him by democratic vote at the convention. Complete control is in the hands of the people, and that is as it should be, but we have gone a step further. We have taken no chances on building a bureaucracy from the top that can hold a convention in 1919 and not hold a convention any more. The people have nothing to say under such an organization. We have rooted ourselves into the economic organization of the people and have affiliated our party with the trades unions as they did in Britain. The C.C.F. in Canada is following the British pattern, and the only way to make a political organization a democratic organization is to have its roots in the economic organizations of the people and the control in the hands of the people. That is the C.C.F. in Canada to-day. Farmer, industrial worker, affiliate, meet in convention, draft a programme and elect a leadership, and that will be done year after year. There is no other way of building a democratic political organization. There is no chance of a dictatorship or of a state controlled society growing out of that kind of organization. Make no mistake about that. That is why we are so anxious to anchor ourselves to the Canadian people and keep control of the political organization completely in the hands of the people.

With respect to the question of socialism, I am not ashamed of being called a socialist. After considering the question for a long time, and making an examination of the system under which we now live, I have come to this conclusion, and I do not want our friends

across the way or to the right to make any mistake about this. What we are witnessing in Europe to-day is the last struggle of a dying system going out the hard way. Organized society lasts only as long as it serves the need of the people. There is no doubt about that. There was barbarism and then savagery and feudalism, and this system took over from the feudal system. It was born to solve one of the first problems of man, that of production, and it solved it 100 per cent. For many years prior to the outbreak of the war we had everything in abundance necessary to feed, clothe and house the people and afford them luxury, but unfortunately control was in the hands of a small group and they withheld it from the people. When it no longer served the needs of the people it travelled its cycle. It will travel the road as the other systems have done. It will go out either by evolution or by revolution, one way or the other. It went out in Europe, unfortunately, in some sections, by revolution. It was extended in others in the only way in which it can be extended. This system cannot continue to function except in the way that Hitler is making it function, and I challenge anyone to contradict that statement. It is an extension of the capitalist system, the last stand, the boss with a gun at the head of the worker, extracting his profits. That is not my opinion; it is the considered opinion of everyone who has studied the question. I am simply expressing the opinion of men who have made a thorough analysis of the situation. That is their description of it. We are fighting a war against that. That is what we are fighting against to-day the continuation of this order of society. We must be cognizant of that in Canada. They are in Britain; I have no doubt about it. I have watched developments there, and they are marching in the right direction, as they are in Australia and New Zealand. But we are not doing that in Canada, and that is why I am alarmed at the situation. The trend of events in Canada is the reverse.

What is the difference between capitalism and socialism? It is not difficult to understand if you have lived on wages most of your life and have run into the system the hard way. It is very plain and simple to me, as it is to the average worker. You call this system capitalism because the dominant factor in the system has been the protection of capital. Every one of our laws was designed to protect capital, while human values were given no consideration. A good example of it is this. If you bought a farm, or a piano, or a radio, or anything else, on the instalment plan, and were taken ill and your income ceased, at the end of a month or two months or a year you would be called before a judge, and he would say to you, "You agreed to pay a certain amount of money on a certain day." You might reply, "I am not working; my family are suffering; they have nothing to eat, and I cannot meet these instalments." But you may have nearly paid for the commodity or whatever it might be. No matter; the judge will tell you that you agreed to pay, and your condition of affairs is given no consideration. The mortgage is foreclosed, and they will take your house or piano or radio from you, because the dominant factor in the system has been and now is the protection of capital as against the recognition of the rights of man. That is the plain and simple truth.

On the other hand, why would you call the new order of society, socialism? For this reason, that we would change the existing laws, and we would so frame the laws of the country as to make the dominant factor in the system the protection of society itself, the people. We would make human values take precedence over monetary values. We believe in abundance where there is abundance, and in the organization of society there would be abundance for everyone wherever it was possible to produce it. And it is possible to produce it. You would not have to cut off the head of anyone here, but there is a small group at the top that claims and controls and withholds from the great majority the things that are necessary, and someone has to take hold of that situation and so reorganize society as to distribute back to the people the things produced under the system.

That is my understanding of socialism. Would we build a state-controlled machine? No; I would be the first one in this house to fight that with every means at my disposal. But I know the programme and policy of this party is not that. As I have said before, it is control from the bottom. If you understand what statism means, you have it now in Canada. The present government is administering absolutely and exclusively a complete state-controlled order of society, with absolutely no representation from the ordinary common people of the country, who have nothing to say with respect to the writing of our laws. To-day the controls are completely in the hands of one group.

Mr. MACKENZIE (Vancouver Centre): That is nonsense. I represent the common people of this country as much as my hon. friend does.

Mr. GILLIS: It is not nonsense.

Mr. COLDWELL: Thirty-five thousand orders in council.

Mr. GILLIS: In my opinion the Minister of Pensions and National Health, under the present circumstances, has about as much say in making the laws of this country as I have. I see the laws of this country being made to-day by controls set up on the outside, and who are in on these controls? Neither the Minister of Pensions and National Health nor anyone else on that side of the house is writing these orders in council; they could not do it. They are being turned out somewhere on a mimeograph, and who are in on these controls? Well, there is Canada Packers, there is International Nickel, there is Dominion Iron, Steel and Coal, there are Simpson's and Eaton's, and all the big monopolies of this country in on the controls. There is no common, ordinary representative of the people, expressing the viewpoint of the great majority of the people, who has anything to do with the turning out of these orders in council.

I am not quarrelling with the controls; I realize that a certain amount of control is necessary in war time. I am quarrelling with who are controlling, what they are controlling for, where they are going and where we are going to wind up. The same people are in complete control to-day who brought about the situation which led to what we have over in Europe at the present time, with the same short-sightedness, selfishness, and fear of social changes. Therefore we have the present situation, and they are in there taking no account of the common ordinary people of this country, of their needs, their hopes or their aspirations. Some hon. members opposite tell us that we are never going back to what we had when this war broke out, and I agree with that statement. But they stop there; they do not tell us what we are going to have when the war is over.

Mr. REID: No man can tell you that.

Mr. GILLIS: I can tell you; it will be what we have now. We have complete regimentation, and that regimentation is going to remain.

Mr. FULFORD: What does the C.C.F. advocate but absolute regimentation?

Mr. BLACKMORE: Just listen and you will find out.

Mr. FULFORD: I have listened to that for years.

Mr. GILLIS: The C.C.F. advocates equal representation on these controls. That is the answer, plain and simple. If you take Dominion Iron, Steel and Coal and give them charge of the fuel control board and the making of your fuel control policy, then take the man who digs the coal, the man who manages the mine, the man who negotiates contracts for the people who mine the coal, and give them equal representation on that board, as they do in Britain.

Mr. MITCHELL: Have we not done that here?

Mr. GILLIS: We certainly have not done it here.

Mr. COLDWELL: It is the last thing in the world the Department of Labour has done.

Mr. GILLIS: And if Canada Packers have their representatives writing orders in council in connection with their own particular interests, take in some of the men in the plants, who may have equally good ideas about production; take in some of your farmers, directly from the farms. These are the things to do. We are not quarrelling with the controls, but we want representation on those controls, representation by the man who produces on the land and in industry. What is wrong is that there is no such representation. That is a good example of statism, but that is not what we are advocating. There is no one in Canada to-day fighting harder against that sort of thing than we are. We want an equal share of these controls. That is the only thing necessary.

I leave these thoughts with my hon. friends to my right, because as the situation is to-day there is absolutely no difference between the two old parties. One is out; the other is in. If one is not fooling the people successfully, there is an ace in the hole; the money will be sent behind the other party. They will put in a Mr. Bennett or a Mr. Graydon or someone else who will carry on the little show, and the opposition will cross to the other side. Then the other party will say, "Well, now we are out, but we are going to get in again. We will wait until those fellows fall down on the job and then go in again." There is absolutely no basic difference between them; fundamentally they are exactly the same and will be as long as we have an economic dictatorship in this country, as we have now and as we have had all during my lifetime, with control of the resources of the country in the hands of one small group. By virtue of the money it controls and the industry it controls that small group can swing elections to suit itself, can bring on depressions when it sees fit. If you want to be progressive you must get over here and join this party; you must accept a programme that means social change. At present there is no change. It is immaterial to me which party sits on either side of the house;

behind the scene sits the invisible government, just watching. When one party is not doing the job well enough to suit it, and in its interests, then it gives its money to somebody else and that party comes in at the next election. That is the situation. I just want to leave these few thoughts with my hon. friends here, because I have a good deal of respect for the present house leader of the opposition. I know that he is honest and that it is just a matter of talking and explaining things to him. Then I think he will be on the right road.

I rose particularly to deal with another matter which gives me great concern, namely, the situation in industry itself. On one other occasion I rose in this house and drew attention to the possible developments at Kirkland Lake. One of my friends on the Montreal *Gazette* criticized me roundly later on, saying that I predicted such and such, that I told the house what was going to happen. My only thought in bringing these matters to the attention of the house is to try to offset them. In the present circumstances I do not think strikes, upheavals and stoppages of work should be permitted to take place. They should be stopped before they occur, and that can be done if common sense and a little judgment are used. To-night I am going to refer to the steel strike, which really was not a strike but a spontaneous walk-out; it was not a called strike in that the officials of the organization had nothing to do with it. I bring up this matter for this reason, that five thousand of the men involved in that walk-out live and work in my constituency; that is the steel workers at Sydney, Nova Scotia. For that reason I followed developments very closely. I know all the things that were done by the steel workers' organization, both national and international, with respect to finding a solution of that problem, without success. I have seen those steel workers referred to in the press as saboteurs of the war effort, as doing a disservice to the war effort, and there is no doubt that the walk-out did not help the war effort. But the responsibility for that walk-out does not rest with the steel workers' organization or with the men involved. I place the responsibility squarely at the door of the government, and particularly the Department of Labour.

Mr. MITCHELL: Does my hon. friend think he is helping the present situation, which we have more or less clarified, by raising the question here this evening? The matter is before the national war labour board at the request of the steel workers. Does the hon. member think he is helping the situation by criticizing the government or any other agency at the present time, after we have just pacified the situation?

Mr. GILLIS: Yes, I do.

Mr. MITCHELL: With the consent of the steel workers.

Mr. GILLIS: Yes, I do, and for this reason: If I had any indication whatsoever that that matter was settled, or that it would be settled satisfactorily, then I would not be saying anything about it. But—

Mr. MITCHELL: When my hon. friend says this, does he not question the good faith of the national war labour board? In advance he makes the statement that the matter is not going to be settled. I think that is a reflection upon the board. It is a reflection upon labour and upon the representative of the employers on the board.

Mr. GILLIS: I cannot take any other attitude, and for this reason. I have in my hand the order in council which was passed. This is order in council P.C. 689, which was passed on January 26, 1943. In it there was a settlement, or an armistice. The situation, as it stands to-day, is not a settlement.

Mr. MITCHELL: The hon. member is talking arbitrarily. We are trying to make a settlement.

Mr. GILLIS: But the order in council prevents it. That is the reason why I have mentioned it. This order in council prevents a settlement. I will read only the last clause of it. It states:

> It is understood that the government will adhere to its price-ceiling and wage-stabilization policy.

That is the very thing that brought about the present trouble. If this order in council means what it says—and I think it does—then the adherence to the wage-stabilization and price-ceiling policy is going to precipitate the trouble all over again.

Mr. SLAGHT: Would the hon. member permit a question?

Mr. GILLIS: Yes.

Mr. SLAGHT: Does he realize that the men themselves agreed to the present status quo in an effort to settle the matter, without further trouble?

Mr. GILLIS: No, they did not.

Mr. SLAGHT: Of course they did.

Mr. GILLIS: No, they did not. I happen to have been pretty close to the Sydney steel workers. They accepted this agreement with

a proviso, that if their full terms and their full demands were not met within thirty days they would resume the walk-out.

Mr. SLAGHT: Yes; but they accepted it in the hope that a peaceful solution would be reached.

Mr. GILLIS: Yes.

Mr. SLAGHT: Is my hon. friend helping matters by raising them here while the steel workers, as well as the government, are endeavouring to work it out?

Mr. COLDWELL: Mr. Speaker, I would suggest that you give the hon. member who has the floor the opportunity of placing his case before the house, and then the hon. gentleman opposite may make his speech afterwards. These interruptions should not be counted in his forty minutes.

Mr. MITCHELL: It is a false statement.

Mr. SLAGHT: The hon. member did not protest.

Mr. COLDWELL: He did not sit down.

Mr. SLAGHT: I will not sit down, on your dictation.

Mr. COLDWELL: I did not say that the hon. member for Parry Sound (Mr. Slaght) should sit down. I was saying that the hon. member who is speaking did not sit down while the hon. member for Parry Sound was interrupting him.

Mr. SLAGHT: He is not sitting down now to hear you talk, either.

Mr. COLDWELL: But I did not interrupt him.

Mr. SPEAKER: The hon. member's time has expired.

Some hon. MEMBERS: Go on.

Some hon. MEMBERS: No.

Mr. COLDWELL: That is not fair.

Mr. DOUGLAS (Weyburn): There have been innumerable interruptions.

Mr. SPEAKER: The hon. member may proceed only with the consent of the house.

Mr. SLAGHT: I think he should be allowed to go on. I interrupted him.

Mr. GILLIS: I draw this to the attention of the Minister of Labour (Mr. Mitchell) and of the house. I know something about these matters, and if this order in council means what it says, then you are going into that trouble all over again. If I had the time I could prove conclusively to the Minister of Labour, by documents and so on leading up to the trouble that that condition existed with the steel workers from April, 1941. They started in on this in April, 1941, and there was no walk-out until January 12, 1943.

Mr. MITCHELL: I do not wish my hon. friend to leave the impression that the matter came into the hands of the federal Department of Labour in 1941. Let us have that clear. I do not care what the hon. member says, but I would make it perfectly clear that when the matter came to the federal Department of Labour—and I am not making any criticism about any other department, or the machinery of the board—they got the commission as soon as it could be established. And of course the strike took place before they had received the report of the commission.

Mr. GILLIS: This matter was in process of negotiation before the present Minister of Labour took office.

Mr. MITCHELL: Yes.

Mr. GILLIS: It was under negotiation.

Mr. MITCHELL: You know what labour negotiations are; they are continuous.

Mr. GILLIS: From 1941, when the first application was made before the Department of Labour, it has gone through the process of negotiation, until January, 1943. I think the men were patient and long-suffering. But that is not what I am concerned about. I know definitely that it was the adherence to the price-ceiling and wage-stabilization policy that precipitated the whole matter. The commission under their terms of reference were prevented from bringing a settlement back. They met, not to decide as to whether the wages asked were justifiable, or whether the company could pay the wages the steel workers were asking, but they met to determine whether P.C. 5963 gave them the privilege of making any changes from the basic rates. They found that under that order in council they could not make any changes in the basic rates, and consequently, with a minority report, they came back and reported accordingly. That order in council is the thing which precipitated the whole walk-out. If we are to adhere to that, and use it as a basis for the next inquiry, then the war labour board has no authority to do more than what was done by the Barlow commission, and we shall have it all over again, even before it starts. That will be the case, unless the government is prepared to give the board broader reference, and permit them to negotiate the matter on its merits. I do not want to see the steel workers of Sydney go out again. I do not want to see them go out at

Trenton or at Hamilton. I think the Minister of Labour will have to recognize that right across Canada to-day there is unrest. It is to be found at Arvida. There are 600 on strike at Wallaceburg, and Hamilton is seething.

Mr. MITCHELL: That does not give the straight story. The hon. member knows that the Arvida dispute is a jurisdictional one. It is an inter-union difficulty. The question at Wallaceburg is an inter-union dispute.

Mr. GILLIS: It is a question of union recognition.

Mr. MITCHELL: It is a question of inter-union dispute, or what they call a jurisdictional dispute.

Mr. GILLIS: If I had the time—

Mr. SPEAKER: The hon. member's time has expired.

Mr. DOUGLAS (Weyburn): He has had about ten minutes of interruptions.

Mr. SPEAKER: Has the hon. member finished his speech?

Mr. GILLIS: Mr. Speaker, I will close now. There is a good deal I should like to say on the question, but if my time has expired I shall not transgress the rules of the house.

Mr. PERLEY: Mr. Speaker, I move the adjournment of the debate.

Some hon. MEMBERS: No, no.

Mr. MacKINNON (Edmonton West): Yes.

Mr. MACKENZIE (Vancouver Centre): No.

Mr. GRAYDON: I hesitate to rise at this time, Mr. Speaker, but there was an arrangement made, which the acting leader of the government will perhaps confirm, whereby the hon. member for Qu'Appelle would move the adjournment at this time.

Mr. MacKINNON (Edmonton West): That is correct.

Mr. MACKENZIE (Vancouver Centre): Speaking in a personal capacity, may I point out that in the last three or four days we have adjourned the debate ten minutes, twenty minutes or thirty minutes before the hour for adjournment. I strongly protest against adjourning a debate at 10.30 p.m.

Mr. COLDWELL: I suggest that what the Minister of Pensions and National Health (Mr. Mackenzie) says is right. We ought to continue. But may I suggest this, that if an opposition member wishes to adjourn the debate he should be given the same opportunity for adjournment as is given to a government member. Last night the house was adjourned at 5.45 p.m. by the hon. member for New Westminster (Mr. Reid), and I have no doubt the hon. member for Qu'Appelle thought he should have the same privilege to-night. If we are going to have sauce for one goose, we should have it for both geese on both sides of the house.

Mr. SPEAKER: I would inform hon. members that the motion is not debatable.

Mr. GRAYDON: On the point of order, if I may. I do not think we on this side of the house should be put in an impossible position such as has been attempted to-night. Ordinarily we would go on till eleven o'clock, and I think it is our duty to do so. I endorse what the Minister of Pensions and National Health (Mr. Mackenzie) has said. There is no one more regretful than I that the speaking arrangements have fallen down to some extent on this occasion, but I want it to be quite clear that we will not countenance this sort of thing again. On the other hand, this does seem to be an exception and time might be made up on another occasion. I want it to be quite clear that we are not in favour of having early adjournments. However, it has been done, and perhaps with this example in mind we will make this the last for this session.

Mr. MACKENZIE (Vancouver Centre): In view of the arrangements that have been made I will withdraw any objection I may have had.

Mr. CRERAR: Earlier in the evening the government whip said to me that the present list of speakers would be exhausted with the hon. member for Cape Breton South (Mr. Gillis). He said also that the hon. member for Davenport (Mr. MacNicol) intended to speak this evening but was indisposed with a sore throat. The leader of the opposition (Mr. Graydon) asked me if under the circumstances we would be prepared to adjourn at 10.20 p.m., and I expressed the opinion to him that I thought it was a bad practice.

Mr. GRAYDON: We are both agreed on that.

Mr. CRERAR: I have not been present at the previous sittings of the house this week, and I was not aware that the house had been adjourning before eleven o'clock. I suggested to my hon. friend who leads the opposition that we might adjourn after the hon. member for Cape Breton South had spoken. Perhaps

we can do this to-night, but agree unanimously that it will be the last occasion upon which the closing rule will be violated.

Motion (Mr. Perley) agreed to and debate adjourned.

THE ROYAL ASSENT

Mr. SPEAKER: I have the honour to inform the house that I have received the following communication:

Ottawa, February 4, 1943.

Sir, I have the honour to inform you that the Honourable Thibaudeau Rinfret, acting as deputy of His Excellency the Governor General, will proceed to the senate chamber on Friday the fifth of February at 3 p.m., for the purpose of giving royal assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
F. L. C. Pereira,
Assistant Secretary to the Governor General.

On motion of Mr. Crerar, the house adjourned at 10.27 p.m.

Friday, February 5, 1943

The house met at three o'clock.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Honour, the deputy of His Excellency the Governor General, desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And having returned.

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name royal assent to the following bill:

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

PRIVILEGE

MR. LAPOINTE (LOTBINIÈRE)—REFERENCE IN DEBATE ON FEBRUARY 4 TO MEMBERS OF PARLIAMENT SERVING IN ARMED FORCES

Mr. HUGUES LAPOINTE (Lotbinière): Mr. Speaker, I rise to a question of privilege to protest against the remarks made last evening by the hon. member for Cape Breton South (Mr. Gillis) with regard to hon. members of this house who are serving at the present time in his majesty's forces. On that occasion the hon. member, according to *Hansard*, made two statements. First, he said:

I do not think anyone has the right to create the impression, consciously or unconsciously, that some particular member or members exclusively represent in this house the armed forces.

I do not think, Mr. Speaker, that when any hon. member in uniform addresses this house on military matters he is considered as representing or is trying to create the impression that he represents the armed forces in the sense that he has a mandate from them. But it so happens that from the very nature of his duties in His Majesty's service he is often better qualified to know just what are the conditions and circumstances in the army, and it is not only his privilege but his duty to express himself in the house.

As regards the hon. member's second statement, that he did not think it was possible at the present time for an hon. member to discharge his duties both as an officer of his majesty—

Mr. COLDWELL: Mr. Speaker, I rise to a point of order.

Mr. MACKENZIE (Vancouver Centre): What is the point of order?

Some hon. MEMBERS: Sit down.

Mr. COLDWELL: Mr. Speaker, have I the right to state the point of order?

Mr. SPEAKER: Yes.

Mr. COLDWELL: My understanding is that a member may rise to a question of privilege affecting the person, but in this case we are listening to a speech. To that I have no objection, but in my opinion it is not in accordance with the rules of the house. The statement might well be made in the debate on the address in reply to the speech from the throne.

Mr. MACKENZIE (Vancouver Centre): On the point of order, Mr. Speaker, this is far more serious than any question of privilege affecting individuals. It affects the whole constitution of this assembly of parliament. The statement that was made was a reflection upon hon. members who have been privileged to serve in the uniform of his majesty in this war, therefore the question which has been raised is the most serious question of privilege which could be brought before this parliament.

Mr. SPEAKER: I would not wish that there should be a debate on the question of privilege, because that is not allowed under the rules of the house. But the hon. member as a matter of privilege is replying to a state-

ment which affects him as an individual, not only as a member of his majesty's forces but also as a member of this house, and I think he is entitled to make his statement.

Mr. LAPOINTE (Lotbinière): The second statement made by the hon. member for Cape Breton South was to the effect that in his estimation no member of parliament could discharge his duties properly both as a member of this house and as an officer of his majesty's forces. I protest against such a statement, and I refuse to accept my hon. friend's judgment on that matter. I do not know whether what he said expresses the views of his party, or whether it was only his own personal view. But in my opinion the sole judges in this matter are the constituents of the riding who freely elected me to this house. When there is an appeal to the people I shall go before my constituents and abide by their judgment. If at that time my hon. friend or members of his party wish their views on this matter to be expressed and wish to try to influence the judgment of those judges, they will be free and very welcome to do so, but I think I can assure them that they would be wasting some of this time which they claim is so valuable to the country.

Hon. C. G. POWER (Acting Minister of National Defence): Mr. Speaker, I was not in the house last night when the hon. member for Cape Breton South made the observations he did, but representing for the time being the three armed services, and being in a sense their mouthpiece so far as the interests of the members of the armed forces are concerned, I feel that I must express on this question of privilege the resentment which I am sure the members of the armed forces will feel in view of the reflection cast upon them by the hon. member. The members of the forces who attend the meetings of parliament do so on their regular leave of absence. That has been the custom not only in this war but during the last war, a custom which has been sanctioned during all the years since the last war; for this House of Commons every year has voted a pension to the relatives of Harry Baker, M.P., who was killed in action in 1916. It is also the custom in the British house at Westminster. It is true, as my hon. friend has said, that members of the British house of parliament are in the front line when they are in London. But time after time, as press reports show, members of the British House of Commons have become casualties while on duty in the middle east or in India or elsewhere, and no one to my knowledge has ever raised in the British house the question of their right to sit in the commons.

So far as we are concerned in the administration of the armed forces this matter was very carefully considered at the beginning of the war. It was thought that if any hon. member of this house wished to devote some of his time, or the greater portion of his time, to the service of the state in the armed forces, and his constituents were willing to allow him to do so, the administration of the services had nothing to say about it, more than we have anything to say about members of parliament who carry on outside the house their profession of lawyer or doctor or preacher or labour organizer or school teacher.

Mr. L. A. MUTCH (Winnipeg South): Speaking, sir, on the question of privilege as one of those to whom the remarks made in the house yesterday refer, may I say that I have no interest in the views of the hon. member who made those remarks, neither have I any confidence in his judgment as to my capacity either as a member of this house or as a member of the armed forces in which I have the honour to serve this country. He is entitled to his views and I and my constituents are entitled to put any interpretation upon them that fits the circumstances.

The question whether one is capable of doing the two jobs at the same time is hardly relevant because I think none of those present in the House of Commons in uniform was ever attempting at the same time to carry on his military duties but was here on regular leave. I have come here on two occasions while on my annual leave, and on every other occasion and for every day or part thereof on which I have been absent from my duties as an officer of his majesty's forces I have been absent without pay. That is nothing unusual; it is the same with everybody else, but I think it is time somebody brought this point out into the open.

So far as I am concerned, with all due deference to hon. members of the house and the people who sent me here, I should have no difficulty in determining where my duty lay. I had no difficulty before, and if misfortune overtakes us I shall have no difficulty again, because I have to live with myself. But I am concerned for hon. members of this house who have gone overseas and have given distinguished service there in the organization of the Canadian army—distinguished service which has been recognized by those with whom they deal. If they do make an appearance in this house once in two years and give an informative, not to say discursive description of what is going on within the armed forces they should not be subjected, nor should the people who sent them here, to the kind of suggestion which was made in this

house yesterday. It is not indicative of a helpful spirit or calculated to induce people who put public service before personal aggrandizement to enter the service. It is no encouragement to them; therefore, so far as one may reasonably and calmly resent that type of suggestion I raise my voice in protest against it.

Mr. COLDWELL: Mr. Speaker, may I endeavour just to shorten this debate? The hon. member for Cape Breton South is not in his seat. As to the suggestion that any reflections were cast by this group upon any member of the armed forces, I want to say that no reflection whatever was cast or intended by the hon. member, nor would we tolerate for an instant any such reflection.

Mr. W. A. TUCKER (Rosthern): Mr. Speaker, I rise to a question of privilege. I do not intend to detain the house for more than a moment, but two things which have not yet been mentioned in connection with this matter should I think be mentioned.

Mr. SPEAKER: I do not wish to prevent any hon. member from rising to a question of privilege, but I do think that the statement which has already been made by the hon. member for Lotbinière has covered the question of privilege which was raised. There can be no debate on a question of privilege.

Mr. MACKENZIE (Vancouver Centre): With all deference, may I point out that this statement affects every single member of the House of Commons. I repeat what I said before I was interrupted so unnecessarily by my hon. friends opposite—that every member of this House of Commons is entitled to speak on a question affecting the privileges of this parliament—every single member here—and especially are those entitled to speak who wear his majesty's uniform.

Mr. SPEAKER: With reference to the remarks made by the minister, I would point out that at the moment there is no motion before the chair for discussion. On the question of privilege, any member who thinks that there has been a breach of privilege is entitled to speak. I am allowing the hon. member who has now risen to proceed, because he has stated that there are two matters which have not beeen discussed and to which he wishes to speak on a question of privilege.

Mr. TUCKER: In reference to what has been said, the suggestion was thrown out very distinctly by a member of the Cooperative Commonwealth Federation party, as follows—*Hansard,* page 162.

[Mr. Mutch.]

With all due respect to those who are in uniform, I think a decision should be made one way or the other as to whether they belong here or in the service, because no man can do both jobs.

Mr. COLDWELL: Read the next sentence.

Mr. TUCKER: All right:

It is done in England, some will say. It is all right in England, because the armed forces in Britain are in the front line, and when you are in London or in any other part of England you are at the front.

I wonder if there is not a danger of attack on our west coast, on Alaska and parts of the west coast of Canada just as there is a danger of attack on England. If it is all right for people to go from the parliament of England to defend their country, it is all right for a Canadian to go to defend his country and to have a seat in the House of Commons. Every hon. member in the forces who comes to attend this house, unless he is on leave, gets no pay or allowances from the army while he is sitting here. It is a strange state of affairs that it should be suggested that a man can continue in business, or continue in a profession, or continue to earn his income in any other line whatsoever, but that if he dares to enter the forces of his majesty to defend his country he is to be excluded from this House of Commons. I hope that the leader of the Cooperative Commonwealth Federation, and the leader of the C.C.F. in the province of Saskatchewan, who desired, as I did, to get into the armed services and serve his country, will absolutely repudiate on behalf of their party the suggestion that merely because a man wears his majesty's uniform he should be prevented from sitting in the House of Commons.

FRENCH LEGATION

VACATING OF LEGATION BY FORMER MINISTER—PROVISIONS FOR CUSTODY AND MAINTENANCE OF PROPERTY

On the order for motions:

Right Hon. W. L. MACKENZIE KING (Prime Minister): The house will be interested in having information with respect to the position of the former French legation and matters surrounding the closing of the legation. I should therefore like to make a statement at this time.

When, on November 7, 1942, forces of the United Kingdom, the United States of America, and others of the United Nations, including certain Canadian naval forces, commenced landing operations in North Africa, the government at Vichy ordered resistance

and took other measures which made it obvious that it could not longer be recognized as an independent government representing the French state. Accordingly, on November 9, 1942, a statement was made by me to the effect that, following the resistance by the French in North Africa to the British and United States forces landing there, "there no longer exists in France a government that has any effective independent existence—in other words . . . there no longer exists in France a legal or constitutional government in any sense representative of the French people, but only a German puppet government," and that, accordingly, diplomatic relations with the Vichy government were terminated by Canada.

On the same day, November 9, this information was communicated by me to the French minister personally. The formal note conveying the attitude of the Canadian government was sent on November 11.

The effect of the above measures was to withdraw any recognition that had been accorded to the Vichy government and to end all relations with it. This did not mean that France was to be in any way regarded as an enemy.

Immediately following the communication of the attitude of the Canadian government to the French minister, the position of the minister as representative of a French government in Canada ceased.

Following the severance of diplomatic relations, the normal course of action is to place the affairs of the government with whom relations have been broken in the hands of a protecting power. In this case, however, relations had been terminated and a declaration had been made that the Canadian government did not consider that any government any longer existed which could be considered to represent the French state. Consequently, there was no government which could designate a protecting power. Moreover, the possibility that at some later date a real French government might be recognized made it seem unwise to place the handling of affairs in the hands of a third power which might cause difficulty at the time that it was desired to hand over matters to whatever new government might arise.

The former French minister has vacated the legation. Inasmuch as no protecting power has taken over the control of French interests in this country, it has been necessary to make special provision for the custody and maintenance of the French legation property. Special provision has been made by which the property has been placed in the custody of the Capital Trust Corporation Limited, which has accepted custody in accordance with the terms of a letter dated January 22, from the Secretary of State for External Affairs. The custody and administration by the trust company is subject to the direction of the Secretary of State for External Affairs and must be handed over at any time to any agency which is designated by him to receive the property. Expenses in connection with the maintenance and administration are to be paid out of French funds held by the custodian.

In order to ensure that the legation property will be subject to constant care and attention, it has been arranged that Mr. Anfossy, formerly French vice-consul, will reside on the premises, along with his wife, to supervise the day to day maintenance which is to be carried out by a caretaker. Certain offices in the chancery part of the legation will continue to be used for the administration of war pension payments to persons formerly in receipt of pensions from the French government. With these exceptions, the French legation is now empty. These persons are subject to the arrangements made with the Capital Trust Company which may be altered at any time by order of the Secretary of State for External Affairs.

There have been, hitherto, pensions to the amount of approximately $4,000 a month payable by the French government to veterans of the last war and a few other French citizens in Canada who had been recognized as deserving of assistance by the French government. It would obviously cause very great hardship and injustice if these pensions ceased to be paid and, therefore, provision has been made for their payment out of French funds in the hands of the custodian. It has been decided that the administration of these payments will be by the Canadian pension commission, who will receive assistance in the technical aspects of the work from three subordinate members of the former French legation staff. By this means it has been ensured that Canadian residents who have hitherto received pensions payments from the French government will continue to receive them.

It will be recognized that the arrangements which have been made with respect to the various aspects of French interests in Canada are of an interim nature only. As soon as a government appears which is recognized by the Canadian government as being capable of independent action and as truly representing the French people and the French state, all aspects of French affairs in this country will be turned over to the control and administration of the representatives who may be established here by that government.

In taking this action it will be recognized that a position exists in which there is no

government or authority recognized either by the Canadian government or by others of the united nations as entitled to speak as the representative of the French state. The enemy occupation of a substantial part of France is not recognized in any way, neither is any puppet government which is in fact subject to enemy domination. At the same time we must all hope that in the not too distant future there will again be a French government which can be recognized by the governments of the united nations as entitled to speak for France. It will then be possible to hand over to such a government the property of the French state in Canada. In the meantime, the Canadian government regards itself as in a position analogous to that of the *negotiorum gestor* under the principles of French civil law. The application of such principles to the present position would justify the Canadian government in taking measures for the preservation of the property of France and for the discharge of clearly established obligations in Canada of the French state out of French property. These principles would require the government to exercise the utmost good faith in a position closely analogous to that of a trustee under the common law.

I am tabling the following documents which, for the convenience of the members of the house, might be printed in the *Votes and Proceedings:*

(1) A statement by the Prime Minister of Canada, November 9, 1942.

(2) Letter from the Secretary of State for External Affairs to M. Ristelhueber, November 11, 1942.

(3) Letter from the Secretary of State for External Affairs to the Capital Trust Corporation Limited, January 22, 1943.

(4) Letter from the Capital Trust Corporation Limited to the Secretary of State for External Affairs, January 26, 1943.

Mr. GORDON GRAYDON (Leader of the Opposition): I have only a word or two to say with respect to the statement which the Prime Minister has just read. One is this. I fancy that most members of the house will be anxious that the Prime Minister give some indication as to where M. Ristelhueber is now, if that is not an embarrassing question with respect to the relations of this government with M. Ristelhueber. Another point that occurs to me offhand is this. Are these steps which are contemplated similar in all respects to the steps taken by the United Kingdom government under similar circumstances?

Mr. MACKENZIE KING: With regard to M. Ristelhueber, he is residing in Ottawa, though not at the legation, and as a means of enabling him to continue to live he receives as a temporary arrangement, moneys out of French funds that are in the hands of our custodian, to pay the customary salary which he had been receiving. I am informed that both M. Ristelhueber and members of his staff have offered their services to General Giraud, but beyond that I have no further information. As to the second question, the situation which arose in Canada had not been paralleled in any other country, so far as I am aware, at any other time. So far as the British government is concerned, France was an ally of Britain from the beginning of the war. When the British embassy was closed it was because every one of its occupants had left France and relations were completely severed. The British embassy in France was placed under a protecting power, first, the United States, later, Switzerland. Our termination of relations took place at a time when, in our view at least, no independent government continued to exist in France.

Mr. GRAYDON: Has there been any French government that has been officially recognized in recent times by the United Kingdom?

Mr. MACKENZIE KING: There has not been a United Kingdom ambassador in France for some considerable time past.

Mr. DOUGLAS (Weyburn): May I ask the Prime Minister what liaison is maintained between the Canadian government and the fighting French organization in London under General de Gaulle?

Mr. MACKENZIE KING: I should like to have that question stand as notice, to be answered later.

FUEL

SHORTAGE OF COAL—MEASURES TO DEAL WITH PROBLEMS OF PRODUCTION AND DISTRIBUTION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Yesterday I directed an inquiry to the Prime Minister (Mr. Mackenize King) seeking information as to any steps the government had in contemplation to meet the serious fuel shortage in Canada, and the right hon. gentleman was good enough to inform the house that he expected that the Minister of Finance (Mr. Ilsley) would have an announcement for us this afternoon. I should be very glad to hear that announcement if the Minister of Finance is in a position to make it now.

Hon. J. L. ILSLEY (Minister of Finance): This matter was raised by a question which the hon. member for Lake Centre (Mr.

Diefenbaker) asked last Friday, and I believe that the hon. member for Peterborough West (Mr. Fraser) intimated that there was a situation in Ontario as well as in the west.

Before dealing with these specific questions I think I should outline to the house the magnitude of the problem involved in furnishing adequate supplies of coal for domestic use and the difficulties that have been encountered. Prior to the war Canada produced 15,000,000 tons of coal annually and consumed 27,000,000 tons, the difference being met chiefly by imports from the United States, though appreciable quantities were also brought in from the United Kingdom. In 1941 Canadian production reached 18,200,000 tons, but, owing to the enormously increased demands for war purposes, consumption increased to nearly 40,000,000 tons. Meanwhile shipments from overseas had practically ceased, and we had to make up our deficit by imports from the United States, where war demands were also placing a strain on production facilities.

Up until midsummer of 1942, production in Canada continued to increase, but after that date the rate of production began to slip, chiefly owing to labour leaving the coal mines, some to other industries and many into the armed forces. Those that left were largely from the younger and more active age groups, resulting in a decline in output per man.

Consumption of coal, on the other hand, has continued to rise, estimated coal requirements for 1943 being placed at 43,000,000 tons, 3 millions more than in 1941. The United States, because of its own expansion of industry, its own railway congestion and its own coal mine labour problem, will hardly be able to increase its shipments to Canada. For a short period in January the strike in the anthracite mines of Pennsylvania resulted in an almost complete cessation of shipments.

To make matters worse, we have had one of the most severe winters in many years, some say the worst in fifty years, with extremely low temperatures and heavy snow conditions which added to the strain on already congested transportation facilities.

These are the underlying facts of the present coal situation, and I think they will enable members of this house to grasp the magnitude of the problem with which we have been faced.

Difficulties were foreseen, however, and the government has been actively engaged in coping with them. Last summer the coal administrator of the wartime prices and trade board issued emphatic and repeated warnings of a possible shortage, urging consumers to take delivery of their winter coal during the summer months and offering through the banks special arrangements for financing such purchases. Many thousands of people followed this advice, thereby relieving the strain on transportation facilities, and ensuring that they would be warm during the coming winter.

Mr. GRAYDON: Was that a large percentage?

Mr. ILSLEY: Of the coal users? No, a small percentage availed themselves of the facilities. Unfortunately, others ignored the warnings, including many who are now suffering hardship. I believe that while the financing arrangements offered by the government were not taken advantage of on a large scale, the dealers, as a result of the arrangements offered by the government, themselves offered arrangements which were taken advantage of on a fairly large scale.

Realizing that the fuel situation presented one of the most serious threats to the war effort, the government on November 23 last formed an emergency coal production board, naming the coal administrator of the wartime prices and trade board as chairman. Mr. Graham Towers, governor of the Bank of Canada, and Mr. Charles Payne, of the United Mine Workers, were appointed as the other two members of the board. This board was directed to stimulate increased coal production by all available means with a view to reversing the downward trend in output and, if possible, establish new high records in Canadian production. One of the immediate tasks placed before the board was to deal with production problems in western Canada, where the most serious local shortages have developed.

In the brief period of the board's existence active measures have been taken to prevent further losses in production, particularly in cooperation with the Department of Labour and the armed forces. Arrangements were made under which men experienced in coal mining already in the armed forces might be released on leave. In western Canada this has resulted in 285 experienced men returning to the mines, and others are being approached.

From November 1 to January 14 about 2,300 men were placed with mines through the employment and selective service officers, including a number of certified coal miners. Arrangements were made in early autumn to provide deferments under the military call-up to men working in specified coal mines. Steps were also taken to withhold work permits to those working in coal mines who wished to enter other employment.

In western Canada arrangements were made for provincial governments to issue emergency certificates as a war measure, to allow qualified men to work underground at coal cutting, without having to serve the full probationary period. In the three prairie provinces arrangements were made under which provincial officials might, consistently with selective service regulations, recruit men for the coal mines. Farmers especially were solicited, and some were secured. Farmers generally, where not needed on the farms, were urged to take work in the coal mines during the winter, and a considerable number responded.

In British Columbia 280 former coal miners were taken back to coal mining from other industries. Through employment and selective service offices, coal mines have been asked to provide lists of former employees, and these men are being approached with a view to their returning to the coal mines.

The acute shortage of domestic fuel resulted in special appeals to mine operators, and more especially to miners, to speed up production, which in the main meant asking miners to work harder and longer hours, to cut down absenteeism and certainly to avoid stoppage of work through strikes. During December and January, while we were not entirely free from stoppages due to strikes, in the main the men responded to the appeal very well, and the strikes that did occur were minor, of short duration and quickly settled.

Another side of the coal production problem is the financial ability of the mines themselves to remain in operation. The emergency coal production board was given power to direct the production policy of mines and, where necessary, to provide financial assistance to mines which find themselves financially unable to continue in maximum production. This has been one of the major aspects of the board's work since its formation, and it is hoped that the measures taken will be reflected in increased output.

In so far as this is a distribution problem it is under the jurisdiction of the coal administrator of the wartime prices and trade board, and I am informed that every effort is being made to distribute available supplies to the best advantage. Foreseeing the coming shortage in the west, the coal administrator, as long ago as last September, prohibited the movement of Alberta coal into the Ontario market. More recently, Alberta coal which usually moves into Manitoba was diverted to Saskatchewan, and coal from the United States was brought from the head of the lakes to fill up the resulting deficiency in Manitoba. Instructions have been issued that deliveries to consumers in western Canada are to be limited to those actually in need. In connection with the fuel situation in western Canada, I should point out that due to the shortage of labour, wood fuel supplies upon which many areas are dependent were greatly curtailed, further accentuating the demand for coal.

Within the last few weeks, regional representatives of the coal administrator have been appointed for Winnipeg, Calgary and Vancouver to regulate and allocate distribution of coal.

In eastern Canada there have been no serious difficulties with the possible exception of isolated shortages of anthracite coal due to the strike in the Pennsylvania fields during January, and some difficulties in distribution due to lack of labour and severe weather conditions.

DEFENCE OF CANADA REGULATIONS

INQUIRY AS TO SETTING UP OF SPECIAL COMMITTEE DURING THE PRESENT SESSION

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): I should like to ask the Prime Minister whether the special committee on the defence of Canada regulations, which sat during the last three sessions, will be reconstituted this session.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I mentioned in my remarks at the opening of the session that the committee would be reconstituted.

CANADIAN NAVY

ARTICLE IN "BOATING" MAGAZINE BY COMMANDER A. D. MACLEAN (RETIRED)

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): On Wednesday last a question was raised by the hon. member for Rosetown-Biggar (Mr. Coldwell) in regard to certain charges by Andrew D. Maclean, retired commander, R.C.N.V.R., entitled "Fairmiles and Foul". At that time the Prime Minister intimated he might have a statement to make with respect to the matter. One of my reasons for calling the attention of the Prime Minister to the question arises from a letter I received yesterday from a parent of a sub-lieutenant in the Canadian navy, who expressed grave concern over the charges made in this article. Is the Prime Minister in a position now to make some statement? I think the matter is sufficiently serious and urgent to warrant some comment being made by the government.

Hon. C. G. POWER (Acting Minister of National Defence): As my hon. friend knows, the Minister of National Defence for Naval

Affairs (Mr. Macdonald) is away, but the matter which my friend has just mentioned was brought to the attention of officers of the department in order that a reply might be prepared for the minister to make when he returns.

Mr. GRAYDON: A considerable section of the press in Canada is calling for some kind of inquiry with respect to it.

Mr. POWER: I cannot speak for the department of naval affairs, but if every disgruntled officer in my department starts writing to the press I am not going to get wildly excited and—

Mr. GRAYDON: I think that on reflection the minister will perhaps not continue that line of argument. After all we are only trying to bring to the attention of the public, and particularly to the attention of the government, the charges that were made.

Mr. POWER: They were not charges at all. It is a tirade regarding promotion.

Mr. GRAYDON: If I might continue; this is a serious matter, one which I do not think should be dismissed lightly by calling someone a disgruntled officer.

Mr. MACKENZIE (Vancouver Centre): This is not debatable.

Mr. GRAYDON: Inquiry will discover whether he is a disgruntled officer, and if he is he will be treated as such. In the meantime the matter ought to be aired to see if there is anything in the charges.

BUSINESS OF THE HOUSE

ADJOURNMENT AT SIX O'CLOCK ON FRIDAY

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I intended to ask the Prime Minister whether it is the intention to follow the usual custom at the earlier stages of the session and adjourn at six o'clock to-night.

Right Hon. W. L. MACKENZIE KING (Prime Minister): That has been the custom followed for many years. We will not depart from it to-night unless strong objection is raised.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Thursday, February 4, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. E. E. PERLEY (Qu'Appelle): Mr. Speaker, many of the previous speakers in this debate have offered their congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply. I am in accord with that practice, but I am going to call it briefly to your attention in a slightly different way. I think this parliament made history at the opening of this session, when the mover was a Canadian officer in the king's uniform who had been overseas and returned, and was about to go back again, and the seconder was an officer of the Canadian forces ready to go overseas. May I recall, too, that the second speech after the speeches delivered by the leaders of the different parties was that of the hon. member for Winnipeg North (Mr. Booth). He had been overseas, had returned to Canada, and is now on his way or is about to go back. It is worth while recalling that history was made at the opening of this session. I do not think there is any precedent to compare with it. We hope it may never be necessary to follow the same procedure again.

May I say, however, that I was thrilled, and I think every hon. member must have been, when I heard two of those men relate what had taken place in connection with our Canadian forces overseas. We were encouraged to hear about the high standard of morale, courage and enthusiasm, and we were deeply interested in the condition of the British people, and the sacrifices they are making. I believe if we were honest with ourselves, most of us would admit that we had a feeling that we were rededicating ourselves to the winning of the war, so that when the time comes those splendid forces might have proper reinforcements in men, munitions and food.

When those hon. members spoke about Dieppe I recalled to mind the first-hand information I received concerning that raid. I obtained my information in conversation with a hero who had been at Dieppe, a boy from my home town who had been fortunate enough to survive the expedition and return to his home town of Wolseley, but who, unfortunately had paid the price of losing his right leg. Talking with him I heard the story of the men who took part in the Dieppe raid. He told me the conditions they faced, and the reception they received upon their return across the channel. After listening to that story, I rededicated myself to do anything I can to further the interests of Canada's efforts in support of those men.

I believe the speech from the throne was disappointing to the people of Canada. It was long in words but fell far short in concrete announcements of any action to be taken by the government to remove or remedy some of the difficulties we are facing to-day, difficulties having to do not only with the war but with labour, farm man-power and matters of that kind. I am going to support the amendment. Why? Because in contrast with the speech from the throne it sets out some definite proposals, and definite results to be attained if those proposals are carried out.

My chief interest is in agriculture. I believe you will agree, Mr. Speaker—because I have had the honour and pleasure of sitting in the house with Your Honour for some time, and under your speakership—that since coming to the house I have consistently and on numerous occasions, either by resolution, motion or constructive suggestion, brought to the government of the day proposals which, had they been accepted and put into force, would have meant much to the producers I represent. The principles at least of some of my proposals have been accepted, a fact I view with some satisfaction.

I believe there are only two other hon. members in the house who sat on the committee in 1935 to consider the wheat situation. The Minister of National Defence (Mr. Ralston) who, I regret, is not yet in his place on account of an unfortunate accident, served on that committee. I had much to do with the work of that committee, and I recall vividly the fight I made for 90 cent wheat, and the compromise of 87½ cents which was made. While my suggestions have not always been accepted immediately, I have had the satisfaction of witnessing the acceptance of my proposals a year or so after they have been made.

May I recall one or two proposals which I expect will be adopted at this session, only a year after my suggestions. Our first duty as members of parliament is to do all we can to further Canada's war effort and the winning of the war. All other things count for naught. In the language of the Prime Minister (Mr. Mackenzie King) speaking at the time of the last victory loan, nothing counts now but victory. That is the way we should approach this session.

What is Canada's war effort? Are we satisfied with it? Can we do more? Are we prepared to do more? These are some of the questions we must answer. I am prepared to give credit where credit is due, because it is well known that we began this war from scratch. I believe that the constructive criticism from this side of the house in 1940 made the government realize we were in a real war, with the result that they began to get busy.

In a review of the situation from 1940 I stated last year that there are two forces of prime importance, namely, the armed forces and those of production. All credit to our armed forces. All credit to the gallant men from western Canada, and from all other parts, who volunteered as soon as war broke out and who are to-day in that magnificent army overseas. Credit is due those men for the way in which they entered the forces and the work they are doing.

In so far as production is concerned we realize at once that this war is quite different from that of 1914-18. We must have vastly greater amounts of munitions and food. In 1940 and the early part of 1941 we were passing through a period of organization of production for our armed forces. That organizational period is over. In the early part of 1942 we were making good headway. I will give credit to the government for making headway, although possibly they were prodded by the opposition. The fact is, however, that progress was made, until we have now reached the period of peak production, or the production of almost all that is necessary. The supplying of materials is the responsibility of the government and the different boards who have this matter in charge.

I believe the farmers throughout Canada have done practically everything asked of them by the Minister of Agriculture (Mr. Gardiner). They have responded nobly, and that response is to their credit. We have increased our food production almost to the point required. Possibly this brings us to the question of man-power and woman-power.

I was interested yesterday in hearing the hon. members for New Westminster (Mr. Reid), for Souris (Mr. Ross) and for Peterborough West (Mr. Fraser) refer to a women's land army. Canadian women, especially the women in western Canada, deserve considerable credit for what they have done. If I had the time I should like to relate to this house the particulars of the work done by women in harvesting the crop in Saskatchewan, particularly in my own district. I have seen women in overalls and sweaters driving stook teams and doing their part in the loading of sheaves in the field. They would bring them up and when they could not unload them at the separator, someone else would take over. On one occasion I saw a woman drive in sixteen miles with a truckload of 121 bushels of wheat. The one bushel was put on because that was the final bushel in her husband's quota. It

was a very cold day, and she told me that she had hauled all the wheat from the combine. There was no heater in the truck, and she had put up with considerable hardship in bringing in the wheat. There are many other cases I could detail. I think the women have done wonders in helping their husbands by driving trucks and tractors this last fall. The young girls also have done much of this work.

National selective service should have been put into force properly long ago and then full use could have been made of our man and woman power. Every man and woman in Canada should be placed in a position where he or she can do the most good. I am not going to say much about labour in industry; I do not know anything about that. I do know something about labour on the farm in Saskatchewan. We have heard a great deal about labour in industry, and questions have been placed upon the order paper about this matter, I think any hon. member of this House of Commons who listens to petty grievances —that may not be the right word—of labour leaders or of organized labour or their representatives and is not sure that those grievances are just and right, is doing something he should not do. It is possible that these grievances may be agitated to the extent that strikes in industry may result. Any hon. member who does anything to jeopardize production or cause a bottleneck in our war effort should be open to criticism.

Labour in industry has its rightful position in our national life. It is just as much entitled to fair treatment as farm labour or any other type of labour. My conscience will not trouble me in this regard, because I have done nothing to help them or encourage them to make trouble for this government or anyone else.

There have been certain difficulties in connection with farm labour, and I am sure the Minister of Agriculture (Mr. Gardiner) knows all about them. Not long ago he was in western Canada. Some of us did not know just why he made the trip, but perhaps we should not be too critical of him; we should give him credit and assume that he was there on business pertaining to his department. But it has been asked why he did not see to it that the order in council freezing farm labour, passed I think on March 23, 1942, was not carried out. Possibly the minister will let us know. If it had been carried out I am sure we would not have the difficulties with which we are now faced in western Canada.

I know of many young men who thought they were going to be permitted to remain on the farm but who were called up last December and January, in many instances on very short notice. I have had all sorts of men come to me with their boys, and I could cite many cases of hardship. At Fort Qu'Appelle there was a farmer who had two boys overseas. His last boy was called up when they had not completed hauling their grain and had no wheat out on their quota. The only other son of a widow who already had one boy overseas was called up. Her husband died last summer. She is operating one of the finest farms in Saskatchewan. This boy was called to report on December 19. He is a fine chap; he told me in my office before his mother that he was going to get into the army because he had a brother over there. This woman may have to give up the whole of the farm upon which she and her late husband had put in their entire life work. These are matters that would have been dealt with properly if the order had been carried out as we expected it would be.

I have had some experience with respect to postponements and young men trying to get leave when they have been called up. There is one incident I am going to relate because I have a report here in the *Leader-Post*. Mr. Milligan was appointed as the agricultural representative on the national services board in Regina. He was recommended by the Minister of Agriculture and was doing good work. I dealt with him on several occasions and was pleased with the treatment I received. I may say that I never brought any case to the war services board, to the board of review or to Mr. Milligan which I did not think was justified. A father and a son came to me one Monday morning and wanted me to call up Mr. Milligan. I did so and the report came back that he would not talk to me. I called back and asked if he would talk to me after lunch—I thought that perhaps he was busy—but the report came back that he would not talk to me at all. Knowing this man quite well I sat down and wrote him a letter and asked him to let me know just what I had done to warrant the treatment I had received in his refusal to talk to me. The next morning I was called out of bed by a telephone call from this man, who apologized for not having talked with me before. He told me then that he had resigned Saturday night, that he had walked out of the office and told them that he was not going back and would have nothing more to do with it.

Here is the report in the press stating that on Saturday he had had four hundred men to interview him and had received six hundred letters. All this work had piled up and there was no proper machinery to deal with it. If the thing had been properly organized, if he

had had the proper assistance, there would not have been this accumulation and things would have gone along much more smoothly.

I am going to give the particulars of another one of these cases with which I had to deal. Perhaps the Minister of Agriculture gets the odd anonymous letter; I am sure the Prime Minister (Mr. Mackenzie King) does, and I know I have had a few. I got one not long ago which started out by saying, "You—" and then used a word in the singular that is not parliamentary. The writer went on to tell me what would happen if I did not get some of these cases straightened out for these boys who had been called up. This letter was from a farmer. It had been mailed along the main line. I read through the letter and then down about the fourth paragraph he said, "You so-and-so"—using the same word in the plural—and he referred to Gardiner, Patterson and Perley, and told me what was going to happen to us if such and such a thing was not done. Well, it does not worry me very much. But just for a lark I took this letter across the street to a Liberal friend of mine—the Minister of Agriculture knows him very well. I showed him the letter and he asked, "What are you going to do about it?" I said, "There is nothing I can do about it, but if I could answer it this is what I would say: I do not mind being called what you called me in the first paragraph, Mr. So-and-so, but I do object when you get down to the fourth paragraph associating me with the Minister of Agriculture and Mr. Patterson, because that is their mess, not mine." That is just in passing.

The Minister of Agriculture has announced a policy of more production—and that with less or at least no more man-power. A list was put on *Hansard* the other day by the hon. member for Haldimand (Mr. Senn) showing the increased production asked for in dairy products, cattle, beef, and so on, ranging all the way from increases of seven to sixty per cent. I am sure the farmers are willing to give increased production. They have done pretty well in trying to meet all the demands that have been made upon them by the Minister of Agriculture, but surely he must realize that this increased production of hogs, dairy products and beef that he asks for means that more labour will be required on the farm. It is not there, and the labour question presents some difficulty.

I have under my hand the report of a speech which the Minister of Agriculture delivered in Saskatoon recently. The report appears in the *Western Producer* of January 21, and it reports the minister as saying that the labour lag will not hamper food production. The minister went on in that speech to give details of the greater production goals required. But he left the labour situation just as it is. The farmers will do their best; nevertheless it is going to be almost impossible for them, with the present labour situation, to meet these increased production goals asked for.

Yesterday the hon. member for New Westminster (Mr. Reid), the hon. member for Souris (Mr. Ross) and the hon. member for Peterborough West (Mr. Fraser) urged the appointment of a food ministry and suggested the Minister of Agriculture as the new minister of food. I have no objection to that because if anyone in the present cabinet is to be appointed to that post I think the Minister of Agriculture is possibly the one. Measure him from the chin up and you will find he will measure up with any other member of this House of Commons. He has the ability, if he would only apply it. But even if we give him all the credit that is his due, he cannot do it all. This question of food production is not a new one. A food ministry was advocated by the Canadian federation of agriculture a few days ago. I myself, speaking in this house on February 3 of last year, as reported at page 264 of *Hansard*, dealt with this very question. I spoke of the two fronts on which we were fighting, the economic and the military, and then I made a plea for a parity of prices for farm products with the products of other industries. I said:

> We want a parity of prices with the products of other industries which the farmer has to buy in order to carry on his business.

Then listen to this. I went on to say:

> After twenty-two and a half months, I think we should have what I would term a food production board to give direction.

I suggested this as long ago as February last—a food production board to give direction to the ministry. I went on to say:

> Represented on that board should be farmers and others, who would direct in the production of different commodities.

I said that a year ago, and what I say now is that the suggestion I made then will have to be accepted, because the Minister of Agriculture cannot do it all and must depend upon advisers. On that board there should be representatives of agriculture, representatives of the Canadian federation of agriculture, and I believe we should also have on that board representatives of the retail merchants of Canada. I know many retail merchants in my part of the country who are almost "nuts" because they simply cannot carry out all the various orders issued by the wartime prices and trade board and the rationing administra-

tion. Some of them have even had to go out of business. Certainly they should be represented on such a board because the control of food will touch prices as well as distribution and production. I just wanted to bring to your attention, Mr. Speaker, the fact that I made this suggestion a year ago, and it should have been adopted then.

Coming to the amendment which has been moved, I will quote paragraph (c):

(c) to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

I am supporting that. When we consider the great contribution that agriculture makes to the national income I think it will be realized that we are not asking very much when we ask for a parity price. Agriculture contributes $996,000,000 out of a total national income of $7,500,000,000. I am quoting from the table which was presented to the house the other day by the hon. member for Haldimand. What did the wheat growers alone do? They made a greater contribution than did any other part of the agricultural industry, a contribution greater than that of almost any other industry in Canada. Last year they produced over 600,000,000 bushels of wheat. At ninety cents Fort William, what did that amount to? I regret that only some 280,000,000 bushels of wheat will be accepted this year. Nevertheless the wheat growers have made a greater contribution than did any other part of the industry to the national income, and yet they received only 13·3 per cent of the national income, while about 40 per cent of the Canadian population are directly dependent upon agriculture. I urge again that an effort be made to bring about a parity of price and a fair share of the national income for the farmer.

I have under my hand one or two indexes which I wish to put on the record because they are most interesting. Taking the period of 1935-1939 as the yardstick at 100, we find that in August, 1939, the index stood at 100, and in August, 1941, two years later, it was 112·8. In January of this year it stood at 118. This includes food, rents, fuel, light, clothing, household furniture, and so on.

I have another index here. The Searle index gives a list of 147 items which the farmer has to buy. In 1913-14 the index stood at 100, and it now stands at 152·8. This means that these items which the farmer has to buy now cost him 52·8 per cent more than did the same items in 1913-14. Here is another index which I think is interesting. It is the index of Canadian industrial activity. In 1937 the index stood at 100. In 1940 it reached a low of 105. In 1941 the index averaged 160, and this year, on February 1, the index stood at 185. Well, where does the farmer get off, with seventy-seven per cent increase in two years, while wheat has increased only twelve and a half per cent, that is, from 80 cents to 90 cents? It is not fair.

I have another index here which is most interesting and which I want to put on the record. It is to be found in the *Monetary Times* of February 1, and is headed "Milling and grain stocks". Listen:

Of general interest to the people of western Canada was the strength displayed by the milling and grain storage and the agricultural implements groups. Alberta Pacific Grain,—

That is a company which we know has been in difficulties for practically the last twenty years.

Alberta Pacific Grain, preferred, skyrocketed 21 points. . . . The common was up one and three-eighths cents to $1.90, also a high.

That is, the preferred stock skyrocketed 21 points. It is also stated that Ogilvie Flour common and Lake of the Woods reached a new high. The point I wish to make is this. While grain companies stocks are going up, what about the farmers? What profits are they making? The profits of the companies have come from grain which has been taken off the farm and stored in elevators and annexes.

Then how about the milling companies? They, too, have made their profits out of the farmers' grain. But the farmers' stock has not sky-rocketed or hit a new high.

Coming to the price of grain, I am not going to take time to discuss that. It reached 90 cents last year, and last Friday we had an announcement from the Minister of Trade and Commerce (Mr. MacKinnon) that it is going to remain at that figure this coming season. I have before me a statement put out by the department recently which shows that No. 1 wheat is quoted at Saint John at $1.11 or $1.12 a bushel. We know that it does not take the difference between 90 cents and $1.12 to move it to Saint John.

In Britain the farmer is receiving $2.12 a bushel, guaranteed to him, on one of the largest wheat crops ever harvested, over 100,000,000 bushels. In Dakota, which lies south of Saskatchewan and Manitoba, the farmer receives $1.21 less the freight but plus seven cents storage which is guaranteed to him at the rate of one cent a month for seven months. I ask hon. members, why should British and United States farmers receive so much more than our farmers? Canadian farmers are just as loyal; they are doing their part and will continue to do it as fully

as the farmers in any part of the empire or of any of the allied nations. We should be treated fairly and on an equal basis. The Chicago price for May wheat as I got it to-day is $1.40; at Winnipeg it is 92 cents. Why should there be 48 cents difference? That may be something for the minister to explain.

Early in the session, that is on Friday last, the Minister of Trade and Commerce announced the programme with respect to marketing and production in the coming season. As I moved the adjournment of the house last evening, the minister did me the favour of writing me a note saying that he regretted he could not be here to-day. Accordingly I replied that there were a few things which I intended to say to him to-day that I would defer until some other occasion. However, the Minister of Agriculture is in the chamber, and he is second in command, indeed he may be first in command with respect to this policy, because it deals with production and prices.

Here is one criticism I am going to make at this time. The house has been talking for a week; we have had speeches from every quarter. The first day, before even the mover and the seconder had spoken, an announcement was made by the Minister of Trade and Commerce, although not in any detail, of his policy. In my opinion the Minister of Agriculture should have been one of the earliest speakers after the mover, the seconder and, possibly, the Leader of the Opposition (Mr. Graydon). At least, following the Prime Minister, the Minister of Agriculture should have gone carefully into this matter and let us know what the whole position is, what the government proposes to do as regards price and production and the rest of it, so that we should not be speaking at random here, as some of us, maybe myself among them, are doing. We should know exactly what the minister has in mind so that we could discuss the subject intelligently. The Minister of Trade and Commerce announced the plan as being a reduction of three to four million acres in wheat, the maintenance of the 14-bushel quota, no storage on farms, the price to remain the same, and the production of oats and barley to be increased, at the same prices. It will be recalled that I started out to say that this would be very unsatisfactory. But I was right when I said it. I have before me a report from Calgary of the meeting of the Canadian federation of agriculture, at which disappointment was expressed in no uncertain language. The president said that he resented the action of the government in ignoring national organizations such as the federation of agriculture, the Saskatchewan pools and so on; and when the government were framing a major policy with respect to this farm problem why should they not have been consulted? Mr. McCaig, president of the Saskatchewan cooperatives, threatened that a delegation of one thousand would come to Ottawa. We had four hundred here last year. That had some result. They did not get all they asked for but they achieved something; and I venture to say that if transportation facilities and accommodation were available there would be a delegation here in protest against this very thing. I believe these organizations should have been consulted. There was no particular hurry; we could have waited another month or, at any rate, three weeks.

Last year the Prime Minister (Mr. Mackenzie King) promised in a speech that there would be proper farm representation on all important boards dealing with production and other farm matters and national war services. Why has that undertaking not been carried out?

My time is about up, but let me say that I hold that the farmers should have a fair deal, which includes fair representation on all boards having to do with production.

I think the amendment is properly worded and meets what is the popular demand. The Progressive Conservative party's creed is freedom, security, opportunity and the British partnership. I believe no one will disagree with those principles. Let me quote from the words of the new leader of the Progressive Conservative party when he spoke on the radio on December 21:

> In my opinion one of the principal obstacles in the way of an all-out prosecution of Canada's war effort is the failure of the government to adopt a courageous and realistic man-power policy. There is confusion and doubt with respect to man-power, not only in the armed services and in the munitions and other plants but also on the farms of this country. This is due to a lack of control and coordination within the government itself, and to an excess of timidity in setting up and enforcing policies which the effective prosecution of the war demands.

There is much of our programme that I should like to put on the record, but in conclusion I will merely say this: I believe we have now reached the point that we should consider those things which count most with respect to Canada's effort in the winning of this war: freedom of speech, freedom of worship, freedom from want and freedom from fear; that thereby a continued peace may be

enjoyed by the peoples of the world, and in particular this great dominion of ours, for many years to come.

Mr. HARRY LEADER (Portage la Prairie): Mr. Speaker, it is quite some time since I offered any contribution to a debate, nor would I do so at the present time if it were not for the fact that I desire to bring to the house and members who are kind enough to listen to me the point of view of the people whom I serve. A number of meetings have been held recently in my city of Portage la Prairie, attended mostly by the farm population, in which the points of view of the people as to certain problems were expressed, and I promised to bring it to the attention of the house.

First of all you will be interested, sir, to know that the majority of people in my riding are satisfied that the war effort carried on by the government and the people of Canada as a whole is creditable. It is true, as they say, that some mistakes have been made, but mistakes are inevitable in any undertaking carried on on such a colossal scale.

I had the privilege of sitting in on a committee, or committees, if you like, just before leaving Portage la Prairie. I believe they are called local advisory committees, and they are being set up by the government to advise those in authority with regard to post-war measures. I think that in this innovation, because after all it is an innovation, we are now getting close to the people, where we belong. In looking over the members of that committee I could not help thinking that they were representative of nearly every organization in our constituency, leading men, good men who desire to do all in their power to help this government or any other government to formulate policies that will be for the benefit of the Dominion of Canada.

I said that some meetings were held and some resolutions were passed, and that is my main reason for rising to-day. One of the resolutions passed, which had the support of the war veterans of our city and district and of the legion, was in protest against the military exemption which is granted to certain denominations sometimes referred to as religious in this country. They know that the Mennonites were exempted from military service by order in council in 1873. They know also that the Doukhobors had a similar arrangement in 1898. We have also a class of settlers in our district whom we call the Hutterites. They have a longer name but I cannot remember their exact title. These people are excellent farmers and efficient producers but they settle in colonies and are declared to be no asset to the district. I am not expressing that as my opinion; it is the opinion that is prevalent among the neighbours who farm adjacent to the land occupied by the sects to which I have referred.

This matter was discussed at the meeting and I suggested that the law which granted these people military exemption should be repealed. I told the meeting that if they would pass a resolution I should be glad to present it in the house. I can look back to a speech—it was very short—which I made on one occasion with regard to the Mennonites, in answer to a speech which had been delivered by the Minister of Agriculture, who told the house that the Mennonites did not want to shoulder a rifle and kill but that they had offered their services in any other capacity in our war effort. I could not allow the occasion to go by without expressing my gratitude and satisfaction that these people were willing to do what they could in regard to our war effort. Of course, I was speaking generally and I presume the Minister of Agriculture was also. But there are others who do not offer any help, and this resolution was passed on that account.

I have the resolution here, and out of courtesy to the meeting which passed it at Portage la Prairie, I will put it on *Hansard:*

Whereas owing to the enlistment and call up of farmers' sons for military service, land which they formerly assisted in operating is now available for sale or rent.

And whereas the Militia Act, passed in 1868, grants protection from military service to persons of certain religious denominations, who take advantage of this situation by the purchase or lease of said lands.

And whereas conditions have greatly changed since said act was passed, and the action of said persons is resented by many Canadians, and is causing disunity and unrest, and if said protection is to remain in force be it resolved that parliament be urged to take the necessary action to prohibit such exempted persons or sects from purchasing or leasing farm land, without the consent of the municipal commissioner and the council of the rural municipality in which said land is situate, so that the returned men may have an opportunity to buy or lease, if they wish to do so.

I will also put on the record a similar resolution passed at the annual meeting of the union of Manitoba municipalities dealing with the same subject. This is resolution number 27:

Whereas there is information that certain aliens, conscientious objectors and others, who are not supporting the war effort or contributing toward the winning of this war by serving in the armed forces or buying bonds, or in any other way, are purchasing some of the best farm lands for themselves and families;

And whereas after the war a great number of farms will be required for returned men;

Now this convention goes on record as being in favour of legislation which will prevent such persons from buying further farm lands until the end of the war.

I am sorry that circumstances did not permit me to attend the house when the Veterans' Land Act was being passed. I am deeply interested in that measure. Out of my concern to do what I can to further the war effort, if you will, but certainly to make conditions better after the war, I wanted to tackle something that I knew something about. I thought I might be able to offer some advice in regard to reestablishment of our soldiers on the land. The terms of that bill are generous, and if it is properly administered it should prove a blessing to those whom we place on the land. In order that it may do so, three things are essential. The first is proper selection of the applicants. Do not try to fit round pegs into square holes, or vice versa; see that the man has had practical farming experience before he is placed on the land. Unless that first requisite is observed he will never make good. I know that in other days some green men have come to Canada and made good on the land. But conditions now are altogether different. A second essential is that the men should be placed on productive soil, purchased at prevailing values. I discussed this at a meeting at Portage la Prairie, and I said that I believe the board which they are setting up or had set up should be purchasing land now, or at any rate getting options on it, because many of these boys are returning home. The last figure I got was about sixty thousand.

Mr. MACKENZIE (Vancouver Centre): It is now seventy thousand.

Mr. LEADER: Seventy thousand have been discharged from the army now. Not all are applicants for farms, of course, but many of them would like to get started on a farm right away. So that the directors should get busy and secure some land now. Someone will say that if the government starts buying land now it is bound to boost the price. I told our people at the meeting that we are now controlling the prices of farm products and other commodities, and if you can do that you can control the price of land. Tell them the price of this land must revert to the values placed upon it in 1939 and we will send an arbitrator out to see if that is a fair price.

These farms should be located in improved districts. There is no reason whatever for opening up new districts in this country, especially with our returned men. There is plenty of land available in every municipality, in western Canada at least. Speaking for my own municipality, there are hundreds of farms that can be purchased at current values on which they would be glad to have our soldier boys reestablished. And if they are placed in improved districts the soldier settlers can have the advantage of hydro power, which is exercising the minds of so many of our public men at the present time. These men must be placed on good farms; the buildings should be constructed along roads on which hydro power and other advantages can be made available.

This board or the directors should work in cooperation with three agencies. First of course is the director himself. Next is the provincial government. Most important of all is the municipality, because it gets closest to the people. The municipalities have all the data available, or would have on very short notice. They know where the good lands are. They know who wants to sell, and they know the value. The director should go to the offices of the municipalities and get lists of lands and other information in order to be able to make proper selection and valuation. If these principles are observed our returned men will have the benefit of hydro power and other advantages.

In regard to old age pensions, I am glad to note that nearly every hon. member who speaks on this subject agrees that pensions to old people are inadequate. This view is not held by any particular group; it is held by hon. members in all groups, and it is held by me. In Portage la Prairie we passed a resolution. I have not a copy of it here but speaking from memory it was to this effect: Resolved that the old age pension should be increased to $25 a month and the age limit lowered to sixty-five years. How can people live on $20 a month? In this house I brought out the information that we have paid lawyers $400 a day and granted them $20 a day living allowance in addition. But the pioneers who built this country are expected to live on $20 a month; in fact I know some who are getting as little as $8 a month because the wife happens to have a small amount of money in the bank and they figure that the interest should be deducted from the pension.

Mr. JOHNSTON (Bow River): It is a shame.

Mr. LEADER: I have a resolution passed by the union of Manitoba municipalities. It is long and I shall not read it all, but there is one paragraph I should like to read:

And whereas this convention feels that the age limit for old age pensioners should be reduced to sixty-five years and the maximum pension to old age pensioners and blind persons increased to $25.

Some of our provinces have made a move to increase the old age pension. My own province of Manitoba has gone so far as to say that it will pay its share of this additional $5 that we are asking for. I plead with the federal government to meet that and raise the pension to at least $25 a month. Our present old age pension is a blot on our nation. If we are going to provide a pension at all, let us give the old people something a little more liberal. And I would have it that they get the full $20 without any deductions.

Alberta, I believe, has also made some provision to increase pensions. Both these provinces in the speech from the throne in the legislatures announced it just the other day. Therefore Alberta is in the same category as Manitoba. I believe British Columbia is willing to grant old age pensioners an increased pension.

Mr. FAIR: Alberta has done it.

Mr. LEADER: I am glad to hear that; hats off to Alberta, and I mean that, with the greatest respect.

A few minutes ago I mentioned the electrification of rural districts. I am glad to inform hon. members that in 1935 I brought this matter to the floor of the house as a scheme for the relief of unemployment. I pointed out that there was no reason why our farming communities could not be served by this great labour-saving development. Surely they have as much right to the use of electricity as have the people who live in the cities. I pointed out at that time, and I believe it is true to-day, that one of the reasons why so many of our young people leave the farms is the lack of these very conveniences of which I speak. I am satisfied of that. I have lived among these people. I have seen farmers who have had private plants installed at terrific expense. Their neighbours will say, "Well, that is very nice, but we cannot afford it."

It is pointed out in the speech from the throne in the Manitoba legislature that a commission was appointed last June in that province to investigate the possibilities of electrification in the rural sections. The committee brought in its report in which it was declared that such a scheme was feasible, and that an expenditure of approximately $16,000,000—just postage stamp money, in these days of war finance—would be sufficient. It was pointed out, too, that the equipment would be much cheaper if the tariff on imported electrical equipment were removed. I want to see all possible industries grow and thrive in Canada, but we must not forget that there are other institutions which must thrive also. It was pointed out by the *Winnipeg Tribune* that the tariff on electrical equipment was 40 per cent. I had not thought it was that high, but I presume that the war regulations have brought it to that level. It was advocated by the commission that the tariff be removed or reduced.

The people of Canada have expended $100,000,000 in erecting a power plant in northern Quebec on the Saguenay river. That is a tremendous sum, when compared with the $16,000,000 required in Manitoba. In our province farmers have to do without electrical power, although it may run right past their doors. It is found in almost every town or village in the province, but it is so costly that the farmers cannot take advantage of it. I visited the airport at Macdonald, which is only a few miles from my home, and I could not help wondering why we could find money so easily to build a power plant out from Portage la Prairie to service this air field, while the farmer living alongside the air field does not have that service. I am not finding fault with that situation; I do not think any one should be allowed to tamper with the plant in war time. But why can we not take advantage of it after the war is over? I think we are going to. These people who ask us where we are going to find the money will not be listened to any more. I believe that was almost the expression used last night by the hon. member for New Westminster (Mr. Reid). As a post-war measure I could think of no better plan. Both farmers and manufacturers will prosper by such a policy, because the installation of hydro power throughout the rural parts of Canada would be bound to help industry and labour. It would help Canada as a whole, and that certainly should be our object. It is the object in my mind to-day.

Coming from Manitoba I should like to say something about a recent change which will affect not only our province but the whole of Canada. I make reference to the selection of John Bracken, the ex-premier of Manitoba, as leader of the Conservative party. Along with that he takes—or his party takes—the name "Progressive." Mr. Bracken was our premier for over twenty years. When he was called upon to lead a progressive government in 1922 he had had no previous political experience. I do not think, in fact, he had any political affiliations. It was a case of the job seeking the man, and that fact in itself marks Mr. Bracken for distinction.

During his tenure of office in Manitoba his government was usually referred to as the Bracken government. He stamped it with his personality, and his record can best be judged by twenty years of unbroken rule. While I

do not believe Mr. Bracken needs any testimony from me, I should like to say that he was a first-class premier of a first-class province, but his field of operations of necessity was somewhat circumscribed. I can understand why Mr. Bracken would wish to sit in the federal parliament. He is not an old man, and I presume he is actuated by a desire to continue his services for Canada. As I said before, however, his field of operations in the province was somewhat restricted. When Mr. Bracken sitting in a provincial legislature undertakes to do anything about the tariff he is up against a stone wall. That is federal legislation, and beyond his sphere of influence. Now that he has sought a larger field I believe he will prove an asset to the House of Commons and to Canada.

When I heard the rumour that Mr. Bracken was to become leader of the Conservative party, I was amazed; I was astounded. I could not understand why the Conservative party would want him, and I never thought he would accept their views. But, alas, this strange phenomenon has taken place. The Conservative party, under his leadership, has taken the name "Progressive Conservative." Let us hope that progressive principles are also embodied.

Speaking for myself, and following my usual procedure, I shall support any promise of legislation coming from any group in this chamber, if I think such measures will prove beneficial to our nation's welfare.

I would hate to introduce a jarring note into the discussion. My position on certain questions cannot be misunderstood after the years I have served in parliament. I think—I am just making this reference—that the 1942-43 new policy introduced the other day by the Minister of Trade and Commerce (Mr. MacKinnon) with regard to wheat is not in the best interests of the Canadian people. Ever since this legislation was brought before the house a few years ago, I have always taken this attitude. I think the policy adopted by the government was faulty, and the regulations announced the other day are the inevitable result of the bad foundation. That is all I want to say to-day with regard to wheat. It may be that I shall have the privilege of speaking further on this matter. I am glad to have had this opportunity of speaking and I thank you, sir, for listening.

Mr. A. H. BENCE (Saskatoon City): Mr. Speaker, may I, at the outset of my remarks, endorse most emphatically the words of the immediately preceding speaker with respect to old age pensions. I am sure that any hon. members who know anything at all about the situation that exists across Canada to-day in connection with housing conditions and the difficulty of obtaining food must agree that it is impossible for any man or woman to maintain a reasonably decent standard of living on $20 a month. In most cities it is impossible to obtain a room for $20 a month, let alone purchase food and clothing and the other necessities of life.

The other day the leader of the opposition (Mr. Graydon) referred to the matter of more attention being paid to a man's occupation when members of the cabinet were being selected. I agree most heartily with his expressions. Without casting any reflection upon those who are members of my profession, I think more attention should be given to representatives of the two largest bodies in the dominion, labour and agriculture. I have, however, what I believe is a more serious criticism to make with respect to the actions of the administration in the selection of boards which deal with matters pertinent to the whole dominion. The administration has, in my opinion, been most short-sighted in the selection of the membership of many of these boards from the geographical point of view. It seems to me that an examination of some of the most important boards will show that the administration has completely forgotten that there is any other part of Canada than that in the immediate centre. Again I am casting no reflection upon this particular part of the country. I suggest most sincerely and emphatically that unless the viewpoint of all the people of this country is obtained with respect to problems which affect the whole country, we cannot expect to obtain the efficient war effort which we should have at this time.

One of the most serious problems before the Canadian people to-day is the matter of man-power. No one will deny that, and there is no part of Canada more concerned about it than the part from which I come. Agricultural workers are very scarce and farmers are having the greatest difficulty in taking off their crops. In many instances farmers have not been able to take their crops off at all. Yet when it came to the selection of the board which was most concerned with this problem of labour we find—I refer to *Hansard* of May 20 of last year where an answer is given to a question asked by myself—that the members of the national selective service advisory board, which is described as being composed of the members of the national war labour board and the interdepartmental committee on labour coordination, is made up of eight members from the province of Quebec,

six members from the province of Ontario generally and eleven members from the city of Ottawa, a total of twenty-five members. There was not one representative from west of the great lakes on a board which is of paramount importance to workers across this dominion. This is indicative of the insular attitude which has been adopted by the administration with respect to a problem which affects the whole country.

There is another matter which is of interest to the province from which I come and to the other wheat growing provinces, namely, the proposed production of industrial alcohol and synthetic rubber from surplus farm crops, particularly wheat. Yet when an advisory committee was set up the other day to cooperate with the rubber controller in connection with matters involving synthetic rubber, and I presume the production of things like butadiene from which synthetic rubber is manufactured, we find that the chairman of the committee is from Toronto, a gentleman high up in one of the rubber companies of this country, while all the other members come from the central portion of Canada. There is not one from western Canada, not one from the Pacific seaboard or one from the maritimes. This production of synthetic rubber and industrial alcohol is of growing importance to western Canada; yet there is not one representative on that committee from that particular part of the country.

It makes the people out there suspicious that the administration is not giving to these problems the consideration which they, in western Canada, consider is due to them. They feel that they will not be allowed to take their proper place in the war effort of this country unless a larger view is taken of the whole subject. This question was most succinctly expressed a short time ago in the Regina *Leader-Post* in an editorial which referred to a report concerning the sending of wheat to eastern Canada for the production of industrial alcohol. The editorial was reprinted in the *Star-Phoenix* of November 4, 1942. I quote:

> A few days ago it was announced that 264,000 tons of wheat were being shipped, or were to be shipped, to central Canadian distilleries to produce 66,000 tons of commercial alcohol. So far as shipping is concerned this means sending by rail 264,000 tons of raw material a distance of about 1,500 miles as against sending one-quarter of that tonnage, if the alcohol were made in the west. Apparently in this case, the question of placing a "strain" on the railway facilities does not count as much as when the proposal is to set up plants in the west.
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> Then, of course, the residue from the production of alcohol, amounting to 25 per cent of the weight of the raw material, after liquids and waste have gone down the drain, is first-class stock feed and needed in the west. No doubt someone in Ottawa or Toronto will get the bright idea of shipping it back to the west in cake form at a profit despite the fact that doing so will put another "strain" on the railways.
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> The argument for placing these alcohol plants in the west is so logical it cannot be refuted. The same applies in the case of linseed and soya bean oils which are and will be needed in vast quantities both now and after the war.

I would point out that the prairie provinces are being forgotten as far as war production is concerned. But this problem involves more than the immediate present; it involves the future. There is a great deal of talk at the present time about social security, the necessity for sickness insurance, health insurance and the continuation and improvement of unemployment insurance. All these things are necessary; they are long overdue, and I agree with all of them. The other day the Prime Minister (Mr. Mackenzie King) took time to send out a few gibes about the position of my party in this connection. The Prime Minister has been in power as Prime Minister for sixteen out of the last twenty-two years, and yet an unemployment insurance scheme which was advocated by his party as long ago as 1919 was not put into effect until a year or two ago. While health insurance is mentioned in the speech from the throne, we do not know when it will be put into effect because it is going to be referred to a committee. These things are required and no matter who brings them in, I will subscribe to them.

It seems to me, however, that we forget a most important principle when we are discussing matters of social security. We do not forget those words of the Prime Minister of Great Britain and the President of the United States when they formulated the Atlantic charter—security and freedom from want, but we seem to fail to remember that the whole thing is based upon the necessity of providing gainful employment to all the employable people in this country. When we discuss these matters of social security, unemployment insurance, health insurance, state medicine and so on, we forget a paramount and important premise, namely, that you cannot have them unless the majority of the people of the country are gainfully employed. A scheme of social security will not work if nobody is working.

An hon. MEMBER: What about machinery?

Mr. BENCE: You cannot make machinery work unless you have somebody behind it.

Mr. BLACKMORE: You cannot put twelve men to work on a combine.

Mr. BENCE: I am not going to get into an argument with my hon. friend on that

point. If you put one man on a combine where you previously used to have twelve to do the work, I would take the other eleven men and put them at some other useful work. There are all kinds of things which the people of this country need and will want in the future. An important consideration is to provide gainful employment for people who are willing and able to work. One of the first duties of this administration is to ensure that there shall be gainful work. We as individuals in this country, if we have the strength and the health, cannot escape our responsibility. The people want the opportunity to work; they do not want something for nothing.

If the present policy of the administration is continued it will perpetuate a situation which for years has been intolerable in the part of the province from which I come. Those of us who come from the west know that a situation prevails there of which the administration cannot be fully seized. At the present time we are practically one hundred per cent agricultural. We have a large surplus of wheat, and probably at the end of this crop year there will be almost a billion bushels of wheat in Canada—far more than we can hope to consume or export for a number of years to come. It is true that we have a ready market for most of the other farm products we can raise. Our beef, pork, butter, cheese, and the like, can be readily marketed; but let me point out to the house that the need for these other agricultural products is not a permanent one. It is only a temporary condition. After the war is over, and pray that it may be soon, all the countries of Europe which produce these farm products will gradually get into full production again and then we shall not have the need for anything like the quantities of beef and pork and eggs and cheese and butter that are required at the present time.

As to wheat, I will grant that for a short time after the war is over a large amount of the wheat we have on hand will possibly be required to feed the starving countries of Europe, but when the great plains of the Ukraine and other parts of Europe are again in full production we shall not be able to consume or export all the wheat that it is possible for us to produce in this country for human consumption. What is in store for us? Those of us who come from the prairie provinces are concerned about the situation. We feel that the administration is not fully seized of it and is not taking sufficient cognizance of the present situation to bring about a better economic situation in that part of the country. Instead of endeavouring to bring work to the men and women in that part of the country, as has been advocated by myself and by many other members from western Canada, the administration is continually draining our population to the point that now we have, according to the last census, fewer people than we had ten years ago. Our province is being literally denuded of its population by the policy of the administration.

Our men and women are being brought to this part of the country and crammed into Ottawa dwellings. Ottawa is a sufficient example, I should think, to any member of this house. I was aghast when I came down this time to find how many more people there were in Ottawa than a year ago. You cannot get into a restaurant in Ottawa today and it is difficult to get accommodation of any kind. Temporary building after temporary building is being erected to house the office workers. Eight temporary buildings have been built already, and another one is being put up at a cost of $350,000. Why is it necessary to continue to build all these buildings and bring men and women from western Canada to Ottawa and to other congested parts of eastern Canada? It is economically unsound, and so far as an efficient war effort is concerned it is absolute nonsense. In my own local paper for the last number of months advertisements have been printed by different departments of the government in an effort to persuade stenographers and accountants and others to come to work in Ottawa. I will tell you that if those who do decide to come here had any idea of what conditions are like in Ottawa, most of them would not come; in fact I know many who are now endeavouring to get back, but they just cannot find employment out west to go to.

Not only is the government trying to persuade people to leave the west and come to Ottawa through advertisements in the newspapers but the national selective service tell men and women that it is their duty to come down here. They tell men and women in my part of the province that it is their duty to go to eastern Canada and take up war work. It is the duty of the administration, I submit, to see that war work is taken to these people in as large a measure as possible. Not only does the administration tell the people that it is their duty to come here, but it offers them more money than we are able, financially or legally, to pay them.

On the question of congestion and overconcentration, my fear is, and I think it is borne out by the facts, that if we continue this overconcentration and this congestion we shall get far less results per man and woman-

power than we would if we had a sane policy of distributing the war economy over the whole of the country.

I was interested in reading an article in a pamphlet called the "Letter-Review" which came to my desk the other day. I will quote briefly from a paragraph having reference to the physical volume of business; it states:

In August, 1941, the index of employment was 156·2; in August, 1942, the index was 173·0. These figures are startling. An increasing number of workers is producing a steadily decreasing volume of goods. It might be well, before we went any farther with selective service, to stop and consider whether we are on the right track. It would be far better to obtain correction by increasing the output per man, rather than to stress too urgently the need of reducing any form of production, if we can avoid that.

Those figures are an indication that, by the very fact of bringing here these numbers of men and women from all parts of the country, we are creating problems of congestion which are taking up the attention, the time and the work of many other people to cope with them—problems of housing, of food conditions and the like.

There are many activities arising out of this war which we believe can be carried on in our particular section of the country. We think we should have more flax processing plants out there. We believe that some of these plants could be located in Saskatchewan, where we are able to produce large amounts of flax. The farmers of Saskatchewan were very much disappointed the other day to be told that the Minister of Agriculture (Mr. Gardiner) had discovered through a visit to Washington that they could not increase their flax production as they thought they should be able to do, because there were not sufficient plants to process the flax once it was grown. The very kind of thing we should be doing in that part of the country is to retain our man-power there in order that we may assure for it a modicum of prosperity at the present time and in the years to come.

We believe there should be a complete examination of the use of surplus agricultural products for war needs. In the United States of America this matter has been given a great deal of attention, so much so that special senate hearings were held on the matter. I have in my hand three rather thick volumes of the evidence which was given before the United States senate committee. It had been more or less conceded prior to that time that they could not produce industrial alcohol effectively or economically from wheat, but after hearings by this committee those in charge of affairs decided that it was economically possible to produce industrial alcohol and synthetic rubber from grain. As a matter of fact, only a few days ago, in the January 11 issue of *Time* magazine, the following paragraph appeared:

Some time next week the first synthetic rubber plant in Rubber Czar William Jeffers' 1,000,000-ton programme will actually start turning out butadiene—the strategic chemical that forms the basis of Buna-S tire rubber. The plant: Union Carbide and Carbon's 80,000 ton unit at Institute, West Virginia, which will make rubber from grain alcohol.

We believe that not only should there be flax processing plants in our part of the country but that we should be given an opportunity of producing industrial alcohol and synthetic rubber. We believe also that it is utter folly to be sending our prairie bone to the United States and eastern Canada, there to be made into glue, and that we should be making it where the bone is and where we have men and women to do it if they are only left there.

The greatest opportunity lies before this administration to do something toward solving post-war difficulties in western Canada, if they will take advantage of the opportunities now before them. If they do not do so now, they will never have as good a chance in the future. The important consideration, of course, from the economic point of view, is to ensure that enterprises established in western Canada shall be such as will continue to give employment not only during the period of the war, but afterwards. Such matters as I have suggested—the production of synthetic rubber, the manufacture of glue, and the processing of flax to produce vegetable oils—are industries which can be continued after the war and will not only be valuable economically but bring about a needed diversification in our part of the country. We shall not then be entirely dependent upon the production of agricultural products for human consumption.

Mr. LEADER: May I suggest also the manufacture of farm machinery?

Mr. BENCE: Naturally we should bring to western Canada, if it is possible to do so, opportunities to manufacture everything which is useful in that part of the dominion.

Announcements have been made from time to time in the press as to the cutting down of businesses, and I suppose that the exigencies of the situation render this necessary. But I suggest to the administration that, in the cutting down of these businesses, they consider principles which are being followed in Britain and the United States, and do not continue the present policy of what I term folly. In that connection I would quote a recent

article by B. T. Richardson which appeared in the Saskatoon *Star-Phoenix* of November 4, 1942:

The American intention of considering geographical distribution is based, in part, on the policy of devoting the best and most efficient facilities to war production. This is a factor that has not been raised in Canadian discussion of concentration so far, and there are obvious compelling reasons why, if war production is concentrated as it is in the Ontario-Quebec region, remaining civilian production should be concentrated in other regions such as the west. In other words, the basic or nucleus plants remaining in civilian production should be the plants outside the main war production area, as much as possible.

The men and women who have left our province to come to eastern Canada and create the congested situation which obtains in cities such as Ottawa, Toronto and Hamilton, and the men and women who, being in the armed services, necessarily have moved to other parts of Canada and other parts of the world, will in the greater number of instances be returning to their homes after the war. I am sure that the citizens of Ottawa would not like to see a continuation of the present overcongestion; they expect these people to move; and other cities where congested areas exist expect the same. When the men and women in the armed services come home we want to have something for them to come home to. We want to be able to supply them with employment: we want so to build up our communities in the meantime that they will be worth coming home to. But if the present system of denuding our country of its population and entirely overlooking its right to a fair share of the war effort is to continue, they will have nothing to come home to, and this country will be faced with the greatest economic headache it has ever had.

In that connection, I was pleased to note that the Minister of Labour (Mr. Mitchell) had come back from his recent trip to Great Britain with a point of view to some extent similar to my own. He had reference, I believe, to labour when he made the statement I have in mind, but his remarks apply also to industry and the other matters to which I have referred. This is taken from the Canadian Press of November 7:

My observation is that this tremendous programme—

He is referring to the man-power policy over there.

—perhaps the most important phase of the war effort on the home front, could not have been administered so effectively unless the British had resorted to the principle of decentralization.

Mitchell said he learned that if headquarters of the labour ministry were destroyed by bombing, the eleven regions into which the country is divided could carry on without difficulty.

[Mr. Bence.]

"Surely if decentralization is desirable here it is all the more needed in Canada with our vast distances," he said. "I intend to work in that direction for I believe the British experience in this matter points the way for solution of many of our problems."

I suggest that in addition to the work in connection with the regional offices the administration of labour should, as far as it is possible for them to do so, endeavour to decentralize war-time production and production for ordinary consumer use.

These are important things as far as war work is concerned; but I see no reason why, in addition to spreading out war work and giving us a fair opportunity to perform such work in our part of the country, there should not be some spreading out as far as administration is concerned. May I refer again to the fact that we are continuing to build temporary buildings in Ottawa. According to reports, the authorities are going to erect another building, No. 9, which is going to cost $350,000, and yet we are told that we cannot have erected in the city of Saskatoon a very necessary naval barracks which would cost probably $100,000 because we have not the materials and cannot get priorities. Why have we not the same right to the construction of administration buildings there? We can do work that is commensurately as important and commensurately as good there as here. Why in the world should we not be given an opportunity to erect our building, which is badly needed, as they are given here to erect No. 9 temporary building in Ottawa, or Hull, or wherever it is to be, at a cost of $350,000? Communication is no bar. Someone may suggest that the city of Saskatoon is a long way from here. The Prime Minister himself the other day referred to the fact that communication was so simple now that there was no need of an empire war cabinet, because the government could communicate with London with the greatest ease. Well, Ottawa could communicate with Saskatoon or Regina or Calgary or Edmonton or any of the other cities out in the west with equal facility.

Not only are our people being taken from us; not only are they being brought to eastern Canada, in many instances under intolerable conditions, but at the same time we get a slap in the face by being told that we shall lose four seats in our representation from Saskatchewan and three seats in our representation from Manitoba. And in the speech from the throne it has been stated that a special committee will be set up for the purpose of considering this problem, and for the purpose, I presume, of making a redistribution. Already the newspapers are full of speculations as to what particular district will gain a seat. The

city of Ottawa will gain a seat, as a result largely of bringing from other parts of Canada citizens who are ordinarily resident in those parts. I protest as emphatically and as strongly as I can against my province and the province of Manitoba losing any representation at this time, because these are extraordinary times and conditions are extraordinary, and those provinces should not be forced to lose these seats because the administration has been so shortsighted as to have persuaded our people to leave those parts. Ample opportunity is given this House of Commons to see that that course of events is not followed.

The British North America Act makes the following provision in section 51:

> On the completion of the census in the year one thousand eight hundred and seventy-one, and of each subsequent decennial census, the representation of the four provinces shall be re-adjusted by such authority, in such manner, and from such time, as the parliament of Canada from time to time provides, subject and according to the following rules.

I emphasize those words "and from such time". There are two courses open to us. We do not need to put into effect any plan of redistribution at the present time because to do so would be unfair to our part of the country, but we can follow this procedure. We can do as I understand they did in the last war. We can go to the privy council in England if necessary, and this House of Commons can see to it that my province and the province of Manitoba, indeed any of the western provinces, will not lose a seat as a result of the exodus that has taken place from those parts of the country on account of war work and the policy of the administration; and afterwards, when the next census is taken, we shall find ourselves in a position to obtain a fair picture of the situation with respect to our population. Therefore, Mr. Speaker, in my closing remarks, let me urge this House of Commons and every member here to consider very seriously before taking any step that is going to rob the provinces of Saskatchewan Manitoba of their proper representation in the councils of the nation.

Mr. W. A. TUCKER (Rosthern): First of all, in spite of the suggestion of my very dear and hon. friend the present acting leader of the opposition (Mr. Graydon), may I extend my sincere congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. If the sentiments which were expressed in those speeches could only become the thought of all the people of Canada, what a wonderful country this would be to live in; what a wonderful country in which to face the future for oneself and one's children! Certainly there would be no difficulty about the question either of national unity or of fairness to the people who are underprivileged, as the saying is, or to any great branch of our population such as agriculture, which, as everyone knows, is not getting to-day more than half its fair share of the national income.

Along that line I suggest that what is unfair should not be perpetuated longer than is absolutely necessary. It may have been necessary to freeze agricultural prices at the start of the war in order to be able to set a policy of no inflation in connection with the whole economic set-up; but if something is not done to redress the unfortunate position in which agriculture was placed at the start of the war, it means that agriculture has been frozen into a permanently inferior position for the whole period of the war. The time is rapidly approaching when the agricultural industry is going to make a major contribution to the whole conduct of the war. The question of food will become more and more important. We cannot possibly require people to continue indefinitely labouring on farms at lower wages and with lower returns than they could get in other equally essential war work. As a result of doing so we have to-day a lack of labour in agriculture from one end of Canada to the other. If something is not done to put agriculture on a fair basis with the other industries of the country, I am afraid we shall have to face a real crisis with regard to agricultural production in this dominion. It can be done without in any way upsetting the price level. It can be done by simply paying subsidies in order to give those people who are producing essential food products a fair price and a fair return for their labour. In that connection, we have to-day a situation wherein agricultural income has increased as a result of the increase in the amount of production, but in order to produce that increased quantity we have had people working on the farms hours which in industry would not be tolerated for a moment. We have children working, which would not be permitted in any industry, and we have women working long hours in the fields. That cannot be permitted to continue; it can go on for only a certain length of time. We want to increase our production of agricultural products, but I am afraid our production will begin to fall off unless a fairer deal is given to the people who produce them.

With regard to the position of agriculture in Saskatchewan, I bring this to the attention of the government. During the last war and from time to time when we were having diffi-

culty keeping people on the farms in western Canada, western legislatures passed debt adjustment acts, which meant that if a farmer was doing his best to meet his obligations a creditor was not permitted to eject him from his farm. Apparently that legislation has been ruled ultra vires of the provincial legislatures, which means that with regard to any debt incurred after May 1, 1935, a creditor will be able to eject a man from his farm even though he is doing his best to produce in support of the war effort. It means also that men who went before the Farmers' Creditors Arrangement Act boards and had their debts adjusted to some extent, cannot meet the terms set out in the orders of those boards, also can be ejected from their farms. It means that, owing to the policy of the Saskatchewan national war services board of ignoring the government policy laid down by the order in council of March, 1942, and of sometimes taking the last boy from the farm, even though he may be the only boy left to a widowed mother, farmers in some instances of sixty-five to seventy years of age have lost the only boy working on the farm. With prices of what they have to sell frozen at low levels and the protection in connection with their land taken from them by the decision of the privy council, we have put some of these men in the position where their farms may be taken from them while their boys are fighting for this country. I have no doubt that the government will do something to protect those worthy people. I am sure the Minister of Justice (Mr. St. Laurent) will do something in that regard. But I suggest that he consult the provincial attorneys-general who know the problem and how serious it is, and follow their advice rather than advice he may get from some people here in eastern Canada and particularly Ontario who seem to have an idea that the farmer is not doing his best to meet his obligations. I have lived among farming people all my life, and it seems to me that they of all people are the ones who worry most about their obligations and are most anxious to meet them. Therefore I urge him to see to it that these worthy people who are doing great things in relation to the war effort are protected as far as the possession of their farms and homes is concerned.

One other matter I wish to speak about before six o'clock is the representation of Saskatchewan and Manitoba in the House of Commons. If we followed strictly the policy of representation by population, we might be accused of being on unsound ground in asking the government to postpone the redistribution until after the war. We however do not do so. I have under my hand a table which shows that on one ground and another, apart from Quebec, no provinces after the next redistribution will be represented on the basis of population except Manitoba, Saskatchewan and British Columbia. All the other provinces are not and will not be represented on the basis of population, owing to riders that were interjected for one reason or another, whereby they were given special protection. We ask that this measure be postponed until after the war because we have lost so many of our population on account of war conditions. In doing so, we are not asking for nearly as much as other provinces have asked for and obtained in the past from a fair-minded Canadian people. This is the table to which I have referred:

Representation in House of Commons

	Number of members province will have after next redistribution	Number of members province would have if representation based strictly on population	Excess over population basis
Prince Edward Island	4	2	2
Nova Scotia	12	11	1
New Brunswick	10	9	1
Quebec	65	65	..
Ontario	82	74	8
Manitoba	14	14	..
Saskatchewan	17	17	..
Alberta	17	16	1
British Columbia	16	16	..
Yukon	1	1	..
	238	225	13

On motion of Mr. Tucker the debate was adjourned.

On motion of Mr. Mulock the house adjourned at 6 p.m.

Monday, February 8, 1943

The house met at three o'clock.

BUSINESS OF THE HOUSE

QUESTIONS AND MOTIONS FOR PAPERS

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think it was understood that questions and motions for papers would be taken up before proceeding to-day with the debate on the address. If the house is agreeable to that, I need not put a motion.

QUESTIONS

(Questions answered orally indicated by an asterisk.)

OTTAWA SNOW CLEARANCE—USE OF SOLDIERS

Mr. COLDWELL:

1. By whose authority were soldiers in the Canadian army ordered to assist the Ottawa Electric Railway Company, Limited, in snow clearance, on or about December 31, 1942?
2. How many soldiers were allotted to the task?
3. What amount, if any, was paid by this private company to the Department of National Defence for the services thus rendered?
4. Was this amount, if any, arrived at on an hourly rate? If so, what was the rate?
5. Did the soldiers receive additional remuneration?

Mr. POWER:

1. The Adjutant-General.
2. 307.
3. None.
4. See answer to Question 3.
5. No.

*RADIO BROADCASTING—DOCTOR WATSON THOMSON

Mr. CHURCH:

1. Is Watson Thomson engaged in radio work for the Canadian Broadcasting Corporation?
2. If so, what are his fees, allowances and other emoluments, who recommended his appointment and for what purpose?
3. Has the attention of the government been called to some of his utterances reflecting on the mother country and were his addresses submitted to the government before delivery?
4. Is this man still in the employ of the corporation?
5. If so, in what capacity?
6. Is he a returned soldier and has he any military record?

Mr. LaFLECHE: I consulted with the Canadian Broadcasting Corporation in respect to question No. 7 and was given the following information and they stated they had no objection to its being brought down. The answers are as follows:

1. Mr. Watson Thomson gives occasional broadcasts on invitation by the supervisor of talks of the Canadian Broadcasting Corporation.
2. The regular fee paid for such broadcasts, i.e. $25 per occasion; he was first engaged by Mr. Donald Buchanan in June, 1939, and later by Mr. Hugh Morrison, who succeeded Mr. Buchanan; he is one of a panel of three engaged to talk alternately on the series "Week-End Review".
3. No.
4. He gave his final talk in the present series on February 7, 1943.
5. See answer to No. 2.
6. The information obtained from Mr. Thomson shows that he was a signaller attached to the Royal Field Artillery between March, 1917, and October, 1919, and saw active service in France between April, 1918, and the armistice.

Mr. GRAYDON: May I ask the minister if in his answer to question No. 4 he means that Doctor Thomson has given the last of his talks in the series but that there will be another series, or is he now out of the employ of the corporation?

Mr. LaFLECHE: I can answer that, Mr. Speaker. He was engaged for a series, one of a panel of three gentlemen who did speak. He has given his final talk on that series and there is no other engagement standing at the present.

Mr. COLDWELL: May I just ask the minister a question on one remark that he made. He said that the corporation had no objection to this information being brought down. What was the significance of that remark, if any?

Mr. LaFLECHE: I was stating a fact.

Mr. COLDWELL: I rise to a point of order. I think there is an important principle involved in that particular reply, as to whether it is merely at the discretion of the corporation that the question is answered. That is the point.

Some hon. MEMBERS: Order.

Mr. SPEAKER: Question No. 7 must be considered as having been answered and no discussion can take place thereon.

MINISTERS PLENIPOTENTIARY AND ENVOYS EXTRAORDINARY

Mr. CHURCH:

1. How many ministers plenipotentiary and envoys extraordinary have been appointed since the house adjourned on August 1, 1942, to where and at what cost to Canada?
2. Where are they located?
3. Who compose their staff and what are their respective salaries, travelling expenses, living allowances and all other emoluments?
4. What previous experience had they before their present appointment as diplomats?

5. Was the government of Great Britain consulted or advised as to their selection or appointment in view of the war and the need of joint action with British embassies?

6. Are their speeches, on and off the record, first submitted to the government before being published, and does the government accept responsibility for their utterances?

7. What expenses have been incurred by each of these diplomats since appointment?

Mr. MACKENZIE KING:

1. Four ministerial appointments to diplomatic posts abroad have been made since the house adjourned on August 1, 1942. Canadian ministers will shortly be going forward to the following countries: China, the U.S.S.R., Chile. In addition it has been decided to accredit a Canadian minister to a number of allied governments now temporarily established in London. Until these missions are actually established and final arrangements are completed, it is impossible to determine what the final financial arrangements will be.

2. When the four ministers arrive at their posts they will be located at Chungking, Kuibyshev, Santiago and London.

3. Canadian Legation, U.S.S.R. Minister—L. D. Wilgress, Brigadier H. Lefebvre, R. M. Macdonnell, Major G. J. Okulitch, A. C. Smith, J. A. McCordick.

Canadian Legation, China. Minister—Major-General V. W. Odlum, G. S. Patterson, R. E. Collins, Major H. Wooster.

Canadian Legation, Chile. Minister—W. F. Chipman, M. J. Vechsler, Jules Leger.

Canadian Legation, Allied Governments in London. Minister—Major General G. P. Vanier, Pierre Dupuy.

Since financial arrangements cannot be completed until the various missions abroad are actually established, it is not possible to provide this information at the present time.

4. The experience and abilities of each of the ministers appointed to these posts is a matter of public record.

5. Canadian ministers are appointed by His Majesty the King on the recommendation of the Government of Canada. In accordance with usual constitutional practice, the United Kingdom government has been fully informed in each case before the opening of new diplomatic missions.

6. For obvious reasons it would be impracticable to arrange for the submission of such speeches in advance in all cases. In general, however, it may be said that the government accepts responsibility for statements made abroad by its representatives when acting in their official capacities.

7. See answer to question 3.

[Mr. Church.]

VICHY REPRESENTATIVE IN OTTAWA

Mr. CHURCH:

1. Does the government still recognize the Vichy French government and their representative in Canada?

2. Has Vichy still an embassy in Ottawa and who compose the staff?

3. Have they representatives elsewhere in Canada? If so, where, and who are the members of the staff at each location?

4. Is there any inspection of this embassy or of its mail, cables or other communications?

Mr. MACKENZIE KING:

1. No.

2. No.

3. No.

4. Answered by 1, 2 and 3.

WAR PENSIONS

Mr. CHURCH:

1. Have any pension tribunals yet been set up to deal with casualties in the present war?

2. If so, where?

3. What policy has been laid down and what rules and regulations have been issued in this respect?

4. How many applications have been received for pensions so far in this war and what action has been taken in the matter?

5. What is the total sum paid to the end of 1942 for pensions and other direct aid to dependents of casualties in this war?

Mr. MACKENZIE (Vancouver Centre):

1. Yes. Provision has been made whereby the Canadian pension commission and appeal boards of the commission adjudicate upon applications for pension in respect of disability or death suffered by members or former members of the Naval, Military and Air Forces of Canada during the present war.

2. The Pension Act provides for initial consideration of all applications at the head office of the Canadian pension commission. When an application is not wholly granted the applicant may, if he so desires, have a hearing before an appeal board of the commission sitting in his district without expense to him and with a minimum of inconvenience.

3. Early in 1941 a special parliamentary committee gave exhaustive consideration to pension and other related matters arising out of the present war. As a result of its recommendations, the Pension Act was amended so as to make its provisions, rules and regulations with appropriate modifications applicable to the present war.

As a result of these modifications, in respect of military service rendered during the war with the German reich, pensions are awarded

in accordance with the rates set out in Schedule A of the Pension Act for disabilities and in accordance with the rates set out in Schedule B of the Pension Act for death. In respect of service, any part of which has been rendered outside Canada, pension may be awarded for disability or death incurred during or attributable to service.

In respect of military service during the war with the German reich which has been wholly rendered in Canada on and after the 21st day of May, 1940, and no part of which has been rendered in a theatre of actual war, pensions are awarded to or in respect of members of the forces who suffer disability in accordance with the rates set out in Schedule A of the Pension Act and in respect of members of the forces who die, in accordance with the rates set out in Schedule B of the Pension Act, when the disability or death in respect of which the application for pension was made arose out of and was directly connected with such military service.

In cases in the present war in which pension cannot be awarded as above, but where the applicant is seriously disabled, or dies, as a result of a disability incurred during service, and he or his dependents are in necessitous circumstances, the commission may, in its discretion, award such pension not exceeding the rates payable under Schedule A or B to this act as it may from time to time deem to be adequate in the circumstances.

4. Formal or personal application for pension has been made in a very limited number of cases and, of these, no statistical record is kept. Such formal application, however, is not awaited by the Canadian pension commission, but every member of the forces who is discharged as medically unfit is considered by the commission to be an applicant for pension. Since the outbreak of the present war, the commission has considered 38,370 such cases. In 6,601 cases, entitlement has been granted.

5. $1,536,082.

RADIO BROADCASTING—SPEECHES OF MEMBERS OF PARLIAMENT

Mr. CHURCH:

1. What members of the houses of parliament have been given free time on the radio by the Canadian Broadcasting Corporation from January 1, 1935, to the end of January, 1943, for what purposes and by whose authority, or under what rules or regulations of the Canadian Broadcasting Corporation?

2. Was there any censorship of such addresses?

3. What free time was allowed by the corporation for reports of their speeches delivered in Canada before community clubs or other civilian or military meetings?

4. What number of such speeches were printed and distributed by the Canadian Broadcasting Corporation, and at what cost?

Mr. LaFLECHE: Mr. Speaker, I have taken this question up with the Canadian Broadcasting Corporation and am informed that it will take about one month to prepare a reply, and that is, of course, apart from any question of privileged documents, into which I do not now go. I should like to make the suggestion for the consideration of the hon. gentleman who asks this question that the question be brought before the committee the creation of which was announced in this house a few days ago by the Prime Minister.

Question stands.

POSTAL SERVICE—DISTRIBUTION OF "LONDON ECHO"

Mr. NOSEWORTHY:

1. What postage rate is charged by the Post Office Department for delivery through the mails to London householders of the London *Echo*?

2. Is this paper classed as a newspaper?

3. If so, by whom was such classification authorized?

4. Who are the registered owners and directors of this paper?

Mr. MULOCK:

1. 1 cent per 4 ounces.

2. Yes.

3. Post Office Department in 1879.

4. No information.

NATIONAL HOUSING ACT

Mr. FRASER (Peterborough West):

1. What is the total amount of the advances under the National Housing Act which have been made out of the amount appropriated under item 452 of the Appropriation Act No. 5, 1942?

2. How many dwellings have been constructed as a result of such advances?

3. Have any changes been made by order in council in the National Housing Act?

4. If so, what is the nature and purpose of such change?

Mr. ILSLEY:

1 & 2. Loans totalling $443,653 to finance 605 dwellings have been approved.

3. Yes.

4. Order in Council P.C. 4020 dated December 5, 1939, restricts loans to single-family houses and to amounts not in excess of $4,000.

Order in Council P.C. 11047 dated December 8, 1942, provided for a sliding scale of loans for the purpose of making higher percentage loans on lower cost houses thus increasing the limit under which 90 per cent loans could be made from $2,500 up to $3,200 as per the following schedule:

Ninety per cent when the lending value does not exceed $3,200, or

Eighty-nine per cent when the lending value exceeds $3,200 but does not exceed $3,300, or

Eighty-eight per cent when the lending value exceeds $3,300 but does not exceed $3,400, or

Eighty-seven per cent when the lending value exceeds $3,400 but does not exceed $3,500, or

Eighty-six per cent when the lending value exceeds $3,500 but does not exceed $3,600, or

Eighty-five per cent when the lending value exceeds $3,600 but does not exceed $3,700, or

Eighty-four per cent when the lending value exceeds $3,700 but does not exceed $3,800, or

Eighty-two per cent when the lending value exceeds $3,800 but does not exceed $3,900, or

Eighty per cent when the lending value exceeds $3,900 but does not exceed $4,000.

MOBILIZATION ACT—MEN OF CALL-UP AGE IN RESERVE ARMY

Mr. STOKES:

1. Are men of call-up age who are serving in the reserve army not required to report for training, service and duty, pursuant to the National Resources Mobilization Act?

2. If so, what are the reasons for not requiring them to report for service and duty?

3. Are any conditions attached to their postponement of service and duty?

4. If so, what are such conditions?

Mr. MITCHELL:

1. Those of the rank of corporal, or lower, are called in the ordinary course. Those above the rank of corporal are not sent "Order—Medical Examination" without the consent of the representative of the Department of National Defence.

2. Section 10(15) was put in the regulations at the request of the Department of National Defence. As the men are being called for that department, it was felt that they were best able to decide how the men could be most usefully employed.

3. Yes.

4. Only that they are in the reserve army with the rank senior to that of corporal and the Department of National Defence has not requested that they be called up.

[Mr. Ilsley.]

WAR RISK INSURANCE

Mr. MacKINNON (Kootenay East):

1. Upon what date did the war risk insurance scheme come into operation?

2. How many policies have been written to date?

3. What is the total value of the property insured by provinces?

4. What have been the total premium receipts to date?

5. What has been the total expenditure incurred in the administration of the act to date?

6. Of this amount how much was expended for (a) salaries, allowances and honoraria, (b) advertising?

7. Have any changes been made in the act by order in council?

8. If so, on what dates and what is the nature, purpose and effect of such changes?

Mr. ILSLEY:

1. September 15, 1942.

2. 24,417 to December 31, 1942.

3.

British Columbia	$ 534,681,690
Alberta	49,114,494
Saskatchewan	14,766,139
Manitoba	24,555,053
Ontario	445,024,246
Quebec	479,211,937
New Brunswick	63,224,805
Nova Scotia	161,775,640
Prince Edward Island	6,876,778
	$1,780,248,174

4. $4,211,785 to December 31, 1942.

5. $56,544.84 to January 31, 1943.

6.

(a) Salaries (3 employees)	$ 1,184 43
Travelling expenses	3,057 77
Expenses Regional Advisory Committee	1,018 79
(b) Advertising	31,908 13

7. Yes.

8. P.C. 11038 of December 3, 1942, provided for a refund of a portion of the net premium contribution of the insured in the event of there being a net surplus in the war damage insurance special account at the end of the war.

P.C. 11038 was tabled in the House of Commons on January 27th, 1943.

Note: The answers to Questions Nos. 2, 3 and 4 do not include insurance of grain or Dominion government property.

CANADIAN FORCES—ENLISTMENT OF ENEMY ALIENS

Mr. SHAW:

1. How many enemy aliens domiciled in Canada have applied for enlistment in the Canadian army, navy and air force since the outbreak of the present war?

2. Have any enemy aliens been enlisted in the said forces since the outbreak of war? If so, how many?

3. Have any enemy alien members of the Canadian armed forces been sent out of Canada since their enlistment? If so, how many and to where?

4. How many of such persons have been discharged from the armed forces since the outbreak of the present war?

5. Of those discharged, how many were discharged because of the fact that they were enemy aliens, and how many for other reasons?

6. What was the date of enlistment and date of discharge of each enemy alien who was enlisted and subsequently discharged?

Mr. SHAW:

1. Did Hans Ludwig Backs, an enemy alien, apply for enlistment in the Canadian army at Calgary, between January and April, 1942?

2. If so, who was the officer at Calgary who took Mr. Back's application?

3. Was this application sent to Ottawa for consideration?

4. Was it approved? If so, what is the name of the official who approved same?

5. Upon what date was Mr. Backs enlisted in the Canadian active army?

6. Where did he take his basic training?

7. Was he trained at the Trade Training School, London, Ontario? If so, for what period of time?

8. Has this man been discharged from the army?

9. If so, upon what date and for what reason?

Mr. SHAW:

1. Was Bernard Schaght, an enemy alien, enlisted in the Canadian army in Calgary in 1940 or 1941?

2. If so, who approved of his application for enlistment?

3. What period of training was he given in Canada?

4. Was he sent out of Canada? If so, where was he sent and when?

5. Has he been discharged from the army?

6. If so, when and for what reason?

Mr. POWER: Mr. Speaker, with respect to these three questions, I might make the following reply, first with regard to the security difficulties which might arise, and secondly with regard to the physical difficulties in preparing the answers. First with regard to the security difficulties, this answer comes to me from the director of military intelligence, as follows:

Answers to these questions would inform the enemy the number of men in the army, both here and overseas, who probably have relatives in enemy countries. This creates a situation where such relatives might be made the object of enemy vengeance. This is unfair to the men themselves.

If such men are taken prisoners, they are liable to be shot forthwith, as traitors to their country of origin.

The misinterpretation which could be placed on this information by other members of the army could lead to mistrust and suspicion of men possessing Germanic names, with consequent impairment of efficiency.

It is considered that for security reasons the information requested should not be disclosed.

Secondly, with regard to physical difficulties, the information is as follows:

1. Number who have applied for enlistment unknown as recruiting officers do not record or report particulars of personnel turned away or rejected.

2. Yes. Number unknown—see footnote.

3. No known enemy aliens have been sent out of Canada—but see footnote.

4. Numbers unknown but all are included in group of approximately 1,800 persons who have been discharged because their services were no longer required. Exact figures can only be obtained by examining all files of this group. Names of individuals cannot be disclosed in interests of security.

5. Answered by 4.

6. Answered by 4.

Footnote

Policy is not to enlist or call up enemy aliens but some nationals of countries now at war against the allied nations were enlisted or called owing to

(i) failure to disclose correct nationality;

(ii) enlistment or call up prior to the entry of their country into the war.

No known enemy aliens have been sent out of Canada.

Mr. SHAW: Mr. Speaker, might I point out in connection with the first of these three questions that I have made only reference to numbers. As to the statement now made by the minister, one answer is not correct inasmuch as certain enemy aliens have been sent out of the country, Germans who enlisted after their country became involved in war. I should like to have that corrected if possible.

Mr. POWER: I was not following my hon. friend and did not understand what he said, but I gathered he said that one answer was not correct. I should be glad to discuss that with him. These were the replies which came to me from the department, and I have every reason to believe they are accurate.

Mr. GRAYDON: He did not ask for names, only numbers.

Mr. SPEAKER: Is the question answered?

Mr. POWER: I think the question should be considered as answered, but I should be glad to discuss it with the hon. member, and if he wishes, another question can be put on the order paper.

"THE GOSPEL WITNESS AND PROTESTANT ADVOCATE"

Mr. ROY:

What was the weekly circulation of the publication *The Gospel Witness and Protestant Advocate* for the year 1942?

Mr. McLARTY: There is no department of the government which has the information here requested. I suggest that the question might well be dropped.

DUTIES ON LEAD AND ZINC CONCENTRATES

Mr. ESLING:

1. Has the government entered into an agreement with the United States, or is it negotiating with the United States, concerning the reduction or abolition of United States duties on lead or zinc concentrates?

2. If so, what are the terms of the proposed reduction?

Mr. MACKENZIE KING:

1. No.

2. Answered by the answer to No. 1.

UNEMPLOYMENT INSURANCE

Mr. ESLING:

1. What is the total sum received from the employers and employees throughout Canada for unemployment insurance contributions from July 1, 1941, when the act became operative to December 31, 1942?

2. What was the government's contribution during this period, July 1, 1941, to December 31, 1942?

3. What was the total contribution from employers and what was the total contribution from employees?

4. Are contributions in separate funds or do they become part of the consolidated revenue fund?

5. How much was paid out in unemployment insurance benefits during the calendar year 1942?

Mr. MITCHELL:

1. A total sum of $78,683,891.65 was received from the employers and employees throughout Canada for unemployment insurance contributions from July 1, 1941, when the act became operative, to December 31, 1942.

2. The amount of $15,736,778.33 was the government's contribution during this period, July 1, 1941, to December 31, 1942.

3. The total contributions for employers amount to $37,768,267.99 and the total contributions for employees amount to $40,915,623.66.

4. The Unemployment Insurance Act provides that contributions shall be credited to a special account in consolidated revenue fund called the unemployment insurance fund.

5. The amount of $349,655.94 was paid out in unemployment insurance benefits during the calendar year 1942.

[Mr. Power.]

JAPANESE NATIONALS AND NATURALIZED JAPANESE —REPATRIATION

Mr. ESLING:

Has the government taken any steps in negotiating for the repatriation of the Japanese nationals or naturalized Japanese?

Mr. MACKENZIE KING: Negotiations with Japan through the protecting power for the exchange of Canadian nationals in Japan and Japanese subjects in Canada have been under way for some months. It will be recalled that at the time of the exchange of diplomatic officials a small number of Canadians were brought back from Japan and some Japanese subjects were returned to Japan from Canada. The present negotiations for the second and further exchanges have been protracted, but it is hoped that before long a further party of Canadians will be able to leave Japan for Canada and at the same time a party of Japanese subjects will leave Canada for Japan.

VETERANS' LAND SETTLEMENT ACT

Mr. ESLING:

1. Have any parcels of land been purchased under the Veterans' Land Settlement Act of 1942?

2. If so, how many and in what localities and at what price per acre?

Mr. CRERAR: No parcels of land have been purchased up to the present time under the Veterans' Land Settlement Act.

SOLDIER SETTLEMENT BOARD

Mr. ESLING:

1. Since the operation of the soldier settlement board in 1919, down to December 31, 1942, what sums of money have been placed at the disposal of the soldier settlement board for the purchase of lands?

2. How many separate parcels of land were purchased during that period?

3. To how many parcels of land does the board now retain title?

4. How many parcels of land are actually occupied and producing returns to the board?

5. What sum, on account of such parcels, was returned to the board in 1942?

6. Since the operation of the act, what is the total amount written off for (a) revaluation, (b) reduction under Farmers' Creditors Arrangement Act, (c) bonuses?

7. From 1918 to December 31, 1942, what is the total received from settlers by way of principal payments?

8. What is the total sum received by way of interest?

9. Since the operation of the board what is the aggregate sum paid in salaries for administration and what is the total amount incurred for expenses other than salaries?

Mr. CRERAR: I suggest that this question stand. A considerable body of information is asked for which it will take a little time to prepare.

Question stands.

SHIPMENTS OF COAL INTO SLOCAN, B.C. DISTRICT FOR USE OF JAPANESE

Mr. ESLING:

1. How many carloads of coal were shipped into the Slocan district during the year 1942, for the use of Japanese?
2. What is the aggregate tonnage?

Mr. MITCHELL: 33 carloads aggregating 1,370 tons.

ALMONTE RAILWAY ACCIDENT

Mr. ROSS (Souris):

1. Has the Department of Transport or the board of transport commissioners conducted any investigation into the train wreck at the town of Almonte?
2. If so, by whom was such investigation conducted?
3. Has a report been made?

Mr. MICHAUD:

1. Yes.
2. Board of Transport Commissioners for Canada.
3. No.

BILLION DOLLAR GIFT TO BRITAIN

Mr. HAZEN:

1. Has the whole amount of one billion dollars, voted by this parliament to assist in financing United Kingdom war requirements in Canada, been expended?
2. If so, on what date was that amount exhausted?
3. What arrangements have been made since that date to assist the United Kingdom in financing its war requirements in this country?

Mr. ILSLEY:

1. Yes.
2. December 22, 1942.
3. In the speech from the throne reference was made to the establishment of a Canadian war supplies allocation board in order to provide for the financing and for the allocation to the united nations of Canadian war production. The government will give full details of this plan shortly.

DOMINION ARCHITECT IN BRITISH COLUMBIA

Mr. REID:

1. Who is the district resident architect for the dominion in the province of British Columbia?
2. Where is the district architect's office located?
3. How many are employed on the staff?
4. How long has the district architect been employed in this position?
5. What was his previous occupation before being appointed?
6. Is the present incumbent a fully qualified architect?

Mr. FOURNIER (Hull):

1. Mr. Charles Frederick Dawson.
2. Victoria, B.C.
3. Seven, including Mr. Dawson.
4. Since September 1, 1931.
5. Superintendent of buildings with the Department of Soldiers' Civil Re-establishment from May 8, 1917, to May 12, 1925. Appointed Assistant Architect with the Department of Public Works at Victoria, B.C., May 12, 1925.
6. Not a registered architect, but is thoroughly familiar with plans, specifications and building supervision. Studied architectural drawing at the Birmingham School of Art for about six years. Has had good experience as a builder and contractor.

WARTIME PRICES AND TRADE BOARD—CHAIRMAN

Mr. HATFIELD:

1. What is the name of the chairman of the wartime prices and trade board?
2. By whom was he recommended to this position?
3. What experience did he have in the production of food or other commodities?
4. What experience did he have in the distribution of food or other commodities?

Mr. ILSLEY:

1. Donald Gordon.
2. Appointed by the governor in council on the recommendation of the Minister of Finance.

3 and 4. None. The chairmanship of the wartime prices and trade board does not involve the production and distribution of food or other commodities but rather broad executive and administrative experience.

*ALBERTA DEBT ADJUSTMENT LEGISLATION

Mr. DOUGLAS (Weyburn):

1. What has been the total cost to the federal government of referring the Alberta debt legislation to the courts?
2. What legal counsel represented the federal government before the judicial committee of the privy council, when this legislation was under consideration.
3. What remuneration was paid to each of the legal counsel so engaged?

Mr. ST. LAURENT: The only part of this question which can be answered at this time is the second paragraph. The answer to this part of the question is as follows: The legal counsel were Mr. D. N. Pritt, K.C., and Mr. Frank Gahan, both of London, England.

Questions 1 and 3 have to do with the total cost of the reference to the federal government. The accounts have not yet been received. I should like that part of the question to be passed as an order for return. The return will be brought down as soon as the accounts have been received and the amounts thereof determined.

Mr. SPEAKER: Passed as an order for a return so far as questions 1 and 3 are concerned.

SUPPLY OF SEED OATS TO NORTHERN SASKATCHEWAN AND ALBERTA

Mrs. NIELSEN:

Have any arrangements been made, and facilities arranged, for the supply of seed oats to northern areas of Saskatchewan and Alberta, where oats were frozen last fall, in readiness for seeding operations this spring?

Mr. GARDINER: This is a matter concerning the provincial government, and I understand it is receiving their consideration.

FOOD REQUIREMENTS COMMITTEE

Mr. SENN:

1. Has a food requirements committee been appointed?

2. If so, when?

3. Who are the members of such committee and who are the chairman and secretary thereof?

4. What is the ordinary occupation of each such member?

5. What are the duties of this committee?

Mr. MACKENZIE KING:

1. Yes.

2. October 22, 1942.

3. The order in council P.C. 9692 directs that the committee should consist of representatives of the following departments and bodies: Department of Agriculture; Department of External Affiairs; Department of Finance; Department of Fisheries; Department of Trade and Commerce; Wartime Prices and Trade Board; to which has since been added the Department of Pensions and National Health.

The present membership is as follows:

Dr. G. S. H. Barton—Deputy Minister of Agriculture,

Mr. Hume Wrong—Assistant Under-Secretary of State for External Affairs,

Dr. W. A. Mackintosh—Special Assistant to the Deputy Minister of Finance,

[Mr. St. Laurent.]

Mr. H. F. Angus—Special Assistant to the Under-Secretary of State for External Affairs,

Dr. D. B. Finn—Deputy Minister of Fisheries,

Mr. Oliver Master—Acting Deputy Minister of Trade and Commerce,

Mr. K. W. Taylor—Secretary of Wartime Prices and Trade Board,

Dr. L. B. Pett—Director of Nutrition Services, Department of Pensions and National Health.

The committee has chosen as chairman Mr. H. F. Angus, and has appointed as secretary Dr. C. F. Wilson.

4. Answered in number 3.

5. The duties of this committee are to:

(a) supervise the preparation of information on Canada's food position which the committee may desire to furnish to the Combined Food Board or other bodies;

(b) consider matters affecting food supply referred to it by the governor in council, by cabinet war committee, or by any of the departments and agencies of government;

(c) make reports to the proper authorities on questions of policy arising out of the need for coordination of Canada's undertakings to export foods to the United Kingdom and other united nations with the price ceiling, the essential requirements of foods for domestic consumption and other factors which must be taken into account to ensure a balanced war effort;

(d) submit recommendations to the proper authorities with respect to all matters of policy concerning embargoes or other restrictions on exports or imports of foodstuffs and concerning all proposed agreements concerning external trade in food.

PRAIRIE FARM ASSISTANCE EXPENDITURES BY PROVINCES

Mr. HANSELL:

1. How much has been spent in each province for each of the crop years 1936 to 1942 inclusive on account of (a) prairie farms administration drought bonuses, (b) prairie farms income bonuses, (c) wheat acreage reduction bonuses?

2. How much of these amounts has been paid in each of the provinces, (a) to farmers or other applicants, (b) for administration?

3. Out of what fund or account is this money spent?

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Mr. GARDINER:

1. (a) Prairie Farm Assistance—

	1936-38		1939		1940		1941		1942	
	Payments	Administration	Payments	Administration	Payments	Administration	Payments	Administration	Payments	Administration
										(To Dec. 31/42)
			$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.		$ cts.
Manitoba	Nil	Nil	868,942 11	23,490 84	611,393 20	31,208 83	36,617 67	10,801 27	Nil	1,772 54
Saskatchewan	Nil	Nil	7,434,424 27	169,725 16	5,598,002 93	287,814 86	11,990,471 26	234,291 38	Nil	49,057 61
Alberta	Nil	Nil	1,600,934 39	38,404 60	502,805 27	27,741 20	3,392,498 73	68,098 75	Nil	16,964 19

(b) Prairie Farm Income—

	1936-40		1941		1942	
	Payments	Administration	Payments	Administration	Payments	Administration
			$ cts.			
Manitoba	Nil	Nil	2,986,709 37	Included in Prairie Farm	Nil	Nil
Saskatchewan	Nil	Nil	10,286,095 73	Assistance	Nil	Nil
Alberta	Nil	Nil	5,625,468 75	Administration	Nil	Nil

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(c) Wheat Acreage Reduction—

	1936-1940		1941		1942	
	Payments	Administration	Payments	Administration	Payments	Administration
					(Jan.25/43)	(To Dec. 31/42)
			$ cts.	$ cts.	$ cts.	$ cts.
Manitoba	Nil	Nil	4,386,138 94	114,206 66	2,417,232 00	128,285 14
Saskatchewan	Nil	Nil	19,815,065 21	336,642 96	7,259,952 04	418,649 60
Alberta	Nil	Nil	10,305,903 61	182,871 25	4,129,505 31	205,511 48

"Payments" represent total amount paid in respect to the programme for each crop year, whether paid during the crop year or subsequently.
"Administration" represents expenditure on administration during each fiscal year.

2. See above.

3. Prairie Farm Assistance payments are made from the Prairie Farm Emergency Fund as established under the Prairie Farm Assistance Act.
Prairie Farm Income payments were made from the War Appropriation.
Wheat Acreage Reduction bonuses are paid out of money voted by Parliament for the purpose.

MOBILIZATION ACT—RECRUITMENT QUOTAS BY MILITARY DISTRICTS

Mr. PURDY:

On what basis are the quotas of recruits asked for from each military district under provisions of the National Resources Mobilization Act arrived at?

Mr. MITCHELL: The Department of Labour receive from the Department of National Defence (Army) requests to have men report to district depots and training centres in quotas based on training facilities. These are approximately in proportion to population. The mobilization section request the mobilization division in which the training centre or depot is situated to procure the men in question. However, the policy is to require all designated age groups in all divisions to be dealt with before designating and dealing with further age groups, and, if necessary, men mobilized in one division may be sent to other areas for training.

COMBINED FOOD BOARD

Mr. SENN:

1. When was the combined food board first established?

2. What nations are represented on this board?

3. Who are the Canadian representatives on the board?

4. When were they appointed?

Mr. MACKENZIE KING:

1. June 9, 1942.

2. The United Kingdom and the United States of America. Other countries are represented on the sub-committees of the board when their interests are concerned.

3. Canada is not represented on the combined food board.

4. Answered by the answer to question 3.

INVESTIGATION OF WAR INDUSTRIES BY MOUNTED POLICE

Mr. LACOMBE:

1. Since the beginning of the war, has the government issued any orders to the Royal Canadian Mounted Police to investigate the activities of certain war industries or those performing sub-contracts for same?

2. If so, (a) when, (b) what industries or private individuals, (c) with what results?

Mr. HOWE:

1. The Department of Munitions and Supply has not the power to issue any orders to the Royal Canadian Mounted Police. When circumstances warrant such action being taken as is suggested in the question, the department requests the Commissioner of the Royal Canadian Mounted Police to institute investigations of such a character as are warranted by the circumstances.

2. It is not in the public interest to disclose this information.

WAR EXPENDITURE AND PUBLIC DEBT

Mr. FRASER (Peterborough West):

1. What has been the total expenditure of the dominion government for war purposes during each fiscal year since the outbreak of war?

2. What is the total amount which it is now estimated will be expended for war purposes during the present fiscal year?

3. What was the total expenditure for ordinary governmental purposes during each fiscal year since the outbreak of war?

4. What is the total amount which it is now estimated will be expended for ordinary governmental purposes during the present fiscal year?

5. What have been the total revenues of the government during each fiscal year since the outbreak of war?

6. What is the total amount of revenue which it is now estimated will be collected during the present fiscal year?

7. What has been the total increase in the net debt of Canada during each fiscal year since the outbreak of war?

8. What is it now estimated will be the total increase in the net debt of Canada at the end of the present fiscal year?

9. What was the total net debt of Canada on the following dates: March 31, 1914; March 31, 1919; March 31, 1930; March 31, 1939; March 31, 1940; March 31, 1941; March 31, 1942?

Mr. ILSLEY:

1. Direct War Expenditures (not including financial assistance to the United Kingdom by way of redemption of debt or by loan), shown on page 64 of the Public Accounts for the fiscal year ended March 31, 1942:

Fiscal Year ended Mar. 31	1940	$ 118,291,021.64
" " " "	1941	752,045,326.06
" " " "	1942	1,339,674,152.42

2. Latest published estimate of Direct War Expenditure for the fiscal year ending March 31, 1943, including $1,000,000,000 gift to the United Kingdom, nearly $3,900,000,000.

3. All Government expenditure, excluding Direct War Expenditures but including Ordinary Expenditures, Capital Expenditures, Special Expenditures, Government Owned Enterprises and Other Charges, detailed on pages 64 and 65 of the Public Accounts of Canada for the Fiscal year ended March 31, 1942:

Fiscal Year ended Mar. 31	1940	$562,502,770.66
" " " "	1941	497,556,120.38
" " " "	1942	545,391,902.79

4. Latest published estimate of Government expenditure, excluding Direct War Expenditure but including Ordinary Expenditures, Capital Expenditures, Special Expenditures, Government Owned Enterprises and Other Charges, for the fiscal year ending March 31, 1943, about $600,000,000.

5. Total revenues as detailed on page 68 of the Public Accounts for the fiscal year ended March 31, 1942:

Fiscal Year ended Mar. 31	1940	$ 562,093,459.44
" " " "	1941	872,169,645.22
" " " "	1942	1,488,536,342.97

6. Latest published estimate of total revenues for the fiscal year ending March 31, 1943, about $2,250,000,000.

7. Increase in Net Debt of Canada as shown on page 69 of the Public Accounts for the fiscal year ended March 31, 1942:

Fiscal Year ended Mar. 31	1940	$118,700,332.86
" " " "	1941	377,431,801.22
" " " "	1942	396,529,712.24

8. An estimate of the increase in the Net Debt will be made in the Budget.

9. Net Debt of Canada as shown on page 69 of the Public Accounts for the fiscal year ended March 31, 1942:

March 31,	1914—	$ 335,996,850.14
	1919—	1,574,531,032.44
	1930—	2,177,763,958.71
	1939—	3,152,559,314.48
	1940—	3,271,259,647.34
	1941—	3,648,691,448.56
	1942—	4,045,221,160.80

APPOINTMENTS TO DIPLOMATIC SERVICE

Mr. STOKES:

1. What are the names of all persons who have been appointed to the diplomatic service since January 1, 1942?

2. To what position was each such person appointed?

3. What salary and living allowance does each such person receive?

Mr. MACKENZIE KING:

1 and 2.

Washington
- Lt.-Col. C. M. Drury—Military Attaché.
- Lt.-Col. Basil Wedd—Military Attaché (replacing Lt.-Col. Drury).
- Commander H. G. Nares—Naval Attaché.
- Commander E. Sherwood—Naval Attaché (replacing Commander Nares).
- Wing Commander F. Homer Smith—Air Attaché.
- M. H. Wershof—Second Secretary.

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Union of Soviet Socialist Republics
- L. D. Wilgress—Minister.
- Brig. H. Lefebvre—Military Attaché.
- Maj. G. Okulitch—Asst. Military Attaché.
- A. C. Smith—Third Secretary.
- J. A. McCordick—Third Secretary.

China
- Maj.-Gen. V. W. Odlum—Minister.
- Geo. C. Patterson—Counsellor.
- Maj. Hiram Wooster—Asst. Military Attaché.
- R. E. Collins—Third Secretary.

Chile
- Warwick F. Chipman—Minister.
- Jules Leger—Third Secretary.

Allied Governments in London
- Maj.-Gen. G. P. Vanier—Minister.

3. Scale of salary payments for these positions in External Affairs service is as follows:
1. Minister, $8,000 to $10,000.
2. Counsellor, $5,760 to $7,200.
3. Second Secretary, $3,300 to $4,260.
4. Third Secretary, $2,520 to $3,000.

Living allowances are not payable until officers reach their posts and financial arrangements cannot be completed until missions are actually established.

LOANS RAISED OUTSIDE OF CANADA

Mr. AYLESWORTH:

1. Have any loans been raised outside of Canada during the present fiscal year?

2. If so, where were such loans floated and what was the total amount and terms of each such loan?

3. For what purpose was each such loan raised?

Mr. ILSLEY:

1. Yes.

2. A Dominion of Canada loan was issued in New York in January, 1943, on the following terms:

$30,000,000 five year 2½ per cent bonds dated January 15, 1943, due January 15, 1948, sold to the underwriters at 99¼ per cent;

$30,000,000 ten year 3 per cent bonds dated January 15, 1943, due January 15, 1953, sold to the underwriters at 99⅛ per cent;

$30,000,000 fifteen year 3 per cent bonds dated January 15, 1943, due January 15, 1958, sold to the underwriters at 96⅞ per cent.

3. The proceeds of the sale of the bonds, together with cash from the treasury, are to be applied to the redemption of $100,000,000 Dominion of Canada thirty year 5 per cent bonds dated May 1, 1922, due May 1, 1952, called for prior redemption on March 15, 1943.

ALBERTA DEBT ADJUSTMENT LEGISLATION

Mr. DOUGLAS (Weyburn):

In view of the recent decision handed down by the courts declaring the debt adjustment legislation of Alberta to be ultra vires, and in view of the consequent effect upon the debt adjustment legislation of the other prairie provinces, will the government take steps to protect the farm debtors who are now faced with possible foreclosure and eviction?

Mr. ST. LAURENT: Requests from the governments of the three prairie provinces for further legislation by the dominion parliament dealing with debt adjustments, had been under consideration by the government for some time past, but no decision was arrived at pending the disposal of the Alberta case before the privy council.

The judgment of the privy council was announced in the newspapers on the 1st instant but the Department of Justice received only on the 2nd of February a brief cablegram from its agents in London about it, which was as follows:

"Alberta debts reference appeal dismissed on ground act relates to insolvency stop Further ground act seriously interferes with existing bankruptcy act stop Board recognize debts may be statute barred because act has been applied but hardship only removable by province.

Russell"

The law officers of the department wish to see the text of the opinion before preparing recommendation to council on the subject. I cannot, of course, anticipate the decision as to policy which the government may then have to make.

JAPANESE NATIONALS IN ALBERTA AND SASKATCHEWAN

Mr. NEILL:

1. Were any of the Japanese removed from the defence areas in the province of British Columbia located in the province of Alberta or Saskatchewan?

2. If so, what numbers in each province?

3. In the case of either or both of these provinces was an agreement entered into by the security commission providing for the removal of the Japanese when requested by the government of either province?

Mr. MITCHELL:

1 and 2. To Alberta, 2,588; to Saskatchewan, nil.

3. An agreement for the placement of Japanese was entered into with the province of Alberta which includes provision for the removal from the province of Japanese temporarily placed therein upon the termination of the state of war with Japan upon request by the province.

[Mr. Ilsley.]

EMPLOYMENT IN THE GOLD MINING INDUSTRY

Mr. QUELCH:

How many persons were employed in Canada by the gold mining industry in each year from 1935 to 1943?

Mr. MacKINNON (Edmonton West):

Employees in the Gold Mining Industry, 1935-1942

	Number of employees
1935—Monthly average.....	19,834
1936—Monthly average.....	25,097
1937—Monthly average.....	29,140
1938—Monthly average.....	29,647
1939—Monthly average.....	30,622
1940—Monthly average.....	31,405
1941—January	32,503
February	32,496
March	32,514
April	32,364
May	32,600
June	32,538
July	33,041
August	32,889
September	33,336
October	33,601
November	32,298
December	30,297
Average.....	32,551
1942—January	27,140
February	27,618
March	27,737
April	27,277
May	27,111
June	26,673
July	25,939
August	24,204
September	23,000
October	21,894
November	21,271

DAY NURSERIES

Mr. COLDWELL:

1. Who in the Department of Labour is in charge of arrangements for day nurseries?

2. How many day nurseries have been established in each of the past three years?

3. In what locations?

4. What is the average number of mothers who have made use of the facilities of day nurseries during each month of the 12-month period ending January 31, 1943?

5. What is the average number of children who have been cared for during each month in the 12-month period ending January 31, 1943?

6. What is the total capacity of the day nurseries?

7. What are the qualifications of members of day nursery staffs, (a) of those in charge of day nurseries, (b) of those employed directly in the care of the children?

8. What arrangements have been made in the day nurseries for nutrition?

9. Have any day nurseries been established within or in connection with war plants?

10. If so, where and with what average attendance?

11. For what hours do the day nurseries provide services?

12. What has been the cost of day nurseries to (a) the federal government, (b) the provincial governments, (c) the cities and towns, (d) the parents, (e) the industries concerned?

Mr. MITCHELL:

1. The initiative for establishing day nurseries rests with the provinces. Under the direction of Mrs. Rex Eaton, Assistant Director of Women and Welfare Division, Miss Margaret Grier has been appointed to have charge of the administration of the Dominion-Provincial agreement for the day care of children.

2. Agreement with Ontario was signed July 29, 1942, and with Quebec on August 3, 1942. Seven day nurseries have been approved. Four are in operation.

3. Toronto, Brantford, St. Catharines, Oshawa.

4 and 5. While day nurseries have not been operating long enough to give detailed statements, approximate figures are 125 mothers and 154 children who have made use of the services.

6. 256.

7. Full time paid director who has been adequately trained in nursery education. A full time paid assistant also adequately trained. Women volunteers who have been given special short courses in nursery education.

8. Diet lists are approved by the provincial nutrition committee.

9. No.

10. No.

11. 7 a.m. to 6.30 p.m. or later.

12. (a) Accounts are to be rendered through the provinces and have not yet been received Federal commitments for day nurseries approved amount to $27,404.68. (b) Provincial costs will be $27,404.68, plus any additional expenses which are not shareable under the agreement. (c) Cities and towns do not contribute. (d) Mothers contribute 35 cents for first child and 15 cents for each additional child. If both parents working, the charge is 50 cents per child. (e) Industries do not contribute.

QUESTIONS PASSED AS ORDERS FOR RETURNS

GENERAL MOTORS AND SUBSIDIARIES

Mr. COLDWELL:

1. How frequently does the government settle its accounts with General Motors of Canada or its subsidiaries?

2. What rate of interest does General Motors charge on government accounts payable?

3. What was the average monthly balance due to General Motors during the year 1942?

4. At what rate of interest does the General Motors receive financial accommodation from the Dominion Bank of Canada or other chartered bank?

5. What was the average rate of interest paid by the government on its short term loans or treasury bills in 1942?

MCMURRAY OIL SANDS—ABASAND OILS LIMITED

Mr. COLDWELL:

1. Has the government entered into any arrangement under which the Abasand Oils Limited is working in the development of McMurray oil sands?

2. If so, what arrangements have been made with this company or any other in connection with the development of the said oil sands?

NUTRITION PROGRAMME

Mr. BRUCE:

1. What is the government's war-time nutrition programme?

2. What is the ration of beef, bacon, eggs, milk, butter and cheese per man in the armed forces stationed in Canada?

3. Have plans been made for a constant supply of these food products for civilians as well as the armed forces?

4. If so, what are such plans?

5. Is there a price ceiling on imported fresh vegetables?

6. If not, has any precaution been taken by the government to prevent excessive charges to the consumer?

THIRD VICTORY LOAN

Mr. CHURCH:

1. What was the total cost of the last victory loan, 1942?

2. What sum was spent on advertising, canvassers, paid workers, radio, decorating, commissions, hotel expenses, rent, travelling expenses, entertainment, dinners, and all other expenses?

3. Will the minister give a breakdown of the cost of this loan?

Mr. STOKES:

1. What was the total amount raised in the last victory loan?

2. Of this, how much was subscribed, (a) by individuals, (b) by corporations?

3. What was the total cost of the last victory loan campaign?

4. Of this, how much was expended for, (a) commissions, (b) advertising, (c) radio pro-

grammes, (d) salaries, living allowances, and travelling expenses, (e) rental of premises, (f) public meetings or other public functions held in support of the loan?

HOUSING

Mr. CHURCH:

1. What action was taken in the recent recess of parliament to remedy the housing situation in Canada?
2. How many war-time houses have been erected by Wartime Housing Corporation, where, and what is the total expenditure to date?
3. Will the government give consideration to the appointment of a select committee of the house on building, reconstruction and housing?
4. What action has been taken for urban, suburban and rural housing for returned soldiers?

PRESS AGENTS AND LIAISON OFFICERS

Mr. CHURCH:

1. How many press agents or liaison officers are there in the employ of the government or of any commission or other authority connected therewith under each separate ministry?
2. Where are they located, what are their duties, who instructs them, what rank do they hold and who recommended their appointment?
3. What are their respective salaries, living allowances, travelling and other expenses?
4. What was their previous employment or military service and where did they serve?
5. Do they wear uniforms and what allowances are made them for same?
6. Could not their duties be transacted by the women's army or other civilians not eligible for active service?

WARTIME PRICES AND TRADE BOARD

Mr. CHURCH:

1. Who is the minister of the crown responsible for the various public utterances of Donald Gordon and all his staff and controls, subcontrols and other officials in Canada, and are these speeches first submitted to each separate ministry?
2. What has been the cost of the Wartime Prices and Trade Board since its inception, by years?
3. What are the salaries, living allowances, travelling expenses and other allowances of each headquarters officer or official of the said board since appointment, and what was the previous occupation of each?
4. Who instructs them as to their duties?
5. What is the number of officers under each control and the total payrolls for the last year of record of the board and its officials?

FORT WILLIAM TERMINAL ELEVATORS

Mr. MacINNIS:

1. What was the total cost to the government for additions made to the Fort William terminal elevators in the years 1941 and 1942?
2. What was the cost of said additions for each terminal elevator?
3. What was the total cost of the machinery installed in the said elevators for the same periods?
4. What was the cost of the machinery installed for each elevator?

Mr. McLARTY: Return tabled.

BOARDS, COMMISSIONS OR CORPORATIONS—REPRESENTATION OF LABOUR AND AGRICULTURE

Mr. FRASER (Peterborough West):

1. What are the names of all boards, commissions, or government-owned corporations which have been constituted since the outbreak of war?
2. What are the names of all members or directors of such boards, commissions or corporations?
3. Of these persons, who, in the case of each board, commission or corporation, is the representative (a) of labour; (b) of agriculture?

EMERGENCY COAL PRODUCTION BOARD

Mr. FRASER (Peterborough West):

1. Has an emergency coal production board been appointed?
2. If so, who are the members of the said board?
3. What are the functions and duties of the said board?

Mr. ILSLEY: Return tabled.

HOUSING COORDINATION COMMITTEE

Mr. FRASER (Peterborough West):

1. Has a housing coordination committee been established?
2. If so, who are the members of the said committee?
3. What are the functions and duties of the said committee?

Mr. ILSLEY: Return tabled.

PRICE CEILING SUBSIDIES

Mr. MacKINNON (Kootenay East):

1. What is the total amount which has been paid by the wartime prices and trade board and/or the commodity prices stabilization corporation by way of subsidy?
2. Upon what commodities was subsidy paid and what was the total amount of subsidy paid in respect of each such commodity?

JAPANESE NATIONALS IN BRITISH COLUMBIA—RADIOS

Mr. REID:

1. Were the radios in possession of the Japanese in British Columbia taken away from them following Japan's dastardly attack at Pearl Harbour?
2. Since then, have the radios been returned to the Japanese in British Columbia?
3. If so, on whose advice, and how many radios have been so returned?

JAPANESE NATIONALS IN BRITISH COLUMBIA—REMOVAL FROM COASTAL DISTRICTS

Mr. ESLING:

As at December 31, 1942, what was the total sum involved in the removal of the Japanese from the coast districts?

GOVERNMENT COMMISSIONS IN CONNECTION WITH DEPARTMENTS

Mr. ESLING:

1. Since the war commenced, how many commissions have been appointed and are now functioning in connection with the departments of (a) munitions and supply, (b) trade and commerce, (c) agriculture, (d) finance, (e) pensions and national health, (f) labour, (g) national war services?

2. How many employees have been appointed in each of the nine provinces under each commission?

WARTIME PRICES AND TRADE BOARD—MALE EMPLOYEES OF MILITARY AGE

Mr. ROSS (Souris):

1. How many male persons between the ages of 18 and 45 have been assigned to positions with the wartime prices and trade board?

2. How many of such persons (a) produced evidence of their ineligibility for service in the forces, (b) were appointed under a certificate that their appointment was necessary in the public interests?

3. What is the name, age, salary and duty of each person included in question 2 (b)?

4. Have any male persons between the ages of 18 and 45 been appointed to positions with the wartime prices and trade board who are not included in either question 2 (a) or 2 (b)?

5. If so, what is the name, age, salary and duties of each such person?

TOTAL NUMBER OF GOVERNMENT EMPLOYEES

Mr. FRASER (Peterborough West):

1. How many new employees have been employed by the government since the return tabled August 1, 1942?

2. What is the total number of employees now in the employment of the government? How many men and how many women?

3. How many employees in each department?

4. How many employees in the wartime prices and trade board?

ASSISTANCE TO WAR INDUSTRIES

Mr. COLDWELL:

What are the total capital investments, loans, amounts involved in tax rebates or other financial assistance in Canadian war industries, whether government-owned or private corporations, made or agreed upon between January 1, 1938, and January 31, 1943, by (a) Canada, (b) United Kingdom, (c) United States, (d) other governments?

Mr. CASSELMAN:

1. What is the total amount which has been expended by the government or which the government has been committed to expend by way of capital assistance to private corporations?

2. What is the name of each corporation to which capital assistance has been granted by the government?

3. What is the total amount granted to each such corporation?

4. What was the purpose for which each such grant was made?

5. Upon what terms and conditions was each such grant made?

6. Is the government committed to make grants by way of capital assistance in the future to any such corporation?

7. If so, what is the additional amount of such commitment in each case and what is the purpose of the additional grant?

8. Have any payments other than grants by way of capital assistance been made by the government to any private corporation for the purpose of expanding the production of such corporation or for any other purpose?

9. If so, what are the names of the corporations to which such payments have been made?

10. What was the amount of each such payment?

11. What was the purpose of each such payment?

GOVERNMENT-OWNED WAR CORPORATIONS

Mr. FRASER (Peterborough West):

1. What are the names of all wholly-owned government corporations which have been incorporated since the outbreak of war, to carry on any government programme in connection with the war effort?

2. What, in detail, are the functions of each such corporation?

3. What are the names of the directors and officers of each such corporation and what salary, honorarium, allowance or other emolument does each such person receive?

4. What are the names of all employees of each such corporation who receive salaries, honoraria, allowances or other emoluments in excess of $5,000 and what is the amount of their salary in each case?

ERECTION OF GOVERNMENT BUILDINGS IN OTTAWA

Mr. AYLESWORTH:

1. What buildings have been erected by the government in the city of Ottawa since January 1, 1941?

2. What was the total cost of each such building?

3. What was the original estimate of the cost of erecting each such building?

4. What was the name of the contractor who erected each such building?

5. Were tenders called before the contract was let for the erection of each such building?

6. If so, who were the unsuccessful tenderers in each case and what was the amount of their tender?

ROYALTIES AND PATENT FEES ON WAR MATERIALS

Mr. DOUGLAS (Weyburn):

1. What is the total amount of royalties, patent fees, etc., paid by the dominion government from September 1, 1939, to December 31, 1942, on war materials manufactured in Canada?

2. What are the names and addresses of the firms receiving these payments and what amount has been paid to each?

3. What is the total amount paid to individuals and corporations outside of Canada?

4. What disposition is made of royalties and patent fees, etc., payable to individuals and firms resident in enemy or in enemy-occupied countries?

5. What is the total amount payable to individuals or corporations resident in enemy or enemy-occupied countries?

MILITARY SERVICE—CONSCIENTIOUS OBJECTORS

Mr. DOUGLAS (Weyburn):

1. How many in each military district have applied for exemption on the ground that they were conscientious objectors?

2. How many in each military district have been granted status as conscientious objectors?

3. How many of those who were granted this status, in each military district, are now doing alternative service?

4. How many, in each military district, have claimed exemption as conscientious objectors, but who were denied this status, have failed to report, and how many of these have been taken into custody by the authorities?

5. How many camps have been established in Canada for conscientious objectors doing alternative service and where are these camps located?

6. What was the total personnel in these camps at December 31, 1942, and what is the nature of work being done in each of these camps?

WARTIME INFORMATION BOARD

Mr. CASSELMAN:

1. What are the names of the members of the wartime information board?

2. What is the usual occupation of each member of the board and what proportion of his time, approximately, does each member devote to the work of the board?

3. What experience has each member of the board had in journalism, radio, advertising or other publicity medium?

4. How many meetings of the board have been held since its appointment?

5. How many meetings has each member of the board attended?

6. What salary, honorarium, living or other allowance has been paid to each member of the board since his appointment?

7. What amount has been paid by way of travelling expenses to each member of the board since his appointment?

8. What are the names of all persons employed in the work of the board?

9. What was the previous occupation of each such person and what experience has each such person had in journalism, radio, advertising or other publicity medium?

10. What salary, honorarium, living or other allowance is paid to each such person? Where payment is made in other than Canadian funds, please indicate the amount in Canadian funds.

11. What amount has been paid by way of travelling expenses to each such person since his appointment?

12. What are the duties which each such person is expected to perform?

13. Have any persons who were appointed to official positions with the board resigned such positions?

14. If so, what are their names, what positions did they occupy, and what salary, honoraria or living allowances did they receive?

15. What reasons did each such person give for his resignation?

16. What has been the total expenditure of the wartime information board since its establishment, for, (a) salaries, honoraria and living allowances, (b) travelling expenses, (c) printing, (d) advertising, (e) radio programmes, (f) rent of office or other space, (g) all other expenditures?

17. What offices does the board maintain outside of Canada?

18. Where are they located?

19. What has been the total expenditure of each such office since its establishment?

20. Does the board distribute copies of speeches made by the Prime Minister and members of the government?

21. If so, what speeches have been so distributed and how many copies of each?

COMMODITY PRICES STABILIZATION CORPORATION—HARRISON & CROSFIELD (CANADA) LIMITED

Mr. HAZEN:

1. Do Harrison and Crosfield (Canada) Ltd. act as brokers for Commodity Prices Stabilization Corporation?

2. Is this company employed by the corporation in any other capacity?

3. How long has it been employed as broker or in any other capacity with the corporation, and on whose recommendation was it appointed?

4. Is this company the exclusive broker for the corporation, and if not, how many other persons or companies are so employed, and what are their names and addresses?

5. What remuneration does this company receive for its services to the corporation, and what services has it rendered the corporation to date, and how much has it been paid in each case?

6. What is the total amount this company has been paid to date for services rendered the corporation?

7. Is this company employed in any other capacity by the government or any board or other corporation set up by the government, and if so, by what department, board or other corporation and in what capacity and how much has it received to date for its services?

NATIONAL DEFENCE—CONTRACTS DIVISION—D. C. MACKENZIE

Mr. COLDWELL:

1. Is Mr. D. C. Mackenzie employed in the contracts division of the Department of National Defence?

2. If so, (a) what are his duties; (b) what has he received in salary and expenses; (c) when was he appointed; (d) what are his qualifications; (e) what positions did he occupy before entering the department; (f) what recommendations were made to the minister for his appointment and by whom?

HALIFAX BUILDINGS TAKEN OVER FOR WAR PURPOSES

Mr. ISNOR:

1. How many apartment buildings, hotels or other dwelling places in Halifax have the department of defence taken over during the period November 1, 1942, to January 31, 1943?

2. How many of these places were (a) purchased outright, (b) arrangements made for occupancy for the duration of the war?

3. What number of each type of building has been taken over?

4. By which branch of the service were they acquired?

5. What use is to be made of each?

6. How many persons were obliged to seek homes or lodgings elsewhere because of the action in taking over these places?

7. Has the government compensated the city of Halifax for the loss of revenue, in taxes, by the taking over of these buildings?

LE DOMAIN DE L'ESTEREL

Mr. BERTRAND (Terrebonne):

1. Has Le Domain de l'Esterel at St. Marguerite been taken over for military purposes?

2. If so, what portion of it is being used?

3. For what purpose and when was it taken over?

4. What are the conditions of the lease and to whom is the rent paid?

MUNITIONS AND SUPPLY—CONTROLLERS

Mr. COLDWELL:

1. How many controllers are there in the Department of Munitions and Supply?

2. What are their names?

3. What are their official titles?

4. With whom were they employed prior to accepting employment in the department?

5. How many are also employed in other positions and for what firms?

6. What salaries do they receive from the firms loaning them to the government?

7. What salaries do they receive from the government?

8. What living and expense allowance do they receive from (a) the government, (b) firms or corporations?

9. Are any of them directors of any corporations? If so, of what corporations?

ALBERTA DEBT ADJUSTMENT LEGISLATION

Mr. DOUGLAS (Weyburn):

1. What has been the total cost to the federal government of referring the Alberta debt legislation to the courts?

2. What remuneration was paid to each of the legal counsel so engaged?

MOTIONS FOR PAPERS

REGISTER OF UNEMPLOYMENT AS OF CERTAIN DATES, 1942-43

Mr. COLDWELL:

For a return showing the numbers of persons registered as unemployed in the five regional offices of the Department of National Selective Service as at the following dates: November 1, 1942; November 15, 1942; December 1, 1942; December 15, 1942; January 1, 1943; January 15, 1943.

LABOUR CONDITIONS—STRIKE IN STEEL INDUSTRY

Mr. STOKES:

For a copy of all correspondence exchanged between the Prime Minister or any official of his staff, the Minister of Labour or any official of his department, and the representatives of the employees and of the employers in connection with the strike in the steel industry.

Mr. MACKENZIE KING: I might say a word just here with regard to this motion; it applies to other returns as well. There is no reason why a complete return should not be made up. It might, however, be possible to save a great deal of labour in the departments and a good deal of expense as well if the files could be looked over in advance by the hon. member who is asking for it. In the case of at least some of these returns there are a great many communications which have been sent in for obvious reasons but are really not very important, considering, in some cases, the sources from which they come. After seeing the papers the hon. member could decide for himself which ones he would wish to have brought down as a return.

Take, for example, the request for correspondence on the steel strike. I received a very large number of telegrams, obviously the result of certain organizations having been circularized to make particular representations. They were so identical in phraseology that there could be no doubt on that. This happens in regard to any number of subjects. To have all those telegrams individually copied by stenographers, to say nothing of the time of officials who have to look them over, is just a waste of public money. At this time of war, when we are seeking to economize in the departments and when officials in the departments are overworked, I would ask hon. members to be as specific as they can in regard to the material they may wish to have brought down, and, where it will help to serve the public interest in the matter of economy and time, to be prepared to follow the course which I have suggested—namely, go to the department and see what information there is and limit as much as possible the material

which is to be copied and brought down. In these matters there is no desire on the part of the government to conceal or hold back any information, but of necessity there must be, or should be, discretion exercised on the part of the minister in respect to the amount of work involved in different returns.

Mr. GRAYDON: I might say something on that point. I have no doubt that as a rule hon. members who ask questions or have motions on the order paper for the production of papers are not familiar with how much work the preparation of the return will actually involve. Until such time as the motion appears on the order paper and the full information is asked for it is difficult for a private member to assess the exact relationship of certain correspondence to the general subject to which he is referring. In answer to the remarks of the Prime Minister with respect to this matter, I would say that if there is a great deal of correspondence which is of a similar nature to that which has preceded it, there might be some way of having reference made to that fact on the return so that a great volume of material need not be copied out at public expense. I would thoroughly agree with that. On the other hand it must be remembered that, once a return is passed, it is not merely for the private information of some hon. member. It is for the information of the house and of the public. We must bear that in mind in connection with the answer which the Prime Minister has made.

Mr. HOMUTH: I think if the Prime Minister will read that question over he will find that it deals only with the official documents as between the strikers, the negotiators and his department.

Mr. MACKENZIE KING: What I was saying really had reference to several of the motions.

REPORT OF MR. JUSTICE BARLOW ON STEEL INDUSTRY

Mr. STOKES:

For a copy of the report of the commission investigating conditions in the steel industry, which was headed by Mr. Justice Barlow, together with a copy of the minority report.

CANADIAN BROADCASTING CORPORATION—GENERAL MANAGER

Mr. CARDIFF:

For a copy of all letters, telegrams, memoranda or other documents passing between the chairman of the board of governors of the Canadian Broadcasting Corporation, or any member of that board or any official of the Canadian Broadcasting Corporation, and the Prime Minister, or any member of his staff, the clerk of the privy council, the Minister of National War Services, or any official of his department, the Minister of Munitions and Supply or any official of his department, or the Minister of Transport or any official of his department, with respect to the retirement of Major Gladstone Murray from the position of general manager of the Canadian Broadcasting Corporation, his appointment as director of broadcasting of the said corporation, the appointment of the Rev. J. S. Thomson to succeed him as general manager, and the salaries to be paid to the said persons and to the assistant general manager of the said corporation.

Mr. MACKENZIE KING: With regard to this and certain other motions, it is generally recognized that communications between a minister of the crown and officials of the government are privileged and that it is within the discretion and also the responsibility of a minister to decide whether such communications should or should not be brought down in a return. Take for example a matter which has to be decided by a minister, involving communications which he receives from members of his staff. Unless it were understood that communications of the sort would be privileged, many communications would be drafted, not so much with a view to giving a minister the exact information he would wish to have as with a view to having the communication in a form in which it might be made public. That is quite obvious, and therefore it has always been understood that communications between departmental officials and heads of departments are privileged. In regard to the particular request in this motion, there may be communications concerning the appointment of one person or the retirement of another to the bringing down of which there could be no objection. But in other cases there are communications, which I can think of, wherein the government has sought to get information with respect to say some matter to be considered by the cabinet. It would certainly not do to have communications of that character brought down.

Here too it is necessary to consider what I mentioned a moment ago, about the amount of time and expense involved in seeking to provide information. This may be a matter largely of procedure. The government might say, with respect to bodies such as the CBC, we will consider only such questions as are placed upon the order paper in the first instance and refuse to provide a committee by which information in detail may be obtained. On the other hand, the government might take the view, that a committee of the house should be appointed to look into certain matters and that all information must be elicited before that committee. I do not

think either would be a good position to take exclusively. I do say, however, that as respects the time of the house as well as the business and the procedure of the house generally, where we have a committee for the purpose of dealing with any subject, questions should be asked and information elicited in the committee rather than by means of questions and motions on the order paper. There may be some questions which hon. members would like to have answered immediately, but where there is a committee of the house dealing with a subject, as there will be with respect to the Canadian Broadcasting Corporation, I should think that information should be sought in the committee rather than by questions on the order paper.

Mr. COLDWELL: The Prime Minister's suggestion with reference to this question underlines the question I asked the Minister of National War Services (Mr. LaFleche). It raises the whole matter of the status of the Canadian Broadcasting Corporation. That was the purpose of my question to the Minister of National War Services and I am anxious to see the position clarified. As I understood the Prime Minister's remarks they implied, to me at any rate, that the Canadian Broadcasting Corporation is now regarded as a department of government, whereas I have always understood that it was a free and independent corporation and therefore had not the same standing as departments of government with regard to correspondence between a minister of the crown and officials of the corporation. That is the point I had in mind when I asked the question.

Mr. GRAYDON: I was about to make an observation similar to that of the hon. member for Rosetown-Biggar (Mr. Coldwell). I was amazed to hear the Prime Minister, in reference to this question suggest that the Canadian Broadcasting Corporation had the same status as a department of government. Those of us who have made some study of the Canadian Broadcasting Corporation's structure realize that it is half and half, so to speak, partly a department of government and partly a public corporation. As I understand, it is in some respects like the Canadian National Railways while in other respects it is not. One of the recommendations of the radio broadcasting committee last year was that this anomalous position of the Canadian Broadcasting Corporation should be clarified, and I hope the government will do something about it.

The Prime Minister is not on solid ground when he argues that in a matter of this kind communications between the minister of the crown responsible and officials of the Canadian Broadcasting Corporation should be in any way privileged. If we are to take the government's view, as outlined so many times, that this is a free and independent corporation, then it seems to me that there cannot possibly be privilege as between a minister of the crown and a free and independent corporation such as this is supposed to be.

Mr. MACKENZIE KING: My hon. friend's description of this corporation as being partly one thing and partly the other is, I think, fairly accurate with regard to the view of the situation as it stands at the present time. It was for that reason that I made my remarks quite general and indicated that, while there might be some information which the government would be prepared to give immediately, there was other information which should properly be brought out only before the committee appointed to deal with matters affecting the Canadian Broadcasting Corporation. Certainly it is not the government's view that the Canadian Broadcasting Corporation is a department of government. It is not; it is a separate corporation. It is, however, a corporation with respect to the affairs of which the government is of the opinion that a committee of this house may be appointed to discuss. There is that difference. The fact that we are having a committee on the Canadian Broadcasting Corporation makes clear that it is in a different category, vis a vis the house, from other corporations.

Mr. SPEAKER: What is the pleasure of the house?

Mr. MACKENZIE KING: Answered.

Mr. SPEAKER: Carried.

Mr. MACKENZIE KING: Subject to what has been said.

Motion agreed to.

RADIO BROADCASTING—SPEECHES OF MEMBERS OR POLITICAL LEADERS

Mr. CARDIFF:

For a copy of all letters, telegrams, or other documents exchanged between any member of the board of governors of the Canadian Broadcasting Corporation or any official of the said corporation and any other person, since March 31, 1942, with respect to the broadcasting of speeches of any member of the government or of any leader or representative of any political party.

Mr. MACKENZIE KING: This is information that might be brought out before the committee.

Mr. SPEAKER: Carried.

Mr. MACKENZIE KING: No, dropped.

Mr. HOMUTH: Mr. Speaker, on behalf of the hon. member for Huron North (Mr. Cardiff), for whom I have moved the motion, I must protest against the Prime Minister taking that attitude. I know what he would say if he were on this side of the house asking the question. This is something to which we are entitled and we want the answer.

Mr. MACKENZIE KING: I am not saying that my hon. friend is not entitled to it, but I am saying that the time and place to get it is before the committee. To take up the time of the house in discussion on returns to be brought down would only mean that whatever is brought down would be gone all over again when the committee is in session.

Mr. GRAYDON: I think perhaps the Prime Minister might review his position and allow this information to come down, because it is information which, in my opinion, we should have.

Mr. MACKENZIE KING: No; I make this statement because I have a responsibility for the procedure to be adopted in the house. If we begin to pass motions which call for detailed information regarding these outside organizations whose affairs are to be reviewed by committees, we shall be spending unnecessarily a great deal of the time of the public service in preparing returns to those motions.

Mr. HOMUTH: If the information must be prepared for the committee, why can it not be prepared in response to a motion in the house and brought down in the regular way?

Mr. SPEAKER: Dropped.

Some hon. MEMBERS: No.

Mr. SPEAKER: All in favour of the motion please say aye.

Some hon. MEMBERS: Aye.

Mr. SPEAKER: Those opposed, nay.

Some hon. MEMBERS: Nay.

Mr. SPEAKER: In my opinion the nays have it.

Mr. HOMUTH: We expected that, anyway.

Motion negatived.

GOVERNMENT LABOUR POLICY

Mr. ROSS (Souris):

For a copy of all letters, telegrams, briefs, memoranda, or other documents, addressed or presented by any representative of any national organized labour body to the Prime Minister, the Minister of Labour, or any official of the Department of Labour, dated since March 31, 1942, with reference to the labour policy of the government, and, in particular, with reference to the relationship existing between the Minister of Labour and organized labour.

[Mr. Mackenzie King.]

Mr. SPEAKER: Is it the pleasure of the house to adopt the motion?

Mr. MACKENZIE KING: Subject to the reservation I made a little while ago with respect to these motions that call for pretty nearly everything.

Mr. SPEAKER: Carried, subject to the reservation made by the Prime Minister.

MOBILIZATION ACT—POSTING OF MEN FOR EXTRATERRITORIAL SERVICE

Mr. McGREGOR:

For a copy of all orders in council authorizing the posting for service of men called up pursuant to the National Resources Mobilization Act, outside the territorial limits of Canada.

Mr. POWER: Return tabled.

GOVERNOR GENERAL'S WARRANTS

Mr. McGREGOR:

For a copy of all governor general's warrants issued since January 1, 1942.

ENDEAVOUR, SASK., POSTMASTERSHIP

Mr. NICHOLSON:

For a copy of all correspondence, recommendations, reports and other documents in the possession of the Post Office Department, dated since January 1, 1941, regarding the change of postmaster at Endeavour, Saskatchewan.

Mr. MULOCK: No objection, but subject to the usual reservation that the reports of officials are confidential, and are tabled only at the discretion of the minister.

Mr. HOMUTH: You have that too.

Mr. SPEAKER: Carried, subject to the reservation made by the minister.

INVESTIGATION INTO SINKING OF P.E.I. CAR FERRY "CHARLOTTETOWN"

Mr. BLACK (Cumberland):

For a copy of the findings of Mr. Justice Archibald, Halifax, Nova Scotia, with respect to the sinking of the ferry steamship *Charlottetown* off the coast of Nova Scotia in 1941.

ALBERTA DEBT ADJUSTMENT LEGISLATION

Mr. DOUGLAS (Weyburn):

For a copy of all correspondence, telegrams, letters and other documents exchanged between the dominion government or any official thereof and the government of the province of Alberta or other provincial government or any official thereof, concerning the Alberta debt legislation, as well as a copy of all briefs submitted to the Supreme Court of Canada and to the judicial committee of the privy council, along with a copy of decisions that have been handed down with regard to this legislation.

Mr. ST. LAURENT: I take it the copies of decisions which have been handed down are the decisions in the supreme court, and before the privy council.

Mr. DOUGLAS (Weyburn): Yes.

Mr. ST. LAURENT: And not decisions which have been handed down by other courts prior to that.

Mr. DOUGLAS (Weyburn): No, only those two.

Mr. ST. LAURENT: The hon. member will realize it will be some time before we can have these documents ready.

Mr. DOUGLAS (Weyburn): Yes.

CANADIAN ARMY—ENLISTMENTS, DISCHARGES, ETC.

Mr. FRASER (Peterborough West):

For a return showing:—(a) the total number of men by military districts who have enlisted with the Canadian active army as of the latest available date; (b) the total number of men by military districts serving overseas with the Canadian army as of the latest available date; (c) the total number of men by military districts who are attested for service anywhere, but who are now serving in Canada, as of the latest available date; (d) the total number of men by military districts who are serving with the Canadian army reserve, as of the latest available date; (e) the total number of men by military districts, and/or administrative districts, who have been called up for training and service pursuant to the National Resources Mobilization Act, as of the latest available date; (f) the total number of men by military districts and/or administrative districts, called up for training and service under the National Resources Mobilization Act who have volunteered for service anywhere; (g) the total number of men who have been discharged from the Canadian active army on the ground of (1) medical unfitness, (2) misconduct, (3) all other reasons.

Mr. POWER: There is no objection whatsoever, indeed the information is readily available, with respect to (a), (c), (d), (e), (f) and (g). But with respect to (b), if my hon. friend wants that information at once there will be some difficulty, and it may take some time. If he will permit me to table as soon as possible the information with respect to all the others, and would ask a separate question with respect to (b), we would be able to get it out for him. But I must advise him it would take some time to get the information, because I fear it would mean the examination of files overseas. Perhaps my hon. friend would have a chat with me as to whether he wants the information concerning (b) to the extent he wishes to have the other information. In any event, the order may pass, with that exception.

Mr. SPEAKER: Carried, subject to the statement made by the minister.

RADIO BROADCASTING

VACANCIES ON BOARD OF GOVERNORS OF CANADIAN BROADCASTING CORPORATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I should like to ask a question of the Prime Minister. I am informed there are now two vacancies on the board of governors of the Canadian Broadcasting Corporation. Would the Prime Minister indicate to the house when the appointments will be made, and when making them does he propose to follow the recommendation of last year's report of the committee on radio broadcasting that if possible there should be included persons who would be able to represent the points of view of agriculture and labour?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The government has been considering carefully the recommendations of the committee which sat last year. What my hon. friend has mentioned is just one of the considerations of which the government is anxious to take account. How soon the appointments can be made I cannot say at the present time, but I hope it will be very soon.

MILITARY SERVICE

REFERENCE TO CERTAIN LETTERS FROM THE MEMBER FOR COMOX-ALBERNI TO HON. MR. LAFLECHE

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I should like to ask two questions of the Minister of National War Services (Mr. LaFleche). I really should make it a question of privilege, because it concerns the privileges of all members; but if I get these questions answered it may suffice.

On May 5, 1942, I wrote the minister, who was then deputy minister, on some matters of public concern with respect to selective service. I wanted information that the public should have. Receiving no answer I wrote again on August 3 of last year. Having got no answer I wrote again on September 29, and specified five specific questions on which I wanted definite answers. Getting no answer I wrote again on December 29, and again no answer. I wrote again on January 30, 1943, and again no answer—five letters and no reply.

The questions I wish to ask the minister are these. Does he not think that anyone, whether a member of parliament or a private individual in Canada, who writes civilly and definitely to a public servant ought to get an answer to his questions in less than nine

months? My second question is, when may I expect an answer, not just an acknowledgment or a stall?

Hon. L. R. LaFLECHE (Minister of National War Services): Mr. Speaker, may I say to my hon. friend that I did write him recently—

Mr. NEILL: On a totally different subject.

Mr. LaFLECHE: —and in my letter I requested the pleasure of discussing matters with him. May I say that the matters about which he put the questions, in the correspondence he mentions, were very largely in a state of flux throughout; and at the present time they are not under the jurisdiction of the Minister of National War Services.

I certainly agree with the hon. member that he should have answers, and I shall do my best to supply them. But I would request the privilege of discussing these matters with him, so that I can help him all the more.

FOOD

INQUIRY AS TO REPORTED SHORTAGE OF POTATOES

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): In view of the fact that there is a shortage of potatoes in some districts in Canada, will the Minister of Agriculture make a statement as to what is being done to remedy the situation?

Hon. J. G. GARDINER (Minister of Agriculture): I shall be in a position to discuss that matter during the course of a day or two.

Mr. FRASER (Peterborough West): The minister gave me that same reply last year in regard to beef, and I waited months for the answer. I hope he will not take as long in this case.

POST-WAR RECONSTRUCTION

REPRESENTATION OF FISHERIES DEPARTMENT ON ADVISORY COMMITTEE

On the orders of the day:

Mr. THOMAS REID (New Westminster): I wish to ask the Prime Minister a question in regard to an announcement appearing in the press that a committee has been set up to formulate plans for post-war reconstruction, on which apparently most of the departments of the government are represented. Will the Prime Minister not go further and consider having a representative on that committee from the Department of Fisheries?

[Mr. Neill.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): I imagine the committee to which my hon. friend is referring is the economic advisory committee. If that is so it will not be necessary to consider the matter further, as Doctor Finn, the deputy minister of fisheries, has been named a member of that committee.

Mr. REID: That announcement was not made; that was why I asked the question.

Mr. MACKENZIE KING: I thank my hon. friend for the question.

FINANCIAL MEASURES

PROVISIONS FOR CONTINUED FLOW OF CANADIAN MUNITIONS AND SUPPLIES TO THEATRES OF WAR

On the orders of the day:

Hon. J. L. ILSLEY (Minister of Finance): Mr. Speaker, I wish to make an announcement concerning the business which the government proposes to place before the house in the next few weeks. I have particularly in mind several financial measures which will be provided for in resolutions which will appear on the order paper during the next few days. I think it is most desirable that the house should be made aware at once of the general nature and purpose of these proposals and of their relationship to each other.

The measures to which I refer include the supplementary war appropriation for the current fiscal year, the main war appropriation for the new fiscal year, and the bill to establish a Canadian war supplies allocation board and provide an appropriation for it.

The house will, I am sure, wish to begin the discussion of the war appropriation bills as soon as possible. Hon. members will be given the opportunity to discuss fully Canada's war expenditures, including the record for the current fiscal year as well as the programme proposed for the next year. However, as the war appropriation vote last session is already almost exhausted and we shall be needing almost immediately additional funds to take care of expenditures during the remainder of this month and the month of March, I would like the house to consider the best procedure by which the supplementary war appropriation could be dealt with expeditiously, without limiting in any way the right of the house to make any inquiries which it may desire and debate in full the details of expenditure for the current year.

As was indicated in the speech from the throne, it is the government's intention to

have the budget brought down at an early date. I hope to have it ready within the next two or three weeks, so that the Canadian people may know as soon as possible the details of our financial and taxation programme for the year.

I wish to outline a little more fully the measures that are being proposed to make possible the continued flow of Canadian munitions, foodstuffs and other war materials to the various theatres of war. The principal measure for this purpose is the bill to set up a Canadian war supplies allocation board and provide it with authority and funds to procure war supplies to be transferred to others of the united nations. There are two subsidiary proposals which I shall mention later, one of which is provided for in the supplementary war appropriation and the other in the main war appropriation.

Canada has been able to provide a huge volume of war supplies over and above the requirements of our own forces. Raw materials and foods we have been able to furnish from the beginning, and we have greatly increased our production of these basic necessities to meet the war requirements of Britain, the United States, Russia and others of the united nations. From the large new factories we have built during the war and the extensions to other plants has come a flood of munitions and specialized war equipment —ammunition, guns, tanks, aircraft, transport vehicles and merchant ships—which have been sent to many theatres of war. A large part of these war supplies has gone to Britain and to British forces abroad. Much has gone to other nations of the commonwealth. Canadian supplies have also been sent in substantial volume to Russia and China.

In order to enable these various countries to obtain these supplies from Canada, special financial arrangements have had to be made, because these nations did not have available Canadian dollars that were required to pay for Canadian products.

The main way in which we have assured this flow of war supplies to our allies heretofore has been to provide Britain with the Canadian dollars necessary to pay for what the sterling area obtained from Canada in excess of what it sold to Canada. This served to make Canadian dollars available not only to Britain but also to Australia, New Zealand and other British empire countries which purchased their foreign exchange from Britain. The first means by which we provided dollars to Britain was that of paying our debts before they were due. The next was merely to allow pounds sterling to accumulate to our credit. Later these sterling balances not used in payment of debts were converted into a loan to Britain, interest free for the duration of the war. Finally we provided a free gift of a billion dollars, assuming this as part of our share of the cost of the war. This billion dollars has now been exhausted. Other means must be found to continue providing Britain with the large volume of essential war supplies she requires from Canada.

Others are involved as well as Britain. Canada desires to continue sending supplies to Russia, to the heroic Russian army and to the hard-working men and women who have made its success possible. We want to play our part in providing China with everything that can be transported to her, so that she may strike back at Japan quickly and effectively. We want Australia, New Zealand and other parts of the commonwealth to be able to get from Canada all that we can provide them of the things they require from us in carrying out their part of the united nations' effort. Heretofore, as I have indicated, Australia and New Zealand have purchased from Britain the Canadian dollars they required, but we think it would be more satisfactory from the point of view of all concerned if they were able to make more direct arrangements with us.

We will continue to produce many kinds of war supplies substantially in excess of the requirements of our own forces. We are able to supply a great deal because we have a high productive capacity in relation to our population and because we are relatively safe from direct attack and invasion. I believe, and I think most Canadians believe, that it is our national duty and our privilege to share our abundant supplies with the other united nations, putting the excess of our supplies over the requirements of our own forces into a pool to be allocated among those of our allies who can make the best use of them in accordance with strategic needs. No financial impediment should be allowed to interfere with this sensible sharing of our war production. We are engaged in a common enterprise; the defence and security of Canada are imperilled if any of our partners lack arms; victory for each depends upon victory for all.

After thorough consideration, therefore, the government is proposing that Canada should share its production of essential war supplies with the other united nations on the basis of strategic needs. It is proposed in the legislation to reserve the right to transfer goods on such terms and conditions as the government may deem appropriate, so that in certain cases Canada may receive the benefit of such reciprocal arrangements as may be practicable. However, the government believes that the conditions under which Canadian war supplies

are made available to the 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." Therefore, an essential feature of this proposal is that it shall be good and sufficient consideration for transferring war supplies to other united nations that such supplies are to be used in the joint and effective prosecution of the war.

To make the matter absolutely clear, I shall quote the paragraph dealing with these terms and conditions which we intend to incorporate in the bill. It is as follows:

> It shall be good and sufficient consideration for making war supplies available to any of the united nations hereunder that the said war supplies are to be used in the joint and effective prosecution of the war, but no war supplies shall be made available to any of the united nations except upon terms and conditions approved by the governor in council or by regulations, and the governor in council may require, in respect of specific classes of supplies or any specific transfer of supplies under subsection one of this section, such reciprocal action or provision of supplies or any such other direct or indirect benefit as the governor in council deems appropriate.

To carry out the new arrangements, it is proposed to establish a Canadian war supplies allocation board consisting of five ministers and acting as a committee of the cabinet, which will purchase or procure war supplies in Canada and then allocate and transfer such supplies to those of the united nations which require them, in accordance with strategic needs. The government is proposing to request an appropriation of $1,000,000,000 to provide funds for the production and transfer of these war supplies.

In addition to guns, ammunition, tanks, aircraft and similar military equipment, the war supplies to be covered in this measure will include raw materials and foodstuffs, which are just as essential to a nation at war as arms themselves, and which we are particularly well able to supply. Of course, all our exports of war supplies will not need to be transferred under this arrangement, because Britain and others of the united nations have current receipts of Canadian dollars which enable them to pay for substantial quantities of what they obtain from us. It is only the excess which they cannot pay for that will be dealt with under this new measure.

Incorporated in the supplies which Canada will furnish to other united nations under this proposal, there will be in almost all cases some materials and parts imported from the United States. Canada is able to obtain these materials and parts because of the sensible arrangements already existing between Canada and the United States arising out of the Hyde Park agreement, made between the President and the Prime Minister in April of 1941.

In accordance with that agreement, the amount which Canada must purchase in the United States has been reduced to a small extent by arrangements under which the United States endeavoured to lease-lend to Britain certain components and materials required from the United States for British orders and commitments in Canada. The principal effect of the agreement, however, has been that Canada sells substantial quantities of war supplies to the United States in order to obtain the funds necessary to pay for her war imports from the United States. It is hoped that, as a part of the programme of coordinated war production in the United States and Canada and the mutual cooperation which has existed between the two countries, it will be possible for us to transfer some war supplies to the United States under the new mutual aid bill instead of being forced to rely on sales of all war supplies to the United States in order to meet our minimum United States dollar requirements.

It is of the greatest importance that the vital flow of arms to the fighting fronts be maintained and increased this year. That flow must be directed in accordance with strategic needs and not diverted or obstructed by financial considerations. Moreover, we do not want that flow to give rise to huge war debts between nations, debts which cannot be liquidated without destroying trade, debts whose very existence will undermine international understanding and good will. We want it to make the most effective contribution to an early victory, not only for our allies but for ourselves.

In certain cases it may be practicable to obtain reciprocal benefits to Canada in the form of goods or services from other countries in return for what we transfer to them under this plan. We will enter into such reciprocal arrangements where they can be made. Already the United States has found it possible to obtain substantial reciprocal aid corresponding to its lease-lend aid to other nations. In some cases it may be possible to arrange for the return after the war of the equipment or vehicles which Canada provides under this new programme. In still other cases the nation receiving the war supplies from Canada may be able to provide us with some other form of post-war benefit. But we do not want to make the sharing of war supplies dependent upon the ability of those who use them to pay for them. We recognize that we in Canada, because of our position and capacity, are able

to produce and contribute to the common cause more war supplies than we require for our own fighting forces. We also recognize that others of the united nations, who, for geographical reasons, have had to grapple more closely with the enemy, require far more than they are able to produce. Each nation must make the maximum effort of which it is capable in the form in which its most effective effort can be made. It should be enough that those of the united nations suffering far more than we from the attacks of the enemy, having necessarily to take a far greater part in the fighting than we, should make effective use against the enemy of the arms, the materials and the food that we produce.

I do not think the spirit behind this measure can be better expressed than it was the other day by one of our French-Canadian newspapers in commenting upon the announcement in his excellency's speech when it said as I translate it: "Whether they are employed in England, in North Africa, in China or in Russia, whether they are used by Canadian soldiers or by our allies, all our war supplies are contributing to the triumph of the cause of the united nations, who, in effect, have pooled all their means of defence against a common enemy."

I referred to two subsidiary measures that are being proposed to assist in ensuring that our allies are to continue to obtain what they require from us. These measures have very direct benefits of their own as well.

The government proposes to take over the ownership of all the interests of the United Kingdom in war plants in Canada. The British government has provided over two hundred million dollars of capital for the construction and equipment of factories in Canada to produce munitions for the British forces. The United Kingdom owns the whole or a share of many such munitions factories or specialized equipment in privately-owned factories. The Canadian government now proposes to take over these British plants and this equipment and to reimburse the United Kingdom for its investment in them. We will then have complete ownership and control of all the capital assets provided for under the capital assistance programme of the Department of Munitions and Supply. There will, I understand, be a great saving in the amount of administrative and accounting work on war production in plants heretofore jointly owned by the Canadian and British governments. Finally, the transaction will provide the British government with cash to meet its immediate deficit of Canadian dollars during the remainder of this fiscal year, before the new mutual aid bill can be put into operation. Funds for this transfer of munitions plants will be requested in the supplementary war appropriation bill.

The other related proposal has already been explained by the Prime Minister, as well as mentioned in the speech from the throne. I refer to the expansion in the number of Royal Canadian Air Force squadrons overseas, and in the degree to which Canada bears the cost of equipping and maintaining them. This will have the effect of increasing our expenditures in sterling in the United Kingdom, thereby providing indirectly additional Canadian dollars to Britain to assist her in purchasing supplies she requires from Canada. This additional cost of the air force overseas will, of course, be reflected in our war expenditures to be covered by the main war appropriation for next year. Canada will also meet the full cost of pay and allowances for Royal Canadian Air Force personnel serving overseas in Royal Air Force squadrons.

These air force changes will reflect and emphasize the increasingly important part being taken by the Royal Canadian Air Force in achieving that air supremacy in Europe which is so essential an element in victory. They will also make clearly Canadian what should be Canadian.

The measures I have outlined today are intended to ensure that Canada's war production over and above that required by our own forces is directed as rapidly as possible to those fighting fronts where it will be most effective in defeating the enemy. From the beginning of the war, the Canadian government, with the full support of this house and the Canadian people, has followed the policy that whatever can be done by the provision of equipment and supplies to enable our forces and our allies' forces to fight most effectively, to accomplish their objectives with the least cost in men, must be done. These measures are required to continue that policy. They do so by enabling us to mobilize our resources most quickly and most efficiently. That means a great saving of national strength and resources, for it shortens the war; it means an enormous saving of human life; ultimately it means victory.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I do not intend to make any lengthy comments on the statement which the Minister of Finance has just read, but there are two matters upon which I think we should have some clarification. Three principal nations among the united nations now conducting this struggle against the axis powers are providing large quantities of the sinews of war by way of munitions—the United

States, Great Britain and ourselves. I should like to ask the minister if the programme which is envisaged by the bill he mentions will be in collaboration with the lease-lend operations so far as the United States and other nations are concerned. Will there be collaboration with that country as well as with Great Britain in the allocation of supplies? So far as I could see there was nothing in the minister's statement which indicated that this was a move in collaboration with the other countries which are now supplying China and Russia. I should like the minister to be clear on that point because it is a very important factor in the discussions.

Mr. ILSLEY: The allocation board set up under this bill will undoubtedly find it necessary and will wish to keep very closely in touch with the munitions' assignment board in Washington and the assignments board in London.

Mr. GRAYDON: Before the government decided to bring down this legislation, may I ask whether Great Britain and the United States were consulted?

Mr. ILSLEY: I do not think so, no; but perhaps I had better give that some consideration and make inquiries before I answer the question definitely.

Mr. GRAYDON: The only point I wished to bring out was that we are engaged in a vast pooling arrangement of our resources and man-power to defeat the axis, and it seems to me only appropriate that we should bring down any such bill as this only in collaboration with our allies.

Mr. ILSLEY: It is very important, too, to communicate one's intentions to the Canadian parliament before they are communicated to other nations.

Mr. COLDWELL: I understand that the minister is interested in getting the supplementary war appropriation bill through as rapidly as possible. If I might make a suggestion it would be that the supplementary bill be introduced and carried through the house without discussion, interrupting this debate, if necessary, for the purpose, on the understanding that we should be free to discuss all war matters on the main measure.

Mr. ILSLEY: I am very much obliged to the hon. gentleman for making the suggestion, for that is exactly what I should like to see happen. I suggested last year that the debate of our whole war effort take place on the main appropriation bill, but the house did not take kindly to the suggestion. It is important that the supplementary appropriation bill be passed immediately or very soon. I do not know what the house will want to do about that, but if the leaders and the members talk it over and there is no objection to that course, I will put the resolutions in connection with these bills on the order paper right away. A full accounting of our stewardship can be made on the main appropriation bill. That is when the main debate takes place every year, and I do not see any reason why we cannot adopt that procedure this year by mutual consent.

Mr. COLDWELL: With this proviso, of course, that anything which might have been discussed on the supplementary bill may be discussed on the main bill.

Mr. ILSLEY: I readily agree to that.

Mr. MACKENZIE KING: May I supplement what the Minister of Finance said a moment ago in reply to my hon. friend as to the war supplies mutual aid allocation bill, as it will be called when introduced. The particular action as therein proposed has been proposed by the Canadian government on its own. It was our government that decided to adopt this method of aiding to the utmost in the war effort. In the course of the preparation of the measure particular departments in the governments of Great Britain and the United States especially interested were cognizant of what was in our minds. I think the word "cognizant" is the best word to use, better than "collaboration" perhaps.

Mr. ILSLEY: I just did not know how to answer the hon. gentleman's question, whether other governments were consulted.

Mr. GRAYDON: They were not consulted.

Mr. ILSLEY: Were not. This is our own action, but I should not like to say that certain details were not discussed.

Mr. GRAYDON: May I answer the minister's suggestion with regard to expediting the passage of this legislation, following up what the hon. member for Rosetown-Biggar (Mr. Coldwell) has just said. Our view, of course, is that in times like these we must not allow any technicalities to stand in the way of the government's proceeding with the war effort. I think all members of the house will wish to make sure that no course of procedure is adopted which will in any way hamper the government with respect to the war appropriations which are required. I have tried while I have been in this position to facilitate as much as possible the government's war effort and the legislation in connection with it. I do not think it is the wish of the Canadian people that we should put any small technical obstacles in the way of the government. So

far as our party is concerned, so long as the reservation that has been made is observed, we shall be glad to discuss matters pertaining to our war effort and get a complete report upon it on the main war appropriation bill, which will come up in due course. I think the minister will find that it will be very easy to arrive at an agreement which will meet the government's wishes and give them the necessary funds with which to carry on.

THE FIGHTING FRENCH

STATEMENT AS TO LIAISON BETWEEN CANADIAN GOVERNMENT AND GENERAL DE GAULLE'S ORGANIZATION

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the hon. member for Weyburn (Mr. Douglas) asked me on Friday last:

> May I ask the Prime Minister what liaison is being maintained between the Canadian government and the fighting French organization in London under General de Gaulle?

The answer is that contact is maintained with the fighting French through the delegate in Ottawa of the French national committee, Major Gabriel Bonneau, whose appointment in this capacity, in succession to Colonel Pierrene, was announced by the Department of External Affairs last week. Major-General G. P. Vanier, Minister Designate to the allied governments in the United Kingdom, has been appointed to act in consultation with the French national committee on matters relating to the conduct of the war.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Friday, February 5, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. W. A. TUCKER (Rosthern): Mr. Speaker, my first words this afternoon I should like to be those of joy at the safe return from the epic conference at Casablanca of the President of the United States and the Prime Minister of Great Britain. I am sure it is the hope of all of us that both may be spared to continue to give to their respective countries that courageous and far-sighted leadership which they have given up until now, and that they will be spared to see their countries through to the victory which I hope is not too far in the future.

My next word I should like to be one of satisfaction and pleasure at the continued good health of our own leader, the Prime Minister (Mr. Mackenzie King). I have noticed that throughout the country, for one reason or another, there is not the same tendency to hold up his leadership to the approbation of our people that all are disposed to give to the leadership of the President of the United States and the Prime Minister of Great Britain. Our Prime Minister is the leader of our nation at war. Whether or not the decision was right that Canada should go into this war, that issue was finally decided when this country declared war on the German reich on September 10, 1939. He is now the leader of the whole Canadian people, and there should be no further argument because the only way in which this country can survive is by victory of our cause. That has been recognized by such leaders as Herbert Hoover in the United States, who stated plainly, just recently, that no matter what one might have thought before Japan attacked Pearl Harbor, that question is now at an end; the United States is in the war; the only way to get out of it safely is to win it, and all the people, without reservation, should get behind their commander-in-chief. Those words should be taken to heart by everybody in Canada; because, no matter what our beliefs as to what should be the future set-up in Canada, no matter what race or religious creed we happen to belong to, it would be very bad for all of us if we did not win this war, and it is only by unity that we can hope to make the maximum contribution to victory. For this reason I am happy and pleased that the right hon. gentleman who now leads the government is at the head of the country at this time.

Looking over the situation at the outbreak of the war, with the problems which obviously would confront us as a people, anyone, to whatever party he might belong, could not but see that the unity of this country was to be tested as it had never been before. I believe I can say that Canada is more united to-day from coast to coast than she has been at any other time since the war began. Many thought that this stage of our effort would find Canada at war within herself because of issues which were bound to arise. That has not happened. I believe that everybody, regardless of party, should, if he is honest, give the credit to our Prime Minister for his able and fearless leadership which has achieved this. Without this unity obviously we could

not have made the splendid contribution we have made, and if our leader has made that unity possible he should be given the credit, just as Mr. Churchill is deservedly honoured for the leadership which he has given Britain.

There is another reason why I am glad that destiny ordained that the present Prime Minister should be our leader prior to and when this war struck us. I have reference to his record of friendship with the United States of America. It must be admitted that we were greatly relieved by, for example, the Ogdensburg agreement, with the declaration of the President of the United States that he would not see Canada brought into subjection by a European state. That statement implied that the United States guaranteed that Canada would not be defeated by Germany and it was approved by the people of the United States. It did not go unnoticed by Germany and Japan; for they realized that if the United States could not see Canada defeated it meant that in order to defeat Canada they would ultimately have to strike at the United States, so it followed in the natural course of events that the United States sooner or later would become our ally. Who of us to-day that wishes to be honest with himself can do other than thank God that the United States stands by our side face to face with the power and might of the German reich? And is it not something to be thankful for that a programme was pursued by our government and our Prime Minister, year after year, of friendship and close collaboration with the United States and their great leader? When the history of this era comes to be written, and particularly of the epochal meeting between the Prime Minister of Great Britain, a country at war, with the President of the United States, not yet at war—at which time there was laid down the Atlantic charter, which in effect was a declaration of war against nazi Germany and all it stands for—it may very well be said that the Prime Minister of Canada had acted as a bridge between the two English-speaking countries and had more to do with that meeting, the Atlantic charter and the resulting present situation than many perhaps realize.

Our war effort, by all admission, has been a magnificent one. It has been magnificent because of the unity which alone made great national achievement possible. It has been magnificent because our leader has had the ability to surround himself with able and outstanding men and has given them the authority and the power to go ahead and do the best they could in their own departments without being continually hampered by dictation from him.

[Mr. Tucker.]

In regard to the war effort I should like to mention, in passing, that I regret it has not been found possible to locate more war industries in western Canada. We in the west realized at a time of great urgency, particularly after Dunkirk, that speed in getting out war materials was most important, and we did not unduly press for the setting up of industries in the prairie part of Canada. But now that the turn has come for the better, as it has, we do urge that the government should recognize our forbearance at that time, should realize what has been done to decentralize industry all over the United States and stimulate manufacturing particularly in the western and central part of that country, and do something of the same kind in Canada. We ask particularly that a start be made in the production in western Canada of alcohol from grain grown in the west as a basis for a synthetic rubber industry there. In the past we have always been told, as one reason why industry could not be established in western Canada, that the raw materials would have to be shipped long distances to be fabricated there. In this case we have untold quantities of raw materials which could be turned into alcohol and then into synthetic rubber. I ask that everything possible be done—perhaps it is already being done; I hope it is—to spread a certain amount of industrial production over the western part of Canada, particularly in the prairie provinces.

I wish to express to the government, and in particular the Minister of Justice (Mr. St. Laurent) my appreciation of their having done away with the requirement which obliged loyal citizens of German origin who were naturalized following the last war to humiliate themselves by reporting each month to the mounted police in their own districts. When that requirement was first imposed our people were in a state of nervous alarm because of Dunkirk and what had happened elsewhere in Europe. It was perhaps understandable that they should be uneasy. But those of us in this house, of all parties, who were acquainted with these people knew that with the exception of one or two here and there, practically all of them were loyal to this country, and it was too bad that they were subjected to that obligation. I thank the government and the minister for having removed it.

The next thing I wish to refer to is the attitude of the government at the outbreak of war. We all recall the speech of the Prime Minister asking parliament to declare war on the German reich. The policy was laid down that we would stand at Britain's side. However, we noted at that time the activities throughout the country of a party which

claims that in external affairs it has always been right and therefore should receive the support of the people now and in the days that lie ahead: I refer to the party led by the hon. member for Rosetown-Biggar (Mr. Coldwell). Let me quote from the policy of his party as read by him in this house and reported in *Hansard,* second session of 1939, page 54. It suggested that—

—the same struggle for trade supremacy and political domination which caused the last war . . . is again the primary cause of the present conflict.

That was laid down as the considered opinion of the Cooperative Commonwealth Federation throughout the country at that time. He went on:

. . . in part at least, the people of Britain and France are waging a war against aggression.

"In part at least." It was very good of him to make that admission. Then he said:

Canada should be prepared to defend her own shores, but her assistance overseas should be limited to economic aid and must not include conscription of man-power or the sending of any expeditionary force.

And what was the economic assistance? The expansion of war industries "must be strictly controlled" according to the policy laid down. Mark this:

Volunteers for home defence should not be required to sign also for overseas service. This practice, now being followed, is unwarranted and should be abandoned.

In other words, at the time we were setting out to defend ourselves against Hitler it was the considered policy of the C.C.F. not only that should we not send troops overseas but that we should discontinue raising volunteers in order that those who were willing to go overseas might be permitted to do so.

Mr. DOUGLAS (Weyburn): That is not what it says.

Mr. TUCKER: It certainly is, and I have the book here. If my hon. friend wishes to get up when I am through he can try to prove differently, but I defy him to do so. The hon. member must realize that I have only a few minutes at my disposal. If I could be persuaded to read the whole statement of their policy, it would take up all my time.

The C.C.F. on May 20, 1940, as reported at page 50 of *Hansard,* indicated continued support of that policy, in a speech by the hon. member for Rosetown-Biggar. Then on June 10, 1940, twenty-one days, three weeks, after that time, France had fallen and Italy had struck. Three weeks before these momentous events the C.C.F. had said that they reiterated their stand that no military assistance should be given to Great Britain. I have given the page and the hon. member can look it up if he has any doubts, but he knows it is true. If I were given unlimited time I would read it all, and the more I read the worse it would be.

An hon. MEMBER: The more you talk the worse it will be.

Mr. TUCKER: Worse, not for me but for my hon. friend who is interrupting. I hope that Mr. Speaker will take these interruptions into account in computing the remaining time for my speech.

Many people have said that at the time France fell the only forces which were armed and prepared to defend Great Britain were the Canadian troops that were already in that country, and some people have suggested that the only reason why Hitler did not invade Great Britain was that these Canadian forces, which were highly mobile and ready to strike wherever he might attempt to land, were already there. If that is so, and no one can say it is not so, history may record that it was because of the decision of the Canadian government to stand at Britain's side and send troops over there that to-day we are able to stand as free men in this parliament. There is the record. Who was right at that time—the C.C.F., who said, on May 20, three weeks before France fell, that they would not have had troops in England, or this government who had them there and who, perhaps, thereby saved the day?

There is one other point I would mention in that regard. We well remember that on June 10, 1940, our fortunes were so black that the policy of the government at that time was to shut off as quickly as possible the supply of materials to Japan, but to do it in such a way that Japan would not be able to say she had been insulted and thus be given occasion to enter the war. The Prime Minister on the floor of the house stated more than once that it was the desire of the British government that we should not do anything to provoke Japan and give her an excuse for attacking us. When we think of what would have happened to us had Japan attacked us or had she been given reason to strike on June 10, 1940, before the United States stood at our side, before Russia was attacked, when we stood alone alongside Great Britain and the other members of the British commonwealth of nations; when we think of what would have happened to us if Japan had struck then instead of eighteen months later, then we must at least be grateful that nothing was done to give Japan that excuse. And who can say now that she would not have accepted the gauntlet if it had been thrown down to her? We know now that the government of the United States had the

same requests made to them. Although we were shutting off these supplies as fast as we could, without giving any overt cause for Japan to attack Great Britain, throughout this country the C.C.F. were going up and down claiming that the reason we did not absolutely quit sending supplies to Japan was that profit element was involved. They were told that there was danger of bringing Japan in, but that did not stop them from going up and down the country making that claim. As a matter of fact that very claim was made in this house. On May 20, 1940, at page 53 of *Hansard,* the present member for Rosetown-Biggar said:

The Cooperative Commonwealth Federation believes that the only effective way to eliminate war profiteering is to nationalize all war industry. This too would prevent the export of essential war material to potential enemies and indirect shipment to enemy countries. . . . To-day the copper which we export to Japan mangles the bodies of Chinese patriots. . . . Each year we of this little group have urged the stopping of the export of such supplies to aggressor nations.

They coupled Japan with aggressor nations on May 20, 1940, three weeks before the fall of France, three weeks before the entry of Italy into the war. They were talking of Japan as an aggressor nation and suggesting that we should slap her in the face. There is the record of the C.C.F. party.

Well, here are the facts. No scrap iron was exported after October, 1939, no copper after October 8, 1940, and exports of aluminum, nickel and zinc had all been stopped between those two dates, but stopped in such a way that it did not give Japan any excuse to say that she had been insulted. Did our friends of the C.C.F. make that clear? No. This speech of the hon. member for Rosetown-Biggar was repeated over and over again. They were the ones that did not want profits, but these other people in the other parties were ready, in order to make a little profit, to run the risk of our people being later killed by our exports of metal. The verdict of history will be, I suggest, that it was very wise of this government and the government of the United States not to give the government of Japan an excuse for attacking us at that time. Had she attacked us then it would not have been well for the democracies.

While dealing with the C.C.F. I wish to touch upon one further point. We have here an amendment moved by the hon. member for Rosetown-Biggar:

And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service.

I should like to read what an hon. member of this house said in regard to a similar proposal.

On September 8, 1939, the hon. member for Lethbridge (Mr. Blackmore) said:

Therefore, the New Democracy declares that justice, equality and effectiveness depend upon conscription of finance, industry and man-power.

Exactly the same in effect as the amendment of the hon. member for Rosetown-Biggar. That will not be denied. And this is what the hon. member for Rosetown-Biggar said about that, speaking after the hon. member for Lethbridge, as reported at page 54 of *Hansard* for the fifth session of the eighteenth parliament (on September 9, 1939):

We must see to it, then, that during this struggle the foundations of a regimented totalitarian regime are not laid. Yet already we have heard in the house, and particularly in the speech last night of the leader of the New Democracy group, a demand for conscription of men, of finance and of industry. Moreover it was suggested that this was good in peace and in war. Let us beware of the implications of such a policy; for whether or not it is apprehended by those who advocate it, such a war-time policy, if successful, would see us emerge from this struggle as a thoroughly regimented and totalitarian state.

Mr. DOUGLAS (Weyburn): Under this government?

Mr. TUCKER: Well, my hon. friends are moving for this, under this government. That was the opinion of the leader of the Cooperative Commonwealth Federation with regard to the conscription of finance, industry and man-power at the outbreak of war. What are we to think now of their motion? He has condemned it, himself, in most unmeasured terms. And this is what he goes on to say:

Let us make up our minds at the very outset of this struggle that under no circumstances and in no guise shall we permit the foundations of a regimented totalitarian state to be laid in Canada.

I ask the hon. member for Rosetown-Biggar and his followers to read his own words uttered only three years ago, and then to vote accordingly with regard to their own amendment.

Mr. REID: *Hansard* has a lot of good points, too.

Mr. TUCKER: Yes, it has some good points.

There is one matter I should like to deal with before concluding, namely, the fact that when we win this war—and I have no doubt we are going to win it—we must see to it that

we do not lose the peace. We must see to it externally by making sure that any possible aggressor is not permitted to get going again, in the way in which Hitler was permitted to get going; we must be sure that any such aggressor is nipped in the bud. We must watch any possible aggressor, wherever he may be, and we must be sure of some form of world organization to prevent from reoccurring anything such as happened between the last war and this one.

Internally we must see to it that the productive powers of the country are used to raise the standard of living of those who to-day are making such great sacrifices in order to protect our whole set-up. Many of the young men who to-day are offering their lives, many who have given their lives, had not much in a material way at the beginning of the war to defend. They had only themselves and their loved ones. Many of them had been out of work; many had been in camps where they had only a bare subsistence. The suggestion was made over and over again that if war came it would be found possible to raise the national income of our people so that, with our present productive powers, everybody would have a good income and a good standard of living. But in those days of peace it was not found possible to give that standard of lving.

Without argument or question, when war came and our country was in danger, those young men went to defend it. It would be almost sacreligious if we did not see to it that those young men who are risking their lives to defend their country on their return or the dependents of those who have given their lives, were able to enjoy their fair share of the productive powers of our country. Hon. members will recall how it was argued before the outbreak of war that we were producing up to our full productive capacity—that scarcity and poverty were inevitable. I hope that argument will not be offered any more. People, like myself, were scoffed at when we begged and pleaded for a stepping-up of our productive power and a stepping-up of our national income, and when we said that those young people who were not getting a chance to make a living for themselves by productive work should be given that opportunity.

I know, from young men with whom I have come in contact, young men who have entered or are now entering the army, that they expect that after this war our tremendous productive power will be put to work, in order that they may earn for themselves and their loved ones a reasonably high standard of living.

Mr. SPEAKER: The hon. member's time has expired.

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, at the outset I should like to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply. I would also extend my congratulations to the hon. member who has just taken his seat. Since war began in 1939, I have thought, as I have sat in the house, that it would be next to impossible to convert some of these old die-hard Liberals. But now the hon. member for Rosthern (Mr. Tucker) has shown that he is an apt student. It is true that it has taken him four years of war, during which there was a time when the country was almost subdued by the enemy, to convince himself that the proposals advocated in 1939 by the Social Credit party are sound. In that respect I am pleased with what the hon. member has said.

But when he goes so far as to eulogize the Prime Minister (Mr. Mackenzie King) for the great unity in Canada, that is just a little further than even a good-natured fellow like me will go. Had he said that the Prime Minister was possibly responsible for the great disunity in Canada to-day, he might not have been so far wrong. However, his words are as I have stated; they are not mine, and I am not taking them for my own.

It is a fact that at the outbreak of the war the Social Credit party was the only one which saw a proper solution.

Mr. HANSELL: And never had to change.

Mr. JOHNSTON (Bow River): And as my colleague, the hon. member for Macleod, has said, we have never had to change. Although the government have at times ridiculed us, stating that our proposals are idiotic, yet when they come to the place where their backs are against the wall they have found it necessary to adopt those very things for which they criticized us.

Mr. BLACKMORE: And they will go further yet, too.

Mr. JOHNSTON (Bow River): To a great extent I can agree with the references made about production by the last speaker. During the last year I have been over a large part of Canada, and I can say honestly that our industries are doing a good job. In almost every instance they are turning out good products in large quantities. But that is not by any manner of means the equivalent of saying that we are doing an all-out production job. In this time of war we must all realize that production is the most essential thing in our war effort. Right from the first, when we

asked for the complete conscription of industry, the Social Credit party has urged that production is one of the very first necessities in connection with our war effort.

Certainly it cannot be said, even by the hon. member who has just taken his seat, that the government is responsible for this all-out war effort, or possibly I should say for this partial war effort. Had it not been for the pressure of public opinion—yes, and even of industry—we certainly never would have achieved the amount of production being carried on to-day. In fact, I do not think the government would wish to take credit for all the development in production. It has become an established fact all across the country that this government will not move until it is forced to do so. Certainly credit should be given where credit is due, and I would be the first to give it, but I think one of the greatest responsibilities upon the shoulders of the government is to see to it that when there is an obstacle in the way of an all-out production job, that obstacle is removed by legislation, and that every possible step should be taken to assist industry and the people to do a greater job than is being done. As the Prime Minister (Mr. Mackenzie King) and the Minister of Finance (Mr. Ilsley) have said on many occasions, the only limit to our productive capacity should be the man-power and the raw materials we have in this country.

It was for this reason that we of the Social Credit party advocated an all-out war effort in 1939. At that time we stood alone in our demands, and we had the most severe criticism directed at us. We have not by any manner of means achieved an all-out war effort yet, even in the field of production, to say nothing of agriculture. As I have said already, we are doing well. I have travelled around the country; I know the industries are doing a good job and that the men employed in those industries are just as anxious as they could be to carry on a greater production programme than is the situation at present. Industry is also anxious to increase production, and I would not say that the government were not equally anxious, but what they desire to do and what they actually do are two entirely different things. It largely boils down to this, that as a result of government policy we have not been able to get down to an all-out war effort. I remember that last year I made in this house a statement to which the Prime Minister took very strong exception, even going so far as to attempt to reprimand me and to say that my statement was untrue. Now, after having had a year's experience on the war expenditures committee, after having gone through another year of war and after having travelled across the country, I am more than ever convinced that what I said then was true. Therefore I am now going to repeat my statement, that by reason of government policy industry has been compelled to slow up production.

I am not going to dwell further upon that statement, but I have repeated it in order to make myself perfectly clear to the house. I think every hon. gentleman is greatly concerned that we should achieve an all-out war production, and for that reason I think we should have more information. The other day I was pleased to hear the Minister of Munitions and Supply (Mr. Howe) state that the four thousand men at the Angus shops in Montreal, who were expecting to be laid off, were going to be given some other useful work to do. As the minister said, many of these men are trained mechanics, and he said he would see to it that they were kept at work, either in the production of Valentine tanks or in other plants where their services might be required. But while he was making that statement I could not help thinking that I have heard similar statements on previous occasions, so that before I put too much faith in what he said I am going to wait and see the result.

I recall that when I was in Calgary a short time before coming to Ottawa for the present session, there were from 150 to 200 men laid off at the Ogden shops, where they had been making guns. I visited that plant; I was introduced to the superintendent, Mr. J. L. Gubbin, who had been brought there from, I believe, Montreal. He was exceedingly courteous to me and called in one of the plant foremen, whom he asked to show me about. I was shown all through the plant, and I think I saw everything that was to be seen. Here was a factory that had been changed over to make guns; now they were laying off two hundred men, among whom I was told were some of their best mechanics. These men were going to be thrown out of their jobs; as a matter of fact some had already been laid off, and I believe the greater portion have not been given other employment even yet. That was not, by any manner of means, the fault of that plant. The management were exceedingly put out because they were not able to keep these men working. As was pointed out to me, the management had gone to a great deal of expense and trouble in training these men for this particular job, and now that job was to be taken away from them. At that time the management did not even have an order to go ahead with anything else.

That is why I am a little sceptical of the minister's statement the other day, when he said he would see to it that these four thousand men were put to work. Here is an actual

case where trained men were laid off, right in the midst of our war effort; and two hundred men in a factory of that kind is a very large proportion. It was not that the men desired to quit; they were not going on strike. It was the very opposite; they were very angry because they had no jobs. Some of them said to me, "Is this supposed to be our war effort?" I was talking to one of these men in his home the evening after I visited the plant. He told me that for the previous two or three weeks these men had known that they were going to be fired, and do you know what took place? It was just exactly as I have stated in this house time and time again. These men were deliberately slowing down the work, not because they wanted to do so but in order that the job might hold out; and that was not against the rules of the management, either. I do not say that the company was making a greater profit, because it was a cost-plus contract, but certainly the cost to the government and the country was much more.

Those in charge of industry dislike very much having their men thrown out of work, because the management know that when they are asked to do another war job they will not be able to find trained men to do the work. But here were these men being laid off, with no orders at all in sight from the Department of Munitions and Supply. That was why I said to the Prime Minister a year ago that the policy of the government was wrong; and it was as a result of the policy of this government that this plant was forced to close down. They did not have even as much as a go-ahead letter in connection with another contract. They hoped to get another contract, it is true, but they did not even have a blue-print in connection with it. As it was explained to me at that time, if the management had been given even the blue-prints in connection with an expected contract, they would have been able to go ahead and prepare their plant, which would have enabled them to use some of these two hundred men, but that was not the situation. In fact I was informed that under the contract which they hoped to get—I emphasize the word "hoped"—they would not be allowed to make gun barrels. They were making gun barrels at that plant, but their equipment would have to be pushed to one side and left idle because they were being barred from the advantage of making the same type of gun which they had been accustomed to make.

I do not cite this as one particular case where the government has failed to give orders in sufficient time for an industry to be able to absorb its unemployed when one contract was tailing off into another. Let me give the house the details of another absurd situation lest some hon. members think I am just a little prejudiced. I should like to refer to a speech made by a Liberal member of this house. I may say that I have thought there were not any good Liberals in the country any more.

Mr. HOMUTH: Are there?

Mr. JOHNSTON (Bow River): To my surprise, yes, there are one, two, or possibly three. Of course, I will agree with my hon. friend that they are as scarce as hens' teeth.

I should like to refer to one statement made by the hon. member for New Westminster (Mr. Reid) who I see is in the Chair at the present time. I hope some day he has that Chair. He said, as reported on page 133 of *Hansard:*

> We have shipyards in British Columbia, at Vancouver, New Westminster, Victoria and other points, which are not working to full capacity. I have in mind one now, a shipyard in New Westminster called the Star shipyards, which has eight ways; six of them are idle, and the other two soon will be.

I am sure that had the hon. member for Rosthern read that statement he would not have thought we were doing an all-out production job. The hon. member for New Westminster then went on to say:

> There is no reason why these shipyards should not be working to full capacity, and every kind and type of ship should be built.

I agree with him one hundred per cent. That has been my greatest concern since this war started. I have made no bones about it. I have said definitely that I wanted to see this country producing to the maximum. I was convinced of this a year ago when I was speaking in this house, but the Minister of Munitions and Supply took exception to what I said. I see he is not in the house at the moment; in fact, with one exception, there are no ministers at present in the house. I suppose they are taking their cup of tea. The Minister of Munitions and Supply has taken exception at various times to what I have said, but the facts are there and not even he can get away from them. There is a terrible state of confusion in this government during war time.

Let me give the house another illustration, the Calgary rolling mills, to which I have referred before. From the very outset of this war I have advocated in this house that we should get the Calgary rolling mills going. There was a tremendous amount of opposition even to getting them started. They were going to move them to Vancouver at one time. Then they were finally started,

and ever since I have tried to have another blast furnace put in there so that the plant could be worked to one hundred per cent capacity. Whenever I have spoken in the house I have referred definitely to the rolling mills section, but the minister rose in his place and said that the plant was working to one hundred per cent capacity. I do not know why he should have made a remark like that; probably he was just ignorant of the facts. He should have known that the rolling mills section of that plant has, I believe, never worked a 24-hour day. I have a full report on the whole matter, and I was in hopes that another blast furnace would be put in so that this plant could be worked to full capacity.

I understand that at last the Department of Munitions and Supply has consented to put in another blast furnace, so that now the plant will be able to go ahead and employ more men. But it has taken the department four years to realize that fact. Think of all the scrap we have been shipping from the west to the east, even to Hull, Quebec. When I was home in Three Hills, the little town in which I live, I saw a car of scrap steel at the station, and I was told by the station agent that it was to be sent to Hull, Quebec. Even the hon. member for Rosthern has complained about there being no industries in the west. We have been shipping all this scrap steel here and then shipping back the finished product when all we needed was a blast furnace in Calgary.

I recall the president of the manufacturers' association in Alberta coming to Ottawa after the minister made the statement that that plant was working one hundred per cent. Why did he come here? He told me that he came here to get the Calgary rolling mills working one hundred per cent. When I reminded him of what the minister had said, he told me that that did not make any difference, the plant was still not working to capacity. This shows a lack of planning. I do not contend for one moment that all the blame should be placed upon the Minister of Munitions and Supply, but I do say that when a member points out these things to him he should make a special investigation to see whether they are true or not. If they are true, then he should attempt to alter the situation that exists. No man is perfect and no man can, without more help, look after a job as large as the one he has to look after.

Here is another situation which I believe requires immediate attention. We are rationing everybody on oil. Those people who are living in houses heated with oil are nearly freezing to death because they cannot get sufficient fuel. Yet we have in Alberta the world's greatest potential supply. Listen to that, "the world's greatest potential supply". That takes in a lot of territory. But what is being done? Hon. members know that the members of the Social Credit party have always been after the government to do something with the oil field in Athabaska. That is not the only place in Alberta where there is oil, yet nothing has been done. I believe the minister promised last year that they were going to build a little pilot plant, but the Abasand company has been producing 400 barrels a day. Surely if the government had wanted to go in there to bring about an increase in production they could have done a tremendous amount in that regard. But again procrastination was the motto. It seems that the government will not do anything until a crisis is definitely upon them. Then they try to get out from under. I have a clipping which I took from the Calgary *Herald* of January 19, 1943, with regard to the oil situation. It reads:

Claim Canadians fail to see need

Canadian government officials are "dumb" because they fail to realize the importance of development of a supply of oil in western Canada to make the Alberta to Alaska highway of paramount service to the war effort according to an article in the Cut Bank (Montana) *Pioneer*.

The article points out a greater realization of the importance of oil to the war effort is held by United States government officials.

"Oil is desperately necessary for any armed force operating from Alaska and we have neither the petroleum products available nor the tankers or tank cars for their transportation to supply a large armed force in Alaska," the newspaper quotes a report made to the government by Representative W. J. Cole.

Then I have another clipping taken from the Calgary *Herald* which is headed, "Largest oil pipeline in world completed by U.S." In the article it is stated that they have built over 500 miles of this pipeline and are going on with an extension of something like 800 miles. They are getting somewhere. They are not waiting for the crisis to develop. I have before me another clipping, dated January 15. Speaking of the oil output it says, "Oil output down three hundred barrels a day."

Our war supply is going down—so is the government for that matter—and the government is not doing much about it. It is a very serious situation, and as time goes on it is going to grow more and more acute. It is time this federal government got busy, for that is where the responsibility lies. The responsibility is not with the provincial government or any other body, but with the federal government. Oil is definitely a war necessity,

and you can be well assured, Mr. Speaker, that if the big oil companies have anything to say about the matter, there will be no more oil production in this country until the civilian supply is absolutely cut off. They are going to make the present supply last no matter whether we win or lose the war. Unless this government steps in and does something, our oil position is going to grow worse and worse. I do not know how much worse it will get.

We are having strikes all over the country. When the hon. member for Rosthern was speaking about unity I could not help thinking of the great number of strikes that are now in existence or pending. There was a steel strike in Nova Scotia, another at Sault Ste. Marie, another in Montreal, another in Ontario—there are strikes all over. Who is to blame for these strikes? The other day I was interested to hear the Prime Minister defend the Minister of Labour (Mr. Mitchell). He told us what a terrible job the Minister of Labour had and how pathetic it was that everybody should jump on him. Possibly the Prime Minister was right because I do not think the Minister of Labour is all to blame. He is in a dual position: he must satisfy the demands of labour and he must also satisfy the Minister of Finance (Mr. Ilsley). Of course the workers in different industries are striking. They are not striking to curtail production—not by any means. They are just as desirous of increased production as anyone else. What they are striking for is increased wages. In these war times everything has gone up in price. While the index of the bureau of statistics indicates a rise in the cost of living of something like 16·2 per cent, everybody knows that the cost of living generally has gone up much more than that, and accordingly these workers, and rightly so, I think, are demanding an increase in their basic wage. When I say that I do not necessarily mean an increase in wages all along the line. This strike situation is another evidence of the government's procrastination. It never attempts to solve a difficulty until a crisis is reached.

These workers who have been on strike have had quite a going over by some of the newspapers, especially the Montreal papers and some others. We have received from Cockfield, Brown and Company, Limited, of Montreal, clippings from the Montreal *Star*—not on behalf of the workers. Looking over these reports, I notice that they give the working hours of the men involved in these strikes. They say:

> Wage-earners by hourly earnings were distributed as follows.

I will cite just a few figures. There are 410 employees receiving 55 cents an hour and under, or 9·3 per cent of the employees. Those getting from 55½ cents to 65 cents an hour number 1,115, or 25·3 per cent of the employees. Let us take those two together. They represent about 1,500 men in the one plant. At 55 cents an hour, and working 48 hours a week, a man gets $26.40 a week, or $105.60 a month. Out of that $105 he is not only expected but forced to buy victory bonds. He has to pay doctors' bills, bus fare, income tax, national defence tax, both of which have increased, and he has also to pay for clothing which has increased in price, and then pay rent, fuel and so forth—all of these things out of $105 a month. Yet the Prime Minister rises in his place, raises his hands to heaven and says that the members of this house should not criticize the poor Minister of Labour so much, because the price ceiling on wages must be maintained. Shame on the Prime Minister for making such a statement! We have men working in Canadian industries for the paltry sum of $100 a month, when we have right in this country huge profits being made—and make no mistake about that.

The Prime Minister went on to speak about the fear of inflation. No word has been so much misused as that word "inflation". Every time the Minister of Finance wants to get out of a jam he uses that word "inflation". We are getting used to it now. The Minister of Finance knows quite well that if you raise the wages of the men in the lower salary brackets you are not going to have inflation. He knows that; the Prime Minister knows it, and so does the Minister of Labour who has just entered the chamber. The Minister of Labour knows very well that if you raise the basic wages of those in the lower wage brackets you are not going to have inflation if you have controlled prices and rationing. The blame is put on the Minister of Labour when he is not the only one to blame. It is the Minister of Finance. Therefore why not put the blame where it belongs. These workers went on strike, but first of all they had tried every other means and had got nowhere. Then this government steps in, always procrastinating and putting things off until a crisis or a strike is upon it. Then it is up against it.

Lest some people, others besides the Minister of Labour and the Minister of Finance, are still fearful of inflation, I will tell them where they can get the money to raise the wages of the workers who are in the lower wage brackets, and then there will not be so many strikes. I was a member of the war expenditures committee. I am not going to discuss the work of that committee, but I should like to quote two of its recommendations, and

then I will ask hon. members if the workers are to blame for asking for a little higher wages. At page 760 of No. 124, *Votes and Proceedings,* containing the recommendations of the war expenditures committee, I find this:

In its investigations the subcommittee found in one instance that an aircraft producing firm agreed to pay a salesman for release of an existing sales contract an amount equal to 50 per cent of its firm capital and which agreement the subcommittee believes to be an improvident agreement and should not have been entered into had the facts been brought to the attention of the department promptly.

There is one instance, if you want to get a lot of money—and I emphasize "a lot"—where you could get money to pay more wages to those in the lower income brackets. I commend that to those who are so fearful of inflation. Let me read the next recommendation of the committee, on the same page:

That active steps should be taken now to plan for post-war salvage of physical assets owned by the Department of Munitions and Supply. Hundreds of millions of dollars of public money have been spent on buildings, plant and equipment for war production, some of which has been expended on private property and which the department is under agreement to remove within a very short period of time after the cessation of hostilities. This whole problem demands special study.

There is another place where money can be found. Let me read another recommendation because I want to help the Minister of Labour and the government. In its report the war expenditures committee says:

As a result of its investigations to date the subcommittee makes the following recommendations:

(1) That the policy of placing fire insurance on material to be used for the manufacture of aircraft and also on the finished aircraft down to date of actual acceptance by the Department of National Defence for Air should be discontinued and all existing contracts amended accordingly to provide that this risk should be carried by the Department of Munitions and Supply and further that the amount of fire insurance carried by privately owned companies on their own property and chargeable by the companies as a cost item with respect to aircraft built under the aforementioned contracts should be restricted to an amount not to exceed actual cost less depreciation. . . .

And so on. These are instances of glaring —I was going to say—misappropriation of funds. Without question of doubt, the men who are working day after day in those plants know that men in the higher executive offices are getting salaries which must be regarded as huge in contrast with workers' wages of fifty-five cents an hour, a little better than $100 a month. They know that these executives are receiving anywhere from three to twenty-one and twenty-two thousand dollars a year; yet you go to the workers and tell them they should not strike, that they should be satisfied with $100 a month. Well, if you are used courteously you should not be. Yet the Prime Minister has told us on more than one occasion in this house that there would be no blood money in this war. I fear that he does not know the facts, because if he did he would see to it that certain changes were made.

As a result of this serious situation, and in view of the references which I have made, although briefly, in passing, to the war expenditures committee, I ask the government to hold a secret session of parliament wherein the operations of the committee can be thoroughly discussed, and that the evidence be brought down so that every hon. member shall have access to it. I am sure that the membership of this house will be tremendously surprised when they have all the evidence before them, and they are the ones who should have it. In my opinion an immediate secret session should be called. I am going to leave it at that. If a secret session is granted, we shall discuss the matters in secret session; and if not, we shall discuss them outside the secret session.

One other phase of this question to which I wish to refer related to women in industry. The hon. member for New Westminster (Mr. Reid) referred to it the other day; and I agree heartily with what he said. Anywhere I have travelled I have been tremendously impressed with the ability and the interest women have applied to this class of work. They are working at the side of the men and doing just as well as the men. I do not think there have been any complaints about them. As far as both quantity and quality of production are concerned they have achieved equal results. Yet we find a man and a woman working side by side, doing exactly the same type and quality of work, and the one receiving higher wages than the other. This is not right, and the Minister of Labour will have more trouble on his hands if he does not rectify it. I suggest to him that he get busy before the matter comes on his doorstep. There should be equal pay for equal work. There is no question that that is the right principle, and the United States has shown that it can be applied. I quote from the October, 1942, issue of the *Labour Gazette*:

A recent decision of the American war labour board establishes the board's policy in regard to the question of whether women industrial workers should receive as much pay as men for the same kind of work. The board declared its opinion that women who "in comparable jobs produce work of the same quantity and quality as that performed by men" should receive the same wages.

This statement of policy arose out of a decision by the war labour board ordering the

Brown and Sharpe Manufacturing Company of Providence to introduce the principle of equal pay for equal work for their 7,600 workers. The company had offered to reduce the differential between the wages for men and for women to a maximum of 20 per cent.

That, however, was not satisfactory, and they were ordered to institute equal pay. It is further stated, in the September, 1942, issue of the *Labour Gazette,* page 996:

A recent memorandum of Canada's national war labour board in effect recognized the practical application of the principle of equal pay for equal work.

The Canadian labour board has recognized that principle, and if the Minister of Labour wishes to relieve himself of some pending dangers he had better take cognizance of the things which are being said on this matter.

I wanted to divide my speech this afternoon between two topics, industry and agriculture, but time will not permit me to say all I have in mind in connection with agriculture, so that I shall do that on another occasion, nor have I been able to deal as fully as I hoped to do with this industrial problem. I trust that the government will give serious consideration to the calling of a secret session of parliament to discuss the report of the war expenditures committee, so that all our members will be thoroughly informed as to what has taken place before the committee all the way across Canada. A secret session will enable us to discuss the subject among ourselves with benefit not only to ourselves but to the country's war effort. I will leave it at that, but as I said, if the government is not going to hold a secret session we shall discuss the report otherwise when the opportunity arises.

Mr. J. A. GREGORY (The Battlefords): Mr. Speaker, the speech from the throne deals with many important and weighty subjects. A number of speakers have already referred to many of these subjects, and I hesitated to add to the repetition by again referring to some of these matters. However, on account of the nature of the subjects with which I propose to deal I have decided to stick to my notes and, at the expense of being wearisome or repetitious, I propose to deal with some of them again.

I am sure, in the first place, that we can congratulate ourselves, as the speech from the throne mentions, on the vastly improved war picture since this house rose last August. Second, I am sure the country at large will receive with every satisfaction the news—to quote from the speech from the throne—that—

. . . 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. . . .

May I digress for a moment from the speech from the throne to say that I believe many people throughout the country are beginning to doubt the wisdom of the size of the army pattern. The seventh and eighth divisions crept into our war pattern when there appeared to be imminent danger of invasion from Japan and invasion likewise of the eastern coast. We are attempting in our war effort to maintain eight divisions with all the ancillary units and tank units and reinforcements required. Men in the country are just wondering if we have not cut our army pattern—and I am speaking entirely of the army—too generously for the cloth available. In other words, when we consider the growing demands of man-power for war industry, including shipbuilding; the actual shortage of man-power on the farms, with which I propose to deal in a moment, to produce for the fighting men and civilians at home and abroad, the ever-expanding naval man-power requirements, and the growing air force and accelerating demands for reinforcements in this service particularly, I ask myself with misgiving if the army has not cut a pattern out of all proportion to the total man-power available in Canada.

I realize that the man-power in Canada must be further combed out of non-essential industry and transferred to more essential industry, that further age groups must be mustered and that women must be trained for many classes of duties which they have not undertaken heretofore. This, sir, will probably be an awful year of wastage, and Canadians, I am sure, are in the mood to accept, grimly and with determination, any duty which this government may see fit to impose upon them.

While I am on this subject of the proper apportionment of man-power to produce a balanced and most effective war effort, I wish to refer to the order in council of last March respecting farm labour being frozen on the farms, which has been referred to repeatedly by previous speakers. I believe every hon. member understood that order in council, and I believe they understood that the divisional boards in Canada had no power thenceforth to draft young men from farms when it could be proven that the sole or main occupation of the draftee was farming. That was my understanding of the order in council and of the speech made by the Prime Minister (Mr. Mackenzie King) on March 23. I do not know whether other provinces have reason to

complain of the attitude of the divisional boards with respect to the drafting of men for Canada's army, but in my province of Saskatchewan there has been a total disregard of the requirements of agriculture or of the consequences of depleting the farms of farm labour. In many instances the last son of an aged and decrepit father has been drafted. The only remaining worker on the farm has been drafted, and I personally know of farms which will not be producing to capacity this year in grain, hogs, cattle, cream, eggs and other farm products.

I am not concerned with the number of postponements or the number who have been called up for service in Saskatchewan. I see an attempt made in the daily press of that province to excuse the actions of the divisional boards by quoting these figures. I am only concerned with the facts as I find them. I find families of three and four sons, none of whom has yet been called from the farm in that province, and then I find a last surviving worker on the farm taken off the farm, with the result that production will be slowed up this spring. When I find that, I am concerned in the work of that board. I am going to quote one instance.

I pleaded four times for this particular young man, by telephone to the divisional board, by two letters and by personal interview, and the edict of the board was that this man must go. The farmer happens to be a deformed, dwarfed, crippled man from his birth. He earned his living during most of his life by keeping books in a general store in which he had a financial interest. The store was sold, and he bought a farm and employed his son-in-law, a neighbouring farmer, and a very fine farmer indeed. He entered into agreement with his son-in-law to come and operate and manage the farm. I am referring to this son-in-law being taken from the farm on which there remained only a deformed, dwarfed, crippled man. I have another appeal from him to-day, a letter again requesting that this son-in-law be permitted to return to the farm; otherwise the farm will not be operated this spring. I submit that the production of food is a very important matter in the winning of the war. I am supported in this belief by a little excerpt of information that came to my office this morning headed, "Hoover on food problems." The ex-president of the United States, before a meeting of industrialists, made a speech in the city of New York on January 21, in which he dealt with the question of the food problem as it affects the united nations. I am going to quote four short excerpts from Mr. Hoover's speech on that occasion:

> Food supply has now become secondary only to military operations in determining the outcome of the war. And it will take first place in saving the world from anarchy after the war.

Again:

> The burden of furnishing food supplies to the united nations now and to a starving world after the war rests largely upon the American and Canadian farmer.

Again:

> Agriculture simply must be envisaged as a munitions industry. The farmer must receive men and tools if he is to perform his part.

And lastly:

> But the first and imperative necessity is to get more production. The American farmer will do it if he gets a chance and the fate of the world may depend upon it.

I should like you to visualize the condition of the farmers of western Canada during the last forty years. The young man of forty years ago stood behind the handles of his walking plough and yoke of oxen and, later on, his horses and gang ploughs, but during the last twenty years that young farmer's son has grown up and has bought a tractor with heavy discs and ploughs and seed drills and heavy machinery drawn by the tractor. In most instances the father never learned to operate power machinery and is still using his horses while the son operates power machinery. The young man is called for military service and away he goes. I need not enlarge upon this picture this afternoon of the father who is now forty years older than he was at that time, carrying on, not with power equipment but with horses. His hogs and cattle have been sold because he has no one to feed them. That is a picture of many farms in western Canada under present conditions.

The original draftee under the National Resources Mobilization Act was called for thirty days training and that was extended to four months. I have no quarrel with that term of four months. Later on he was kept in uniform and he is in uniform to-day. I ask you, sir, do we need to retain these draftees in uniform? Would they not be better employed on the farms, in the coal mines, in the logging camps or at other useful occupations, subject always, of course, to military call when required? Do we need a seventh and an eighth division, a reserve army and a defence army for the protection of Canada from invasion, or from internal strife? Both factors have largely disappeared since this became the formal set-up of the Canadian

army. Should we not alter our policy with respect to retaining the trainees in uniform? In any event, in the light of orders which have recently gone out to the divisional boards, orders which were reported in the papers the other day, it seems to me that there are a lot of scrambled eggs which should be unscrambled.

In other words, I am asking the government to give instructions to reconsider the call-up of this drafted army. Send back to the farms many of these young men who should be on the farms, because in my judgment their contribution to the war effort of Canada can be better performed on the farm than by standing in a defence army in uniform.

To change the picture, may I say that Canada has passed through an industrial revolution in the last two years. Among the nations of the world her record stands out in shining relief. I believe that when history is written of this particular period it will refer to certain characters who are at present on the very active stage in the government of this country. If I were inclined to look into the unwritten pages of history, I believe I could visualize the names which would appear on those pages. I could see the name of Clarence D. Howe, the miracle man of this period, the man who has transformed the economic life of this nation in the last two years, a man of energy, a man of genius, a man of foresight, a man of decision, the man who turned Canada into an arsenal for our allies, as well as for our own fighting forces—a man to whom this country owes a very great debt of gratitude. It is a remarkable contribution, sir, to think that in two short years we have become so industrialized that we require to-day only one-third of the war equipment manufactured in Canada for our own fighting forces both in Canada and abroad, and that we can contribute the other two-thirds of that equipment to the armies of the united nations. To-day Canadian equipment is fighting on every front, wherever the war is being waged. I believe history will not be backward in giving credit for this remarkable contribution to our Minister of Munitions and Supply (Mr. Howe).

If I were to gaze again at the pages of history and try to conceive what will yet be written therein, I would see another character. Every time I think of this subject, that other character comes to my mind in a quaint sort of way. I see a Hindu wizard sitting on a carpet on the ground, lighting a match, the flame leaping to the heavens, enlarging and extending until it covers the whole of the firmament. That character of the Hindu wizard takes form and shape in my mind, and I believe history will record that the wizard of this period has been C. G. Power. To my mind, he is the figure who lit the small match, who gave birth to the small flame which enveloped the skies, and became a leading part in the direction and the activity of the war effort of Canada. The commonwealth air training scheme was his responsibility, and I believe history will call him the wizard of this incomparable and unique period in our history.

Turning again to the speech of the throne, we find that parliamentary assistants for ministers are to be provided. In my judgment this is long past due. I have sat in the house, along with other hon. members, for three sessions, watching the lines deepen on the faces of tired ministers who were attempting vastly more, by way of the burdens they are carrying, than human endurance is capable of bearing. Therefore I welcome the approach to the British system of under-secretaryships.

Recently, however, I heard a speech delivered by one of the leaders of a great political party in this country, criticizing the appointment of men to boards, commissions and controllerships, allegedly accusing these boards, and appointees to boards, commissions and controllerships of being supreme over parliament, and even supreme over the government. He described them as being dictators, practically, riding roughshod over parliament, and over people's rights; and even placing the democracy of our country in danger.

Well, I listened for the remedy, and finally it came. The remedy was the appointment of under-secretaries to do the work, in place of these boards, commissioners and controllers. First, I wish to dissociate myself from those who fear dictatorships in war time, and who fear that the liberties we must give up during war time may never be regained when peace returns. The parliament of Canada passed the War Measures Act, and the powers the government is taking are under that act. The government, by virtue of that act, appoints boards, commissioners and controllers to do a certain kind of work. With the return to peace parliament will repeal the War Measures Act, and the operations of these boards, commissions and controllerships will come to an end.

Candidly I have always stood ready to give the government vast power. I want it to cast away any timidity, of which it has sometimes been accused—if, indeed, it has been guilty of timidity. I am sure that if a demand comes for greater sacrifice and greater duties, the Canadian people will always be ready to answer that call. We want the

government, then, to take all necessary power, and let us get on with the running of the war.

To those who fear the loss of democracy, who fear the setting up of a dictatorship in war time through boards, commissions and controllerships, and who would remedy these alleged grievances by the appointments of under-secretaries, may I say most emphatically that the proposed remedy bears no relationship to the alleged wrong.

For a moment let us consider this: What are under-secretaries? First of all, they are members of parliament. They are, therefore, responsible to their constituencies and to parliament, as private members. This is a purely representative capacity. Then, second, they are assistants to the ministers, and are empowered to act for them and to speak for them in parliament and in the country, within the limits of the ministers' policies and the general policies of the government. Again, the duties and functions of an under-secretary are purely representative. In the second instance, they represent the minister and the government, and that is all. Those are the functions of under-secretaries.

What about these boards, controllers and commissions? In peace-time we are very clear about the relationship between a minister and the staff under him, who carry out his instructions and whom we call civil servants. They receive orders from the minister, and it is their duty to see that the mechanical or practical work is carried out on his orders. But war-time has thrown an emergent responsibility upon every minister to create boards, commissions and controllerships to perform specific war-time jobs. All these boards, commissions and controllerships, however, operate under some minister. They must confer with the minister; they must accept the minister's policy; they cannot go beyond the policy established by the minister or by the government of the day. Therefore, sir, in a very real sense these appointees are only a temporary war-time civil service, and in no way are their functions similar to those of under-secretaries. I welcome the appointment of under-secretaries to overworked ministers.

Then, Mr. Speaker, I read with very great satisfaction another passage in the speech from the throne:

> . . . 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.

Knowing the life history of the Prime Minister (Mr. Mackenzie King), I would have been very much surprised indeed if in this fourth year of war provision had not been made in the speech from the throne for greater security and a happier nation after this war is won. I remember the Prime Minister as a student of humanities at the university. I remember him as a post-graduate on social problems. I remember his journey through Europe, following his student days, studying the social conditions of the masses. I remember him as the first commissioner of labour, as the first deputy minister of labour and, later, as the second Minister of Labour. I know something of the splendid contribution he made under the Rockefeller foundation during the first great war in harmonizing the differences of employers and labour in the United States. Therefore it is not surprising to read the words which were delivered by the Prime Minister at the lord mayor's luncheon in London on September 4, 1941, when he said:

> 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 order is not already on its way before the war is over we may look for it in vain. A new world order cannot be worked out at some given moment or reduced to writing at a conference table. It is not a matter of parchments and seals. That was one of the mistaken beliefs at the end of the last war.
>
> A new world order, to be worthy of the name, is something born, not made. It is something that lives and breathes, something that needs to be developed in the minds and hearts of men, something that touches the human soul. It expresses itself in good-will, in mutual aid. It is the application in all the human relations of the principle of helpfulness and service. It is based not on fear, greed, hate, but on mutual trust and the noblest qualities of the human heart and mind. It seeks neither to divide nor destroy. Its aim is brotherhood, its method cooperation.

Therefore, sir, the Prime Minister has run true to form in the speech from the throne and has followed Liberal traditions established during the long and useful career of the Liberal party in both Great Britain and Canada. Again Liberalism has been true to its past history, "Humanity First". With the implementing of the recommendations of the committee on social insurance, I am sure we shall all welcome the day after this war when we can assuredly say that we have made a land fit for heroes to live in, that we have made of life a journey to be enjoyed rather than a burden too heavy to be borne. We said that after the last war, but with shame were forced to admit that we had done nothing to implement the statement. That will not be so after this war.

Again referring to the speech from the throne, I note with very great pleasure the broadening of Canada's diplomatic relations with other countries. This is just another indication of Canada's growing importance within the British commonwealth of nations.

I note with particular gratification and pride that a native son of Saskatchewan, Mr. Justice T. C. Davis, has been appointed high commissioner to Australia. I am sure that in this capacity he will be a credit to Canada and will bring great distinction to himself.

I cannot commend the expressed intention, as mentioned in the speech from the throne, to bring in a bill to redistribute the representation in the House of Commons. As a result of extraordinary circumstances, largely resulting from the war, Saskatchewan stands to lose four members, according to the 1941 census. Even before the outbreak of war many young men and women of that province were drifting away from the farms and urban centres, looking for employment. On account of drought and prices of farm commodities, the sons and daughters of our farmers were discouraged; and lack of employment in the towns brought about a great exodus from Saskatchewan. I join with other hon. members in protesting against this bill being brought down at this time, for the reasons so splendidly outlined by the hon. member for Rosthern (Mr. Tucker).

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. GREGORY: Mr. Speaker, when the house rose at six o'clock I was referring to the great exodus of young people from Saskatchewan to look for employment. We have reason to believe that after this war is over there will be a return flow of population, and it would be most unfair to penalize Saskatchewan to the extent of four members during the next ten years.

May I say further in that connection that this exodus has been aggravated and accelerated by the policy of crowding all the industrial war effort of Canada into a small compass within what one might call a charmed ring in the provinces of Ontario and Quebec. I have made frequent representations, and many other members from Saskatchewan have made frequent representations to ministers and departments asking for a fair share of the industrial war effort for Saskatchewan. I was pleased the other evening to hear the hon. member for Saskatoon City (Mr. Bence) speak along this line, and the hon. member for Rosthern and other hon. members have spoken to the same effect.

It may not be known that there are many spots in Saskatchewan particularly favoured by nature for the location of war industries. Other hon. members may speak for themselves, but I prefer to speak of one particular location within my own constituency. I refer to the town of Lloydminster, which sits astride the fourth meridian line where the provinces of Saskatchewan and Alberta meet. It so happens that this town has developed a great industry in natural gas and crude oil. If I had the time this evening I should like to tell the house something of the proportions of these natural gas and crude oil resources. The power plant in the city of North Battleford which develops steam and electric energy to satisfy the needs of the town of Battleford and the city of North Battleford, as well as the airport in the immediate vicinity and a mental hospital which has buildings on both sides of the river and a population of three thousand, uses Lloydminster crude oil to heat the boilers.

May I tell the hon. member for Saskatoon City that if a gas pipe line were built from Lloydminster to his beautiful city, that city could be served with both light and heat as well as every village, town and city on the 200 miles between Lloydminster and Saskatoon, and the surrounding country on each side of the pipeline, and still Lloydminster would have an abundant supply of natural gas left over. What a magnificent site for a war industry, for that matter, any industry, to be established! It would be suitable for a flax mill, which is a war industry, an industrial alcohol plant, a synthetic rubber plant, a bone processing plant or a steel rolling mills. The northern half of Alberta and Saskatchewan is filled with abandoned farm machinery and other scrap steel which could be gathered together as salvage to keep a moderate sized steel rolling mills going at the town of Lloydminster. Again returning to the speech from the throne, I note:

> A joint committee representative of the departments of agriculture of Canada and the United States has been agreed upon to coordinate the efforts of the two countries in the production of food for the united nations.

In this connection may I suggest that the Minister of Agriculture (Mr. Gardiner) be appointed immediately as minister of food and be given full authority over the production of food in Canada. I assume that the price control board would still exist as a body with full authority to fix prices, but the appointing of the Minister of Agriculture as minister of food would naturally place in his hands the question of the classes of food most needed for our war effort. After giving him that authority as minister in charge of the production of food, the next logical step

would be that he would have increased influence in bringing his representations before the price control board.

It is a well known fact that there is nothing more sensitive than prices and production of all kinds of farm commodities. If one raises the price of a particular food product, the production increases; if the price decreases, there is an immediate response and reflection in the amount of that particular food which is raised.

I am going to pause here to say that there never was a time in the history of western Canada when there was the same degree of appreciation for the efforts of the Minister of Agriculture as there is at the present time. I do not think there has been a man in western Canada who has been more blackguarded at certain times, who has been more misrepresented, than the Minister of Agriculture. Not only in my constituency, but throughout the length and breadth of Saskatchewan there is a growing appreciation of the fights which the Minister of Agriculture has put up here for western agriculture. This appreciation has grown as the result of a broadening knowledge of the class of fight which the Minister of Agriculture has put up.

There is a further growing knowledge or growing opinion of a fact which I have emphasized on previous occasions in this house, that government must always be by compromise. We have four great regions in Canada, the maritimes, the central provinces, the prairies and British Columbia. No region gets all that it asks for. All that the members can hope to get from any government sitting in Ottawa is a compromise, taking into account the influences and objections of members coming from other regions. Therefore I say that with that growing knowledge that government must be by compromise, the Minister of Agriculture is receiving greater appreciation in western Canada than heretofore.

I am reminded to-night of a couplet which we learned as boys in school in that famous poem of Oliver Goldsmith, "The Deserted Village". In referring to the village preacher Goldsmith said this:

> And fools, who came to scoff, remained to pray.

I am going to translate that liberally, and referring to the Minister of Agriculture I would say:

> And those who came to scoff, remained to praise.

That is the attitude to-day in western Canada toward the Minister of Agriculture.

I view with great interest the arrival of a new party in the house with a refreshingly new creed. Or is it an old volume with a new cover? The leader of this new party, the Progressive Conservative party, is well known in western Canada. I should like to digress for a moment to congratulate the house leader (Mr. Graydon) of this party upon his elevation to his present position. May I tell him that there are many on this side of the house who would be almost inclined to forget his politics while basking in the sunshine of his lovely smile and gracious manner. As I say, the leader of this new party is well known in western Canada. At one time he was a farmer, and he has served the farmers of Saskatchewan through the college of agriculture in Saskatchewan and through the provincial department of agriculture at Regina. He is known to be progressive in his views and progressive in his outlook, but many of those standing on the side-lines are wondering if he will impose his views upon the party, or if the old, hard-crusted high tariff, Tory wing of the party will impose their views upon him. Mr. Speaker, may I say that I have no misgivings whatever of future happenings in this regard. There will be no hard-crusted, high tariff parties anywhere in Canada after this war is over. Many will be free traders, and we all will be believers in low tariffs. Let us view the picture for a moment; let us go back to the early days of Canada. In the primitive days of Canada's industrial growth the home market was the only market Canada had for her manufactured products. Thus a policy of protection of the home market by a high tariff was built up as a policy for the protection of industry in Canada, and it has continued ever since the "national policy" of 1874 was first initiated. But as Canada's industries expanded—

Mr. SPEAKER: Order. The hon. member's time has expired.

Mr. P. E. COTE (Verdun): Mr. Speaker, one feature among others of the speech from the throne has attracted the attention and the interest of the entire population of Canada, and doubtless of my constituents as well, many of whom I have already consulted in this regard. I refer to the proposed legislation on post-war social security. A committee of this house, to be assisted by an advisory board, which was appointed a few days ago, will soon be set up, whose definite duty it will be to study the social problem from its different angles and submit its conclusions to this chamber. Let us hope that this committee, one of the most important ever appointed by this house, will get into action at the earliest possible date, and that each of its meetings

will prove most fruitful and beneficial to every class of our population and to a united Canada as a whole.

I have great confidence that the government will neglect no way of realizing to the fullest possible extent the hopes which the entire population draws from that item in the speech from the throne.

I consider as an additional token of the serious intentions of the government in that matter the statement which was released last Thursday by the hon. Minister of Pensions and National Health (Mr. Mackenzie) which concerns the welfare of the widows of veterans of the last war.

Ever since my election to this house I have devoted much of my time and endeavours to the relief of those ladies who were in needy circumstances. During the past three years I have had the honour to be an honorary president of the Quebec branch of the Non-Pensioned Veterans' Widows Association Incorporated. The headquarters of that body happen to be in the city of Verdun, and the president is one of the most respected among my constituents. For these reasons I regarded it as my imperative duty to do everything in my power to assist in obtaining justice for the needy widows of those Canadians who so magnificently contributed to our country's war effort of twenty-five years ago. Through the president of the Quebec branch they asked me this year to take steps to have a committee room in this building reserved for a delegation representing them that intended to come to Ottawa next Wednesday in a further attempt to impress their views upon the Minister of Pensions and National Health. Last week I received an assurance that room 268 could again be made available for them this year. But now I may say to the minister that his statement of last Thursday will deprive him of the pleasure of meeting again those gallant delegates, since their requests have now in a very substantial degree been met.

For the last five years these associations of veterans' widows have consistently appealed to members of this house that legislation be enacted to remedy the deplorable physical and moral condition of their members throughout the country. Time and again they have stated their grievances. With your permission, sir, I shall quote from the last brief which has been forwarded to each hon. member of this house, I believe on January 25 last, under the signature of Mrs. Margaret Wainford, president of the province of Quebec non-pensioned veterans' widows association, and with the endorsement of eight similar bodies from Toronto, Winnipeg, Hamilton, Calgary, Vancouver and other cities.

> We are again placing before you a request that a pension of $40 a month be granted to all non-pensioned veterans' widows under the following categories:
>
> (a) the widows of those men who were in receipt of a pension of 25 per cent but less than 50 per cent disability,
>
> (b) the widows of those men who were in receipt of a pension of less than 25 per cent disability,
>
> (c) the widows of those men who served in actual theatre of war though not in receipt of a pension,
>
> (d) the widows of those men whose history sheet shows record of serious illness.

The Minister of Pensions and National Health stated a few days ago that provision is being made in this year's estimates to permit allowances for veterans' widows who, through advancing years or through mental and physical infirmity, are incapacitated from earning a decent living and are in necessitous circumstances.

I have no doubt that the attitude which the minister has taken in connection with this problem has already received the spontaneous approval of this house, and more particularly of the members who have given their strong support to the cause up to this day. I find it a duty to recognize the valuable assistance given by my fellow members from Trinity, (Mr. Roebuck), Davenport (Mr. MacNicol), Cariboo (Mr. Turgeon), Mount Royal (Mr. Whitman), St. Antoine-Westmount (Mr. Abbott), St. Ann (Mr. Healy), and Hochelaga (Mr. Eudes), and it is with sincere pleasure that I thank them on behalf of the Quebec branch of the association.

I do not hesitate, however, to state that the one who will be happiest to hear of the policy just announced is probably Mrs. Wainford, who has so ably and devotedly presided over our local association since its foundation in 1937. Replying to a question by the special committee on the Pension Act and the War Veteran's Allowance Act at its sitting of April 9, 1941, one of the Toronto delegates gave the following appreciation of her work:

> Mrs. Wainford took up the torch in Quebec and she has never let it burn out.

This is a concise and eloquent admission of the debt of gratitude which the non-pensioned widows feel toward their courageous leader.

To-day we all join to praise the government for having listened with no less sympathy than efficacy to a just and meritorious case. By so doing the government has clearly demonstrated

that it intends to continue its sound policy toward the solution of as many social difficulties as possible at this time, and on that ground alone it certainly deserves the recognition of the whole country.

Mr. J. W. NOSEWORTHY (York South): This is the first opportunity I have had to participate in a debate on the address in reply to the speech from the throne. When I first came to this house the debate on the address in reply had just concluded, and the vote was about to be taken.

I have been wondering for some days what good purpose is being served by this—usually lengthy—debate. I take it for granted that every hon. member can foretell now with a reasonable degree of accuracy what the vote will be, and none of us is so optimistic as to believe that by his speech in this debate he will be able to change a single vote. I suggest that the leaders in this house agree among themselves to limit this debate, so that we may as soon as possible get on with the much more serious business of this session, some items of which I shall attempt to outline.

I have been very much impressed during this debate by the fact that this Cooperative Commonwealth Federation group has received more free advertising from both old parties this session than, I think, we received during the six months I was here last session. I begin to look around for a reason for that free advertising, and I recall that members of his majesty's loyal opposition took a certain little old lady to Winnipeg last summer. That little old lady had on several earlier occasions divorced her former spouses. She had been known by many names. At Winnipeg she divorced her most recent spouse, had a really good face-lifting job done, was outfitted in a new suit of glamorous clothes, and remarried to a new spouse, which meant of course that she must take his name. She was even given a book of etiquette to guide her in the future. With that she sallied forth for new conquests. Inasmuch as the Cooperative Commonwealth Federation was in a large measure responsible for that episode in the little old lady's life, I presume the criticism we have been receiving is the way the Progressive Conservatives have of showing their appreciation of our work.

I have also been amazed at the indignation displayed by this newly named party because the government has promised to implement by legislation some of the resolutions contained in their Winnipeg programme. I take it that, had that programme been drawn up in the interests of the Canadian people, there would be rejoicing, instead of indignation and consternation, over the fact that the government had done so. I want to assure the members of that group that there was no indignation felt in the ranks of the Cooperative Commonwealth Federation last summer when they proceeded to build an entire programme from a few planks taken from our platform and tied together with a great many reservations. It makes one question just what were the objectives of that new party programme, and I suspect that this letter, which, when I returned over the week end, I found being circulated in my riding, expresses more clearly than I can just what the objective of that conference and that new programme was. This is a circular letter. The recipient of it is asked to return it with one dollar attached—

> . . . and your membership in the South York Progressive Conservative Association will be paid for one year. You will thereby assist us and yourself to defeat the C.C.F. . . .

Mr. FRASER (Peterborough West): That is not as bad as the C.C.F. franking their appeals for money.

Mr. NOSEWORTHY: I have also been amazed, Mr. Speaker, at the resentment felt in the ranks of the Progressive Conservatives on account of the disappearance of the small business man, the small vendor, the small manufacturer. This is no new phenomenon in Canadian life. The small business man in every field has been going under over a period of many years, under the government of both Liberals and Conservatives. Monopolistic and capitalistic enterprise have been slowly but surely squeezing out of existence the small man in every enterprise. The only new feature in the present situation is that those enterprises, which formerly were carrying out this squeezing process by themselves, now have lent their key men to the government, and from those inside positions they are able to accelerate the process which has been going on for a generation.

I am sure that we all share the gratitude expressed in the speech from the throne for the change in the war situation. It is fitting that, in the light of the important part which our fighting forces are likely to play in the coming year, the government should have made the gesture of appreciation which they did at the beginning of the debate. I am confident that every hon. member is agreed that this gesture was a fitting one. It is agreed that those hon. gentlemen who moved and seconded the address made worth-while contributions to this debate. Whether they expressed the point of view of the soldier or the point of view of the Liberal party can well, I think, be left to the good judgment of the men themselves in the armed forces. What we in this group

objected to regarding that incident was the apparent attempt being made by certain Liberal members to make political capital out of those speeches.

I want to assure you, Mr. Speaker, and the members of this house that the hon. member for Cape Breton South (Mr. Gillis), about whose speech there was a lively discussion afterwards, himself a great war veteran with a creditable record, and with his eldest son, a boy of eighteen, now serving in the Canadian army overseas, had no intention of saying anything disparaging to the forces themselves. I am in agreement with the one constructive suggestion which he made on that occasion and which was entirely overlooked in the heated discussion that followed, namely, that when the coming redistribution bill is introduced, provision should be made to change the elections act whereby the men overseas may have the right to elect their own representatives to speak freely for them in this parliament.

I suggested at the beginning of these remarks that I would welcome a short debate on the address in reply in order that we may get down to the serious business of this session. I shall set forth a few matters which, in my opinion, constitute the main business of this session apart from the regular and routine business which will come before us. Our first obligation, in my opinion, is to strengthen and maintain the morale of our men overseas; for upon them, in the coming year or years, we shall in the final analysis depend for victory.

What distinguishes war from peace is the fact of sudden death. No amount of talk about the totality of modern warfare, no amount of talk about the privation of civilians or about equality of sacrifice should blind us to the contribution that our fighting men are called upon to make. Only those civilians who are suffering under the heels of soldiers in occupied countries of Europe, or those civilians in Russia and China who are starving and dying that their defenders may have bread and arms, can claim any right to share in the fame that these men will win. The first concern of these men overseas is, I take it, and I have talked with many hundreds from all parts of Canada from overseas during the recess, that we should in this country mobilize everything we have for a speedy winning of the war, in order that as quickly as possible the men may be able to return to their homes. I am confident that, should we bring into this house representatives of these armed forces to speak freely for them, they would support in this chamber measures for the mobilization of wealth, industry and man-power far beyond anything that this government has yet done.

The next concern of these men is with the opportunities which will be accorded to them on their return from overseas for rehabilitation in civil life. Anything that we can do by planning or by legislation which will provide for them the substance of that democracy for which they are fighting overseas will give them greater determination to win. I suggest, Mr. Speaker, that nothing we brought down in this house last session is sufficient to engender any enthusiasm in the returned men. They are looking for something much more substantial than anything we have provided so far.

We propose to give to those who cannot find jobs $9 a week if single, and $13 if married. I am told that eight thousand of the boys who have gone overseas have married since they went there. Those among those eight thousand who survive the war will return to this country, without any homes, without any capital reserve, without any furniture, without anything to start a home except a wife, and possibly children. We have no right to ask them to spend any of their time in this country on $13 a week. The least we can do is to see to it that they are kept on the country's payroll until we can find places for them in the civil life of Canada.

The people of Canada want to see this parliament get down to the business of making definite provision for a change-over in our production from war to peace, with as little loss of time as possible, when the war is over. During the war years we have just about doubled our capacity to produce. We can produce about twice as much now as we could in 1929, notwithstanding the fact that we have withdrawn so many of our men from peace-time or war-time production to the armed forces. The people of Canada are asking to-day, and they want an answer from this parliament, what use we intend to make of these increased facilities. Are we going to proceed, when the war is over, to use these facilities to produce the commodities they need, or do we intend to restrict production in order to increase prices and to increase profits as we did before the war began? The only assurance we have received so far from the government came from two cabinet ministers during the Winnipeg by-election. These ministers assure us that there need not be any unemployment, or any depression after the war, because we have many more factories and many more skills developed than we had before the war. That statement will provoke nothing but laughter and derision in any public audience to which it is made. During the depression there was not a community in this country which did not have factories and

skilled workmen which were not used. Something more than the mere existence of these is required. I suggest that what is required is a policy which will produce the commodities which the people of this country need, because they need them; a policy which will use the facilities of production to meet the needs of the people; a policy based upon the needs of the people, and not upon the profits that can be made from production.

The policy which the government is following to-day, as regards both farm prices and wages, is disconcerting to the Canadian public. It does not augur very well for the post-war period. The Canadian people to-day are living, or existing, at a standard much below that which is possible in this country. The policy being pursued by the government has the effect of maintaining that low standard of living.

Let me quote from evidence given under oath by a clergyman to a recent government commission, regarding the standard of living in his community. This is what he says:

I would say that about half of the homes I go in have not a sufficiently decent standard of living. I go into homes of men who work seven days a week, and are real industrious men, fine types of men, and yet they have not enough to live decently. I have been in this community for sixteen years, and I will say that those people have never had enough to live decently, and be fair to their families.

Later on, he says:

I would say that in about seventy-five per cent of the homes the men who work seven days a week are too tired to really enjoy life.

Speaking of their homes, he has this to say:

These old frame houses are very hard to keep warm. Some men are using two tons of coal a month to keep their houses fit to live in. They have no money with which to repair these homes.

Speaking of overcrowding, he says:

It is decidedly worse now than it has been in the sixteen years I have been in the community. I believe that there are two families living in homes that could comfortably accommodate one, and sometimes not that.

Speaking about one family of seven, he said:

They have one room downstairs. They use the kitchen downstairs for the living-room, kitchen and everything else. Then I think two bedrooms upstairs. They have to crowd the boys and girls together in the same room in winter time.

That is an illustration of the conditions under which some of our Canadian workmen have to live, and as a result of the government's policy they can receive no higher wages.

A few days ago the hon. member for Lethbridge (Mr. Blackmore) placed on *Hansard* a record of the income shown by the dominion bureau of statistics for 87 per cent of Canadian wage-earners; that is the standard which to-day is frozen by government policy. That policy in effect decrees that 35·9 per cent of all Canadian wage-earners who in 1941 were in receipt of $500, or less, shall remain at that level. These statistics show that another 28·4 per cent were in receipt of less than $1,000; another 19·6 per cent in receipt of less than $1,500, or a total of 83·9 per cent of all Canadian wage-earners in 1941 in receipt of less than $1,500 a year. And that is where their income is frozen by government policy.

Let me point out that the Department of Labour, in its own official bulletin in April, 1941, stated that a pre-war wage of $25 a week would leave a family practically no margin for expenditure on anything but the basic necessities of life. The amount of $25 a week in 1941 would be equivalent to $29.25 to-day. The $29.25 a week amounts to about $1,500 a year. In other words, 83 per cent of Canadian wage-earners in 1941 were in receipt of less than the Department of Labour itself considers a decent and fair standard of living.

Then, $29.25 a week for a 48-hour week works out at approximately 62 cents an hour. Let us consider from the government's own record, the *Labour Gazette*, just how many people in Canada are in receipt of less than 62 cents an hour—$29.25 a week or $1,500 a year. Here are the statistics from the *Labour Gazette*: in Halifax, in 1941, eight companies paid from 37 to 43 cents—and the wages are still frozen at that level. In New Glasgow five companies paid from 34 to 45 cents. Twenty-nine pulp and paper companies paid from 25 to 50 cents; 44 manufacturing companies paid from 25 to 45 cents; 23 furniture companies paid from 25 to 45 cents, and so on down the list; until we have a majority of the plants in which wage-earners are employed paying at least $6, or more, less each week than the Department of Labour's own estimate of what constitutes a fair wage income. Contrast this with what has been taking place in England. Official statistics based upon a survey made of six and a half million manual workers in England last fall show that the wages of those over twenty-one years of age had increased by 61·5 per cent over 1938, while those under twenty-one had received wage increases amounting to 77 per cent as compared with 1938.

Mr. HOMUTH: What was the rate per hour?

Mr. NOSEWORTHY: Among women workers the increase amounted to 77 per cent.

Mr. MITCHELL: Would my hon. friend quote percentages in Canada He has quoted percentages in Great Britain, and I wonder if he has the same information in both cases.

Mr. NOSEWORTHY: These are the percentage increases since 1938.

Mr. MITCHELL: I do not like to interrupt my hon. friend, but when he quotes wage rates in one country I think he should quote wage rates in the other, instead of quoting wage rates in one country and percentages in the other.

Mr. COLDWELL: The minister knows the wage rates are different in the two countries.

Mr. MITCHELL: Yes, I know something of wage rates in England.

Mr. COLDWELL: And the cost of living is different; rents are different, and so on.

Mr. NOSEWORTHY: The point I am making is that while in this country wage rates have been frozen in order to prevent inflation, in England they have been allowed to rise as much as 60 per cent, while the cost of living, except in reference to luxuries, has risen by less than half that percentage. Those statistics have been issued by the labour office in England.

Mr. MITCHELL: I think if my hon. friend looked at those figures he would find that he is speaking of wages in bulk rather than wage rates. When he says that wages in Canada are frozen, that is not so; and no one knows it better than he does.

Mr. NOSEWORTHY: Wage rates are frozen in Canada.

Mr. MITCHELL: That is not true.

Mr. COLDWELL: The minister will have an opportunity to make a speech showing it is not true, if he can.

Mr. MITCHELL: And I shall.

Mr. NOSEWORTHY: The treatment being meted out to the men who are trickling back from overseas is not such as to engender enthusiasm among the armed forces. I find there is very little difference between the treatment being meted out to men returning from this war and that meted out to those who came back from the last war. Only yesterday I met a man back from overseas a few months who told me that he had received the same treatment men received, to my knowledge, in 1920. He was passed from one plant to another; no industry wanted him, and he finally secured a part-time job with the municipality as assistant to the ash collector. That was the best job we in Toronto could provide for a man returning from overseas. I have another case which came to my attention over the week-end, that of a young man who returned from overseas more than twelve months ago. He receives no pension or other consideration. He is paid $9 a week while attending a vocational class. He has had to be taken, always in a state of collapse, off every job he has tried to handle since returning from overseas. He has passed out a number of times in his classroom at the technical school; yet that man receives no consideration. It is time we had something much more promising to offer those men whom we are asking to risk their lives overseas to save democracy.

I should like to direct attention to another situation which came to my attention yesterday, through a deputation representing men who are working on the Alaska highway. If half of what they tell me is correct, the government should immediately institute a thorough investigation into the situation prevailing there. I am informed that while United States workmen are being paid $1.25 an hour, Canadian workmen are paid whatever the contractor chooses to pay them, anywhere from 60 cents to $1 or $1.10; that three or four hundred of these workmen are crowded into quarters built to accommodate 100, living under conditions unfit for cattle, let alone human beings; that while Americans can buy their small necessities, cigarettes and so on, at cost, Canadians are gouged for all that the traffic will stand. I am told that these men are charged $1.25 a day for food and a bunk. The situation is such that they are almost in open revolt over the exploitation that is taking place in that camp. Conditions such as these are doing more to impede Canada's war effort than any other single factor. This parliament and this government should take steps now to remedy this situation if we desire to secure the whole-hearted support of our people in our war effort. It just is not good enough to have these measures withheld so that they may be dangled before the eyes of the people just before election time. The people of Canada want to see definite measures introduced and put into effect now, while the war is on.

Mr. SPEAKER: Order. I must inform the hon. gentleman that his time has expired.

Mr. LIONEL BERTRAND (Terrebonne) (Translation): Mr. Speaker, for the sixth time since the outbreak of this war, parliament has met to discuss the nation's affairs. In his review of the situation, the right hon. Prime Minister (Mr. Mackenzie King) has stressed

the fact that the year 1943 marked a favourable turning-point for the united nations. He has praised the courage of the allied soldiers and extolled the valour of our armed forces overseas. I join him in paying tribute to our sailors, our airmen, our soldiers; they bring glory to Canada. After Vimy, Dieppe will add to the history of this war a chapter of gallantry worthy of my country's traditions.

The war is still going on. The speech from the throne, apart from reminding us of its stark reality, intimates that the Canadian people must keep up their efforts, and generously provide the united nations, as they have done in the past, with great quantities of arms, munitions and war supplies. But war will end one day, and already the government are heralding a programme of social security meant to offset the unavoidable consequences of post-war readjustment. While prepared to support all measures that will endeavour, through a charter of social security to protect the lowly and the weak in all emergencies, I nevertheless have serious fears and deep feelings of hesitation as regards some expenditures which to my mind are out of proportion with our resources and often detrimental to our own defence. Accordingly, while wishing to make some remarks of a general character, I reserve the privilege to advance some other particular considerations when the legislation forecast in the speech from the throne comes up for discussion in this parliament.

The present conflict, Mr. Speaker, has imposed on our people great sacrifices which I need not review. This war, brought about by ambition, pride, and lust for domination, has engulfed Canada which, remote as it is from Europe was in 1939 less concerned with overseas quarrels than with pursuing in peace, on this American continent, its forward march. It does not behoove me to analyse at this time the reasons which have brought about our participation. One fact is outstanding: we are in this war, and we will remain in it to the end. Our population has accepted every restriction and sacrifice; it has shown its willingness to bear a heavy burden of taxes. It has accepted these restrictions, sacrifices and taxes, and will continue to do so with a patriotic spirit provided the war occasions as few abuses as possible.

Far be it that I should at this time, through a criticism which to some will seem carping in spite of its sincerity, be unfair to the government. During the last three years they have been confronted by perplexing problems, by numerous situations which were both difficult and complicated, by the imperious need of meeting uncontrolled circumstances which often became uncontrollable. The Right Hon. Prime Minister has fulfilled his duties—I believe we all are agreed on that point—with a devotion that enhances his political fame; he has been on a level with the great parliamentarians of the modern world and the prestige he enjoys in the United States will receive special recognition in the history of the present war.

I am pleased to witness this closer association of Canada and the United States. To my mind, it presages for America, a marked advantage in the solving of post-war problems. The American nation on the other hand, has copied a number of our legislations. Canada, together with the United States, has endeavoured to restrain the egotism and slave-driving ambitions of war profiteers. Certain measures have been adopted which although not perfect have, in many fields, if not cured every evil, at least mitigated the effects of an inflation which could easily have become uncontrolloble. Limitless restrictions have been imposed on our people, some were doubtless warranted, others may not have been absolutely necessary, but they were all willingly accepted by the people of this country who considered that they were still preferable to the horrors of bombardment and war. Huge gifts were handed, mostly to Great Britain, gifts that have helped the allied cause to a great extent, but that have appeared exaggerated to many, when the small population and inadequate defence of the country were taken into account. In spite of the wide powers granted the government in the field of enlistment, the voluntary system is still maintained as the sole method of reinforcing our armies overseas. The selective service authorities have just recently stated that a redistribution of man-power was under consideration. The recruiting of men for the armed forces is of paramount importance; however, what good would be the largest armies without a sufficient number of hands on the home front to manufacture modern weapons and draw from the soil the food necessary for the physical welfare of the nation.

I stated a few moments ago that war should not become a pretext for misuse of authority. In war time, nothing is more detrimental to morale, to sound cooperation between the administration and the administered, to good will and voluntary efforts than the misuse of authority in military affairs. Of course, war entails certain inconveniences and tremendous sacrifices and expenses and these very conditions must forbid every abuse. For my part, I believe it is dangerous to inaugurate bureaucracy even in war time, for it is raising a state within the state, which, with time, may

become a state against the state. I followed very closely the remarks of the Prime Minister in this regard. He stated that the present methods would endure in war time only. So much the better. However, it will become impossible, after the war, to eradicate the habits contracted and the precedents established. Parliament adopts legislations, for which the departments are responsible, but their administration is left to hundreds of officials, and this means, first, the scattering of responsibility and, for the public at large, besides enduring the inconveniences of the moment, the duty of protecting themselves against the disastrous enthusiasm of law-making officials.

It is no doubt necessary to organize boards: among the essential ones we may mention the war service boards, the crown companies. However, I feel that certain of these boards have too many ramifications and the evil lies in the fact that each branch constitutes a miniature government. Without any responsibility whatever to the electors, these boards, committees and subcommittees substitute themselves to parliament, and even to the cabinet and the departments of the government. Setting too much faith in the power of legislation, they ceaselessly enact new regulations to remedy evils the real causes of which they have not investigated and, most of the time, they are astonished that their legislation remains ineffective or produces results opposite to what they expected. Step by step, they invade every branch of the government with the result that parliament has become a figure-head and the members serve solely as a buffer to absorb the shocks of public opinion.

No one is against the war effort. No one, if he be a Canadian in heart and mind may refuse to do his share loyally. We all know that the government cannot see, control, lead, know or do everything; however, the war effort cannot be useful and efficient unless it is based on general policies which our people expect to see carried out in return for their sacrifices.

We believe in the war effort; but it must be rational, that is exempt from the narrowness of views which inspires autocratic government and allows irresponsible parties to transform the authority which has been granted them into dictatorial privileges;

We believe in the war effort, but the legislation, the orders in council, the public orders must converge to a practical end instead of engendering greater evils and culminating in man-made disasters adding to the unrest which is already prevalent;

We believe in the war effort, but it must not become a cause of economic upheaval, by the elimination from our industrial life of small or average industries which have been the mainstay of our country through the ten-year depression and will still be important factors in the post-war rehabilitation;

We believe in the war effort, but it must not be a damper to all intellectual endeavours; if, for example, the war effort demands that the advertising of wine, beer and liquor be prohibited, at least, let us, by some compensation, prevent the liquidation of a number of newspapers of my province and, especially of about forty weeklies which, for years, have established themselves firmly through unpublished sacrifices and devotedness to a cause as a symbol of social progress and public co-operation in the districts they cover;

We believe in the war effort, but, in the army, let it be a further reason to the establishment of a sane and mutual understanding between officers and men; let the rulings concerning postponements requested by soldiers be arrived at in such a way that no chance of unfairness be possible; let some of the medical examiners in the training camps or in appeal centres take the trouble of examining the recruits before deciding that they are fit; these examinations appear to be rather superficial, since a large number of recruits are sent back to civil life a few months after their call, on the ruling of a medical board, this entailing useless expense to the country;

We believe in the war effort, but let it not become, due to over-enthusiasm on the part of certain high officials, a reason for invading the provincial field and upsetting their legislative set-up, especially when their rights and legislative measures are specially important to them;

We believe in the war effort, but let it not be a pretext to those in whom authority is vested and who, for example, are responsible for expropriations, to pose as dictators, to resort to arbitrary actions, to call in the R. C. M. P. even before every possible conciliatory and good-will method has been exhausted;

We believe in the war effort, provided it does not prevent workers to receive fair treatment in war plants, provided the salaries paid in one province are not higher than in another, but are the same all through the country;

We believe in the war effort, provided it is exempt from favouritism, the worst cause of misunderstanding and the most harmful enemy of production; provided it is also exempt from waste, this other enemy which

destroys, in our population, the will to economize, and paralyses all enthusiasm for cooperation;

We believe in the war effort, provided it becomes possible for the farmer to accelerate, increase and double his production by keeping or getting the necessary help and also by obtaining the tools of which certain government orders have deprived him;

We believe in the war effort, through cooperation that is not dampened by racial or religious prejudice or imbued with extreme imperialism, or narrow Canadianism or provincialism; but that remains essentially Canadian and inspired by the love of country and the maintenance of Canadian liberties and traditions. If it be true that this type of patriotism does not preclude our humanitarian feelings from responding to the allied nations' appeal, our answer must not, however, go to extremes, but rather remain within the bounds of common sense.

Mr. Speaker, after three years of war, our debt, which in 1939 amounted to $3,000,000,000 has reached the staggering total of $8,000,000,000, or $700 per capita. This means that four years of war will have almost trebled the debt which Canada had after 73 years of existence as a confederation. Therefore, I understand how Mr. T. V. Soong, China's foreign minister, could state on November 3rd, 1942, that in this war Canada had, in proportion to her population achieved more than any other country in the world. During the last three years Canada has put all her resources in the prosecution of the war. We had no army in 1939. In 1943, we have overseas 200,000 men ready to serve anywhere as volunteers and in this country over 225,000 soldiers for the defence of Canada as recruits. In 1939, what did our navy amount to? We had fifteen ships, mostly of small tonnage, and a total number of 1,774 enlisted sailors. In 1943, we have 500 warships or corvettes, sailing the seven seas, with a strength of over 50,000 men. We had no air force in 1939; in 1943, we have on active service 150,000 men most of whom are gaining fame over occupied Europe. The male population of Canada, that is men from 19 to 45 years old, numbering 2,215,800, has supplied so far nearly 800,000 men, volunteers or recruits, or almost one third. In proportion to her population, Canada is now taxed more heavily than Great Britain or the United States. Can we do better? Can we accomplish more than that? Can we go farther? The champions of imperialism continue to proclaim that this is not enough.

[Mr. Lionel Bertrand.]

Mr. Speaker, I have no imperialistic leanings, and I condemn those who, while living in this country, have more love for the empire than for Canada. I am not anti-British, because I have never been ashamed of being a citizen of the Empire. A descendant of people who settled here two hundred years ago, I have the right and the duty of being above all a citizen of Canada. I said Canada, Mr. Speaker, not Quebec. I love my province, I would defend her against any one, but the sincere love I have for her imparts to my patriotism a truly national character. I also consider as extravagant the gift of $1,000,000,000 made last year to Great Britain, and the loans we have made to her, in view of the fact that at that very time Great Britain was loaning money with interest to foreign countries. I support the speech from the throne for the legislation as a whole which it forecasts, but I reserve the right to take such decision as I consider best when bills providing for such gifts and for the creation of the board which alone will see to their allotment, come up for discussion in this house. I have been at variance with the government in the past, and I shall still be whenever I feel it my duty. I was elected to uphold in this parliament the principles which my constituents have commissioned me to defend in 1940. I am here for that sole purpose. I shall remain on this side of the house, because freedom of speech prevails here, and I regret that some Liberals have seen fit to found new parties when they could exercise that right to voice all their views.

The amendment moved by the leader of the opposition (Mr. Graydon) will not have my support. That amendment takes the government to task for having "failed to provide for the effective use of Canada's man- and woman-power". In other words, we should have mobilized all our man-power and poured it overseas so as to obey the old imperialistic slogan "help the empire". I have already said in this house that Canada had no orders to take from any one as regards the conduct of her own affairs. I cannot admit that the empire has a right to ask us everything, to demand everything from us and that we should always be bound to grant all its requests.

Again, we are in no way bound to accept the decisions taken by the British general staff when we have no voice in the council. If Canada is in this war of its free will, as we are often told, it should not be the servant of anyone, but the equal of the other nations that battle to crush Hitler.

Has any other doctrine than that of out-and-out imperialism ever been preached by

the Conservative party? If to-day that party camouflages its doctrine under a borrowed name, does it imagine that the new frock will hide its past? Even after twenty-five years that party still drags, as a millstone, the responsibility of the abuses, waste and nefarious legislation of the last war. Behind it, financial and privileged interests take cover, men eager for power hide; the imperialist clique, always an obstacle to the unity in this country by its appeals to prejudice, by its lectures, literature and propaganda, by raising English against French, stands in the background. Imperialist history has not changed; it adheres to the same principles, the same errors, the same opinions, the same propaganda, the same programme. Never enough, claim the imperialists. All for the empire, nothing for Canada. I have this to say: this war was in the first place a European war; America became involved afterwards; it is now a world war. Why should so many lecturers come and tell us that we should fight, contribute everything to save the empire? Canada is in this war to-day not for the empire but for something greater than all empires: for the triumph of democratic principles and ideals in the world, for the maintenance of a civilization founded on respect for Almighty God and the cult of human liberty. Shall I vote for the sub-amendment moved by the C.C.F. leader (Mr. Coldwell)? No. Does not the sub-amendment favour a total war effort? Manpower, but together with all other national resources. When so many doctrines pave an easy road toward new methods of government, I claim we would be mistaken should we move toward advanced socialism and destroy with one sweep the edifice built by the labour of mankind under private enterprise.

The social legislation forecast in the speech from the throne appeals to me. Is it timely? I would think so. As Gustave LeBon wrote: "To foresee is useful, to forestall is more useful still. To foresee is to remove the unexpected from the future. To forestall is to nullify the elements of surprise." We shall come out of this conflict impoverished but free. Problems, however, shall not be lacking: the adjustments to be made in countless fields; the return to civil life of thousands of soldiers; the change over to a commercial and industrial footing of thousands of plants having suspended normal operations due to the war; the exacting economic conditions with their various and universal effects. This critical post-war period frightens me and I congratulate the government for its determination to prepare right now for what the future might unexpectedly spring upon us. Nothing could be more unfortunate in my estimation than to see, after a war costing billions of dollars, the hideous spectre of unemployment over thousands of Canadian homes and to countenance once again thousands of brows furrowed with care because hands are forced into idleness. On the other hand, nothing would please me more than to see us come out of this war without shock or upheaval, thus giving palpable proof that happiness can yet be attained in every walk of life on this Canadian soil, that soldiers whose civil careers had been halted by the ambition of the great can still through gainful employment let such dreams blossom forth as have not been crushed by the war; nothing would please me more than to see industrial plants and factories enter with renewed facilities into a period of progress and prosperity, should all those war plants scattered throughout the land become the nuclei of industrial centres for the greater benefit of the whole nation.

The year 1943 marks a turning point in the war. There is a promise of better days soon to come. Events seem to forecast final victory in a near future. Following a common road we cooperate ever more closely with the United States sharing a common ideal, vying with them in courage and in love of liberty. A part of the Americas, Canada is called upon to play an important role on this continent and no less an important role among the nations of the world. Canada is a nation. A nation has a soul. It comes from a common historical treasure of greatness, great men and great achievements, of customs and traditions, of sorrows and triumphs, all of which go to make up the social asset at the very origin of a national ideal. This soul is born of the will to develop together the common heritage and a common love of country becomes the indispensable bond that makes for a strong nation, for a firm social structure. Now, patriotism inspires us to defend the country in its hour of peril and I know not of any Canadian who would be lacking in courage on that score. Patriotism puts no obstacle, in view of the divine precept of charity, to helping within the bounds of one's resources other countries in the throes of adversity; we have not failed to observe that precept. To attain greatness a people must have achieved great things and still harbour great designs: such are my people.

Mr. G. RUSSELL BOUCHER (Carleton): A great deal has already been said in this debate concerning the address in reply to the

speech from the throne, but I should like to make, if I can, a little contribution in furtherance of this discussion.

I believe the leader of the opposition (Mr. Graydon) has pretty well set out the policy of the Progressive Conservative party in relation to the matters that are most urgent in our country to-day. I believe, too, that the Hon. John Bracken, in his fourteen points, given some time before the Winnipeg convention, when he was guiding the provincial ship of state and before he took the helm of the national dreadnought, has set a beacon at which this government might very well aim and, I think, has aimed to some extent in the speech from the throne.

As I listened to the hon. member for York South (Mr. Noseworthy) describing the little old lady who went to Winnipeg, got her divorce, married her new love—as he stated—and came back to the ship of state, I could not help feeling that, in the light of the attitude of the socialist party for which he spoke, who in western Canada call themselves the Cooperative Commonwealth Federation, Labour, and Farmers' party and are so addicted to bigamy in their three-fold name, their three-fold life, and their practice of bridegrooms' promises, the hon. member should be well qualified to make that comparison.

I also understand that the hon. member for York South has been for some time in the teaching profession and that as a teacher in a secondary school he is expected to know a good deal of history. I am afraid that his lack of knowledge of Canadian history and Canadian parliamentary institutions displayed itself rather flagrantly in that he did not know, or did not profess to know, that the leader of this dominion at the time of confederation, Sir John A. Macdonald, called this party the Progressive Conservative party.

I should like to join those who have already spoken in this debate on the address in reply to the speech from the throne in drawing the attention of the house to what I regard as a most regrettable omission, the failure to mention or, at any rate, sufficiently mention the most important and most critical problems facing our country to-day—man-power and woman-power; labour relations; agriculture; and, I might add, finance as a fourth.

Our most difficult problem, a problem demanding immediate attention in Canada, is the allocation of man-power. It will be generally agreed, I believe, that the drawing of men and women from peace-time pursuits into war production, to the extent that we have carried it, does of necessity diminish the supply of labour, but I do not think we in Canada can say that we are really short of labour yet. Our problem is the result of improper placement of labour. Labour is not used in the most efficient manner, and the government of the day has lacked initiative and courage. It has not shown the initiative which it should have done in the placing of men and women.

I was privileged this fall, as a member of the war expenditures committee, to visit a great many of the aeroplane production plants in Canada, as well as some in the United States. What struck me with amazing force was the part which women are playing to-day in the manufacture of aeroplanes in this country. I believe that about fifteen or twenty per cent of our employees in aircraft production are women. In one of the great factories of the United States the percentage is as high as forty, of women engaged in that industry. The objective is from sixty-five to seventy-five per cent of women employees in aircraft production. That is their immediate objective, and it is one at which we, as members of the House of Commons, and the government particularly, could very well aim. The women of the country, I am sure, are only too willing to put their hands and their hearts into an all-out war production effort, but that problem has scarcely yet been touched in Canada. In the allocation of man-power we have something that could not only harness our man-power and increase our production but, to a great extent, bring about equality of sacrifice and continuity as well as equality of service among the Canadian people.

Take the position of key men in industry. That is a serious point in the war effort to-day. Expanding our industries as we are doing and training our men as we are, throughout the length and breadth of Canada, as members of that committee we could see that particularly in the aircraft production industry many of our key men, many of our best trained men in the field of aircraft production, men skilled in the production of certain types of planes, were on what was known as slow-downs through lack of material, as a result of the inefficient allocation of man-power in our primary industries producing raw materials. Our plants were capable of manufacturing two, three and even four times what they are now doing. They had the men, to a great extent capable men, and the plants were certainly capable of manufacturing aircraft; but the men were sitting down, slowed down waiting for material. They were held by the firms who had employed them, where the organizations were disrupted by reason of slack time, waiting for conversion of a factory from one type of plane to another, instead of being

placed elsewhere, where they could be giving all they had to an all-out effort. This was quite demoralizing to employees who, as faithful, loyal, anxious and courageous citizens, wish to do all they can in industry to further our war effort. A key man in a certain factory, making a certain type of aeroplane, found his factory converted to the manufacture of another type. He had special techniques, capabilities and experience to do that particular job. Why could he not have been moved to a firm who could use him, where his technical skill could be used to advantage in an all-out war effort, instead of slowing down, waiting until a new type of production was embarked upon by the firm for which he worked?

That condition was prevalent all across the dominion, not only in the aircraft industry, but certainly in the shipbuilding industry as well, and in other industrial enterprises. What could be more serious to the war effort than such a situation, when we want to produce all we can? In the failure of the government to mention this matter in the speech from the throne they have failed to mention the most important problem, probably the most difficult that is facing our country at the present time.

The allocation of man-power applies not only to industry but also to agriculture, which comprises one-third of our population drawing only one-sixth of the national income. Let me quote the words of a great man in the United States, a former president, who in a speech in New York on January 21, made this statement:

> Agriculture simply must be envisaged as a munitions industry. The farmer must receive men and tools if he is to perform his part. . . . The shortage of labour, of machinery and methods of price control are limiting the vitally essential expansion of this production, and the flocks and herds upon which production depends. And unless we can quickly realize and quickly reverse these limiting forces there are dangers to the conduct of the war.

That is a quotation from a former president of the United States, a country which has been just a little over one year in the war, whereas we are in our fourth year.

Another matter to which I direct the attention of the government is that of existing labour relations in Canada. I do not wish to dwell in detail upon it; but with regard to the steel strike, I am of opinion that the rate of wages paid to labour, in comparison with tripling and quadrupling the rate paid in salaries to some officials in the management of the companies, constitutes a just complaint which is not only demoralizing to the war effort, but depressing in its effect upon production. This is a factor causing greatly increased costs of production. I do not think I would be far astray in this statement, that if the materials were available we have the plants; and with the men, if labour relations were as they should be, we could increase our production of aeroplanes at least three times what it is at present with the factories we now have set up in Canada.

Another thing to which I object, as affecting both industry and agriculture, is the repeated call for men to serve in the armed forces and the uncertainty of the men as to when they will be called from munitions production or from agriculture into the armed forces. The men in industry and agriculture are some of the best we have in Canada, some of the most loyal and patriotic men, the furthest from slackers, men who would be the last to want to feel that they were not doing their utmost in the war effort.

Perhaps agriculture would give the best illustration. Let us consider the case of the young man on the farm. He has been raised on the farm; he has spent his whole life on the farm. He has received his education from the farm and has studied the various principles of farm operation, such as the rotation of crops, maintaining fertility on the land, the proper feeding of his stocks and flocks, the proper cultivating of his land, the planning of seasonal crops a year ahead. He has studied the multifarious sciences, such as the complicated science of marketing. He may have had an education in primary and secondary schools, and may have even attended university. But he is now on the soil, and he feels that he may be called from that soil some day—but he does not know when. It may be a call in three months or in six months, and he may be granted a postponement—but there is no certainty whatsoever of his getting off. In fact, in my own experience very often they do not hear from their applications for postponement until the very day they have to report for military service, or after.

What chance has this young man to use his scientific knowledge? He has applied himself with sincerity and devotion to his mode of life, to the mode of production on the farm, to the complicated problem of progressive agriculture, and the uncertainty connected therewith. What opportunity has his employer, be it his father or otherwise, a year in advance to plan crops, to decide how many milch cows he will keep, how many hens he will have, how many sheep or hogs he will keep, what grain he will grow? What folly it would be for a farmer in these days,

in view of the shortage of farm help, to plan on keeping sixty or seventy milch cows, and to rotate his crops on a 100 or 150 acres of land! What folly it would be for him to plan his seasonal occupations, when he does not know that his son or his hired man may be called the following day for military service!

Several illustrations have come to my attention. Before, however, making any further comments, may I say that my objection is not levelled in any way against the registrar in military district No. 3. I believe the registrar and the selective service board in military district No. 3 have properly reflected government policy. I have no personal criticism to make of them. But I have had many young men come to my office to see me. I have had young men come to see me the very day they were to report for military service, and tell me they had made application for postponement three or four weeks, or a month or two months before, and had no reply. They asked me what to do. These young men were in unfortunate predicaments If they signed up, volunteering their services in the armed forces, they could count on just about six months more trying to get out—if they ever could. If, on the other hand, they stayed away and suffered the shame and ignominy which would be theirs, the condition would not be relieved, These men would not suffer that shame, but would prefer to answer the call.

On many occasions I have had to go to my telephone and communicate with the registrar at Kingston, Ontario. The registrar could not know whether this man was or was not a good farmer. I have tried to find out what attention would be given to his application, and I have had the registrar tell me, "Well, I will fix it up for him; tell him to wait until he hears from me."

This does not lend itself to efficiency. It does not lend itself to encouragement to agricultural workers in our country to put their heart and soul into the production of cheese and bacon, which the government would lead the worker to think they want him to produce. The agricultural worker is told that the world requires these commodities and that he should produce them.

But, once he has got into the armed forces, up to a short time ago when an announcement was made—and possibly even after that announcement, if one reads it carefully—whether or not he was a farmer's son, whether or not he had been spending his life in agriculture, whether or not he was a specialist in that industry, if he was in the military services he had about one chance in a hundred of ever getting back into agricultural production.

I remember one case very clearly. It had to do with an only son and two sisters, whose father had died a year earlier. These children lived with their mother on a 250-acre farm. They had eighteen milch cows, all the necessary machinery, splendid and fertile dairy land. This young man received his call for military service. Fearing he might be put into the army, and desiring to enlist in the air force, he proceeded to join that force. He had been in it for only two weeks when the one and only hired man they had left them. There was the mother with her two daughters left to look after a herd of cattle. I believe I am correct when I say that there were forty head of cattle altogether, including the eighteen milch cows. In addition, there were 200 hens, and 150 acres were under cultivation, the remaining 100 acres being held for pasture. The woman and her two daughters were left to farm that land.

Upon application being made by the young man, myself and many others, to let him return to the farm, where he was so urgently needed, we received the answer that there was no change in his situation. The attitude was: He knew what he was doing when he enlisted; he cannot get out of it. What happened as a result of this? The farm was converted from a dairying farm to pasture land. The mother and daughters had to leave their house and their farm.

Another case was brought to my attention. In this instance I interceded for an only son whose father and mother were both ill. The mother was confined to bed, as a cripple. The father was arthritic, and was not able to carry on his duties around the farm. This young man signed up under these circumstances. No leave of absence or discharge could be secured for him.

I know about a third case, and I point this one out as indicating something which the selective service board may possibly cure. I think they must cure it, and I surely hope they will, under the recent announcement. In this instance the farmer in question had three boys, one of whom was laid up with a heart condition, which left him incapable of doing the heavy work on the farm. The second was laid up with a stomach condition, rendering him unfit for work. The third was called. He signed up, leaving his sick brothers at home to look after a herd of sixty-seven milch cows. In this instance the farm consisted of 250 acres of tillable land. This boy applied for leave of absence—not a discharge. He wished to return to work on the farm, and was refused.

He obtained a doctor's certificate to the effect that the father could not look after the farm. Upon a rehearing being permitted, it was stated that the authorities had thought that the two boys left at home could run the farm. They pointed out, however, that upon reviewing the circumstances they saw matters in a new light. They realized that the situation had changed since the boy had enlisted, and they permitted him to go back for six months.

I believe all hon. members have their hearts and souls in the soil of Canada. Few of us have not had sufficient contact with agriculture in Canada to appreciate how difficult it is for the agriculturist to carry on progressively under prevailing conditions. Each of us will realize that to become a successful farmer requires many years of hard work; one must become accustomed to the mode of living. It is a highly developed vocation. Yet in these days we see farmers staying at home who are not permitted to sell a pound of butter manufactured on their own farms. A farmer may not kill his own pig for his own use, without first obtaining permission. Were we to engage in farming we would find that it requires some planning, and I certainly think the farmer merits more consideration than he is receiving.

For these reasons I welcome the announcement made the other day that the strings with respect to national selective service, as far as agriculture is concerned, are going to be loosened. My only regret is that the extent to which they are to be loosened was not announced long before this.

In my community many a herd of milch cows has been reduced and many a farmer has had to discontinue his activities, for I think it will be found that enlistments in the army from my constituency compare favourably with those from any other constituency in Canada. What is the farmer getting for the milk he has to sell? He is receiving the very same price he was getting in the depth of the depression. To-day in the city of Ottawa milk sells for twelve cents a quart, including a bonus of two cents paid by this government to the consumer, not to the producer. That was the price four years ago.

I now come to the price ceiling, which is of greatest concern to the farmer. I think every hon. member will agree that there is a great deal of truth in the old adage that farm prices are the last to rise and the first to drop. The object of having ceilings on prices is commendable; but in order to fit into our national economy these ceiling prices must be fair in our national interest. These ceilings were put on in the fall of the year, when in the main the produce of the farms was ready for marketing. This was done just after we had emerged from a depression, when the business man was able to raise his prices, change his brands, cut down on quality and quantity and do whatever else might be done in order to meet the fixed price. As usual, however, agriculture was behind commercial enterprise in raising its prices, and those prices did not reach the levels they should have been allowed to attain.

What has been done to meet the situation? Well, the government give a bonus on cheese. That is all very well. They give a bonus on butter, but that bonus is given to the consumer. A bonus is given on milk, but no part of those two cents a quart goes to the benefit of the producer. The only way in which the bonus on butter can help the farmer is by increasing the consumption of butter, but the Minister of Agriculture (Mr. Gardiner) and the government would have us believe that it is the duty of the farmer to convert his milk into cheese. He cannot do both. Then there is the farmer who manufactures his own butter, which he brings to the city and tries to sell. He cannot sell it unless he collects coupons, and he can collect only so many coupons from each individual. What an encouragement to agriculture that is! Then there is the question of farm wages. I do not think there is anyone in this house interested in agriculture who will not deplore the shortage of help on the farms. Why is there such a shortage? There are two reasons: either the farmer's son has left, or the farmer cannot pay wages high enough to get a man to help with the work. Agriculture demands long hours, with heavy work, which can be done only by those who have been accustomed to it. How many people not brought up on a farm can go out and establish themselves on the land, and produce as progressive and thrifty farmers do? I ask hon. members to compare the wages being paid to-day. A man driving a truck for an industrial concern can get eighty cents an hour. Can any farmer in Canada pay eighty cents an hour for a man to operate his power machinery? Is that not the best answer we have to any talk of equality of service and of sacrifice for our farmers? Or there is the other answer, the fact that one-third of the people of Canada who are engaged in agriculture receive only one-sixth of the national income. I say to you, Mr. Speaker, that until the farmer can afford to compete with industry for labour, he is not getting his proper share of the national income.

What can we do about the matter? First, there are the national selective service boards. How many agriculturists are given positions to advise the registrars as to what farmers' sons are needed on the farms, as to what farmers should be called and what farmers should not be called? In my own case the registrar is at Kingston, almost a hundred miles away from my community. How can he know whether John is a good agriculturist, turning in a good war effort on his farm, and Tom is not? I believe that was the reason for the action taken in the case I mentioned a short time ago, where the man made application for a six months' postponement and was refused. To-day a farmer may send his son or daughter into industry, into the army, or into the civil service. If the daughter enters the civil service she receives a cost of living bonus, and rightly; but dad does not. That daughter comes to Ottawa; she gets her meals in a restaurant, where there is supposed to be a price ceiling. Will any hon. member say that restaurants serve meals of the same quantity and quality to-day as they served before the price was fixed? Go up to our parliamentary restaurant and see; you will get one potato instead of two, and someone says that is not a good one either. The daughter receives a cost of living bonus, superannuation benefits, and all the rest of it; she sees the millions of dollars being spent on temporary buildings which are to be removed within six months after the war is over; she sees the billions of dollars being advanced to industry to speed up war production. Then she goes home on a visit to dad and mother and says, "What about you?"

I had intended to go into the question of finance, Mr. Speaker, because I believe the people of Canada are critical of the millions of dollars being spent on temporary buildings, on the construction of munitions plants, on the large increases to the already high salaries. I have every sympathy with civil servants in the low income brackets, who are paid $60 or $70 or $75 a month and who must pay $30 or $35 for board; but even so, that is more than their father and mother are earning on the farm. As they see the vast industrial expansion; as their sons and daughters return home and tell them of the conditions under which they must live in Ottawa, it is a wonder there is not much more discontent. It is no marvel to me that the agriculturist, able as he is to see what is going on, should ask for parity and equality of treatment.

Mr. L. A. MUTCH (Winnipeg South): Mr. Speaker, I am not one of those who would let the seriousness of the hour or the seriousness of my own remarks deter me from those amenities of life which, even in troublesome times like these, may be more pleasant than they otherwise might be. For that reason I elect to begin in the traditional way by extending my compliments to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. I would be remiss if I did otherwise at this moment than address a remark to a personal friend of mine who has been done a most signal honour since this house last met. I refer to the present leader of the opposition (Mr. Graydon). I mentioned to him before, and I should like to remind him again, that a signal honour has been done to him because there is the probability of his going down to posterity as the last leader of the once great Conservative party.

It will not be expected of me in this house at this time that I should attempt to make a political speech, neither will it be expected that I should fail to comment upon at least one event which took place in or near the constituency which I have the honour to represent. While I accept no responsibility for it, I was interested in what took place in the city of Winnipeg during the past few months when an honour was done to one of my most distinguished constituents in the person of the Hon. John Bracken when the late Conservative party surrendered to him at Winnipeg. The people of Winnipeg, and indeed the people of all Manitoba I think will join with me in a feeling of some natural pride that a man whom most of us have known at one time or another has been so signally honoured by an old and established —we thought it was established—political party. With respect to that I should like to make just one observation. I do not think I shall be misunderstood when I say that if the erstwhile Conservative party can do as much for John Bracken in the federal field as the Liberal party did for him in the provincial field, then he is one of the most fortunate men that Canada has produced.

I do not think I have ever made in this house anything approaching the nature of a constituency speech. There may be some difference of opinion about that, but in any event I do not think I ever did. For a little time to-night I propose to speak about, not only the constituency which I have the honour to represent but the city of Winnipeg and the province of Manitoba as a whole. We in Manitoba during the war have done a magnificent job. Thousands of our finest sons are

carrying Canada's battle might by land and sea and air throughout all the fields of operation of the present war. Two of as fine regiments as have ever left Canada have suffered grievous sacrifice, almost elimination, first at Hong Kong and then at Dieppe. No loan which has been put before the people of Manitoba has failed of its quota; no appeal for the Red Cross, no appeal to sacrifice has ever gone unheeded. During the period of the war all of these appeals have been exceeded by the citizens of that city and that province.

Take salvage collection alone. The figures in connection with national salvage collection came to my desk the other day, and they showed that the voluntary collections in Manitoba amounted to 42,167 pounds per thousand of people. The nearest province to Manitoba was Ontario with a figure of 37,100 pounds per thousand, but our original figure was almost double that of nearly every other province in the Dominion of Canada. These figures indicate the war-mindedness, the war spirit and the earnest desire of the people of the city of Winnipeg and the province of Manitoba to make their full weight felt in this war. We are proud of these results, but we are by no means satisfied with them.

I should like to say to the house, to the members of the government and to all who may be interested that the contribution which Winnipeg and Manitoba are making to the war effort is not contingent upon any quid pro quo return by way of those advantages in the way of distribution of work and the added increment of wages which accrue in some places at some times in a state of war. Up to the middle of 1940 any war contracts accruing to the city of Winnipeg constituted a mere trickle, and at no time have they bulked large in the economic life of the province. It is perfectly true that we have one large and successfully operated war plant, a plant which is an outgrowth of the war, due entirely to the war, and for the work which has been given, for the opportunity which has been accorded to share in the war contribution, we are indeed grateful.

Responsible thinking people in the city of Winnipeg do not ask that one man should work for one day at a job which is no longer essential to the war effort of Canada, but we do object to the suggestion which is put out at times that the full weight of the man-power of Canada, and to a lesser extent the machine-power of Canada, are employed in this war when we have in our own city and province a residue of unemployment, a considerable number of employables who are possessed of skills but who are not yet employed, and a considerable backlog of unskilled labour which is capable and willing and anxious to share in the industrial war effort of this country. What we desire is that in the fulness of the national effort we be given an opportunity to utilize those powers which we have, in order that our contribution to the war effort of Canada may be as great as possible. We can show unused resources, and we are now ready to share fully in the war effort.

I do not think anyone in the province of Manitoba or in the city of Winnipeg thinks of war contracts as a sort of melon to be cut. I have never heard any responsible person say that because we have sent so many thousands of men, so many thousands of our women into the service of Canada, both at home and elsewhere, because of their sacrifice and effort, we have a right to participate in any economic melon or anything of that description. That is not the background of the complaint which I desire to register in this house to-night. We want a full opportunity to contribute and, frankly, we do not think we have had it.

In the last few months I have had an opportunity to travel over considerable portions of Canada, and I suggest in all seriousness that there has been plant expansion which is both unnecessary and uneconomical and, as far as I can see, wholly unjustifiable in view of what remains available in other parts of Canada, particularly that part from which I come. I do not suggest that this is the major breakdown, but I do know the potentialities, the unused reservoir if you like, of labour that is available. Again I suggest that the magnitude of this expansion was unnecessary, and the practice should not be perpetuated. In my opinion, workers should not be sharing work and wages to-day anywhere in Canada in order to keep their number employed if we were in a position fully to utilize, as we have sometimes said we were, the whole man-power and woman-power of the nation.

There is one suggestion that I should like to make. I do not wish to deal with it in detail, but I will place the information I have before the minister who probably can do something about it. I speak of steel for fabrication. It is no military secret that steel is constantly going through Winnipeg to British Columbia for fabrication, where we are told that facilities are already congested and conditions sometimes unsettled. We have facilities in Winnipeg for the fabrication of steel. I know something of the arguments against it, the problem of trans-shipment.

Simplicity of design; the potentialities of the fabricating plants in Winnipeg are matters about which I am not particularly qualified to speak. Therefore I will not be technical, but I suggest to the minister, the government and the house that consideration should be given to the provision of some of these simple expedients for a fuller and freer opportunity for our people at this time.

I have seen factories built or reconditioned in a certain spot in the middle east of Canada, because there was in that particular place what the minister called a pocket of unemployment, yet within 150 miles of there work was plentiful and a cry was going out for labourers. I do not object to the building or reconditioning of such plants in order to provide work there for those Canadian workers who prefer to stay in their own homes. But I do not think it jibes very well with the suggestion made, I do not know how officially, but certainly unofficially, that we ship our unemployed population across half the continent.

Mr. KNOWLES: It is being done right now.

Mr. MUTCH: I do not even regret that. I say I am glad they are being given an opportunity anywhere. But I am registering my protest against that discrepancy. I am not admitting for a moment that full consideration has been given to the situation in Winnipeg. I do know that a deliberate attempt has been and is being made, and the cause, of those workers has been bedevilled, by people who seek to make political capital out of workers' misfortune. That being the situation, is it to be wondered at that some of our people are willing to follow will-o'-the-wisps, to listen to the persons that some call prophets of doom? Is it to be wondered at that many of our people are worrying not so much as to whether we are going to have another depression after the war as when the one they have been living in for the past ten or fifteen years is going to end? And is it to be wondered if some ask the question, if in a time when Canada is all out in the war effort we cannot get a break, what hope is there about what may come after? This is aggravated by the fact that this country is full of unthinking people who go up and down prophesying distress and misfortune when the war is over. I do not make any bones about who these prophets of doom are; they are the people who hope to get political power in this country after the war if, as they hope or at any rate proclaim, we are in for a bad time once the war is over.

[Mr. Mutch.]

Personally I have no fear of the aftermath of this war on Canada. I do not think anything that we in this house in our wisdom or lack of it can do can hold back the future destiny of this dominion. I look forward to seeing within fifteen or eighteen years, or at the most twenty years after the close of the war, thirty million people in Canada. I hope in twenty-five years to see forty million. Would anyone say now, in view of what we know, that this is impossible? Dare anyone stand up against the surging tide of humanity that will be inevitable when the holocaust that we are now enduring is over? Mankind is bound to surge from the wreckage and destruction of the old world to build again in the new world, encompassed by the freedoms for which we fight. We must look to a necessary and, as far as I am concerned, welcome period of mass immigration into this country when the war is over. Some will say, selective immigration; with that I have no quarrel. Let it be selective as to health, as to skills, as far as that is humanly possible. But I wonder how long artificial selective principles can stand against the march of humanity in view of conditions which prevail, not in isolated spots in Europe but throughout practically the whole of the known world to-day with the exception of our own fortunate north American continent. The tide will turn to us. If we catch it on the flood, we can do in twenty-five years in Canada what it took England seventy-five years to do and what the United States with the policy of the open door scarcely accomplished in fifty years. That is one thing the war is doing for us, one opportunity it has placed at our front door.

If we believe that, as I do, I wonder why we are delving into the dead ashes of yesterday. Yesterday cannot come again. To-morrow will be better or worse as we make it. I am not in the least afraid that when the war is over we shall slip back into repetition of the mistakes of the days following the last war or of the depression. I expect we shall make new mistakes. I do not think all the foresight, wisdom and legislation this side of eternity can prevent some mistakes being made or even the repetition of some of those we made before, because society is not a static thing. If mankind followed a precise and perfect pattern throughout the ages or even throughout a generation, we might be able to look back and say, Yesterday we made this mistake; we will not make it again. But in our social legislation or social thinking or national thinking we must not be in the position of turning our eyes backward all the time in order to keep constantly in our memory the mistakes we made. We are all equally guilty or bear

our share of responsibility for the shortcomings of that era, and I include the prophets of the new utopia with the rest. The only difference between them and us is that they are trying to perpetuate the memory, to seize on that unfortunate chapter of our history and intimate that while the rest of us were going to economic damnation along certain lines, they were looking the other way seeking in order to prevent the anchor from dragging. I do not see it that way. They look to the past, saying to the public, Look here, when the whole works start to slip back down the hill we have the biggest block to put under the wheel; we have something brand new to block the wheel with, and if you will trust us you will never go back. But you will not get up the hill by blocking the wheel. My wish is that when the time comes to resume our upward climb we shall have the vision to give new leadership so that all will put their shoulder to the wheel in the spirit of the pioneers, who came to this country not just to get rid of persecution and difficulty and merely hoping to have exactly what they had over there except for the removal of the things that troubled them. They were not satisfied with that; they did not endure the hardships of the pioneer for that; they came to build something better, not only something which did away with the things which caused them to come here, but something finer and better for their sons than had existed before.

I venture to say that this is the spirit which motivates large numbers of the people of Manitoba. We have not been caught up in the dizzy whirl of the intense activities of the industrialized parts of Canada. We have had time in the evenings, and some of us unfortunately in the daytime, to look at the picture of the past, to think about those sons and daughters of ours who are not with us, who are engaged elsewhere, and we are thinking of what is going to happen to them when they return. We are wondering what we are going to be able to offer them; and, if the boys who are in the actual theatres of war are also wondering what they are to return to, if it is any consolation to them at the present time, we too are thinking about it. One of our conclusions is that we cannot go along forever with twelve or fifteen million people scattered across a country which has a governmental and industrial set-up sufficient for a terrific expansion of population. Many of us on the prairies have watched the growth of the city of Winnipeg. Some remember it when it was hardly more than a very small town. I cannot go back that far, but I have seen the population doubled. We recall some of the conditions which caused it to grow, which kept its sons and daughters at home and made them busy. We are determined that some of those conditions shall return, and we do not expect to accomplish our purpose entirely by legislating ourselves into utopia.

We cannot think all the time of to-morrow; and, as I have said, we should not look backwards except for a moment or two, for humility's sake. It is not enough to have a vision of the future. It is not enough to make up our minds that we will not repeat the mistakes of the past. There is also some obligation to look at the problems of to-day.

I should have liked to speak for a little while, though I shall not do so, about the military contribution which Canada is making in the war. I shall reserve my remarks on that subject to a later time when the department concerned is under discussion and the minister has been restored to health and is in the house.

But there are problems of urgent importance. The plight of the aged in Canada cries aloud for more generous consideration, and I suggest to the government and to the house that the British North America Act will not do for our present needs. Canada expects a better deal and she wants it now.

We are concerned about attacks on the price control measures. We believe in stern measures against those who, for selfish reasons, attempt to undermine the protective influences of both price and wages legislation. Stern measures in dealing with those selfish attempts where they occur would meet with proper acclaim. I would suggest that control must not become a weapon in the hands of either side in an attempt at class war, and the government must see to it, if they are to get the popular support which controls require, that control is a means to an end and not an end in itself. No union, no combine, no individual can afford at this stage of Canada's struggle to contribute for selfish or unworthy ends to the weakening of any war effort.

We cannot overlook the problems of those who are dependent upon the state. I have pleaded on three or four occasions for further consideration of the lot of the aged. I have in committee and in this chamber appealed on more than one occasion for better treatment of the widows of the men who fell in the last war or who have died since, and I am grateful for the announcement that some provision along that line is to be made.

I do not believe that the government or the provinces can afford to wait until the end of the war before doing something about the housing situation in this dominion. I know there is a problem of raw materials as well as of securing skilled labour for doing the work.

But I suggest seriously that the war effort itself is suffering in a major degree in at least some parts of Canada by virtue of our inability as yet to figure out a way to deal with this situation. I do not suggest that there is an unwillingness to deal with it, but I maintain that we have been incapable of dealing with it up to this point and that we require to do more about it, and to do it now, if we are to sustain our proud boast that we are getting the maximum of effort from our people.

One other matter, and I shall close. We had in Canada in pre-war days a degree of sectionalism which thwarted the best efforts of the finest minds that have been engaged in the problem of governing Canada for the past twenty years. I am happy to say of my own knowledge that to a large extent that narrow sectional attitude has been dissipated throughout the period of this war. I come from the west, and for seven or eight years I have stood with good humour all the jokes with respect to the desires, idiosyncrasies and peculiarities of the people of the west. In return I have made various retorts, pungent or otherwise, depending upon the degree of intimacy, which have been endured with good humour. I suggest to the administration, because it is a matter of great concern to them, that to proceed with a measure for the lessening of the representation of western Canada, and particularly of Manitoba and Saskatchewan, in this house during the period of the war is to invite the resurgence of a bitterness which has largely evaporated during the last few years. It is likely to accentuate every nasty insinuation which has ever gone on the record, and which is in the process of being forgotten. Although we believe that our contribution in the war is as good as anyone's, as I have said before, we do not ask for our contribution a quid pro quo in the matter of the distribution of the things which come out of the war, except in so far as it is in the general interest of the war effort. Our people ask no more than that. But we cannot go home—I question if anybody from Manitoba or Saskatchewan can go home—to our people and convince them that they are anything but stepchildren in the family of Canada if, at a time when by every single word which is said in this house and in every act which is passed in this house or by order in council our lives and the lives of our children are affected, this measure of restriction is to be applied. We do not feel that we are overrepresented. There are some who may question the quality of the representation.

An hon. MEMBER: Hear, hear.

[Mr. Mutch.]

Mr. MUTCH: My hon. friend may find it out. Perhaps there are some who question it, but there is hardly anyone who believes that we are overrepresented; in view of the fact that almost every other section of the dominion has, at one time or another, perhaps for lesser cause than exists to-day, been able either to fix its representation or enhance it. I do not want this to sound like an attack; I do not intend it to be such. But it is not good enough to say that some well-established practice that has existed for a period of years is one of those sacred necessities which we cannot disturb in a time of war. To me that is hooey. We think a way can be found to suspend it and to protect our representation in this period until such time as those thousands of our people who are serving either overseas or in other parts of Canada can come back and we can get in the prairies that representation of population which is relative to the natural home and habitat of those people. We desire, and I think most of us demand, that the matter be left for the period of the war and a reasonable period of adjustment afterwards.

Mr. J. G. ROSS (Moose Jaw): I wish to take a few minutes of the time of the house to bring forward some ideas which I should like to have the government consider before they proceed with legislation, or before the budget comes down. First of all, I want to say a word with regard to trade. To-day in the House of Commons, the Minister of Finance (Mr. Ilsley) rose in his place and, I think, convinced everybody of the difficulty that Great Britain and other parts of the empire are having in an endeavour to pay, partly at least, for the commodities that Canada is sending forward to that country to help them in the war, and to help us through them. Therefore I say that to have any tariff whatever against Great Britain at this time is absolutely ridiculous. To put anything in the way of allowing Great Britain at this time to ship goods into this country to help to pay for the commodities that she is getting from us is too foolish, and I hope that the government, during this session, will see to it that tariffs are entirely wiped out between Canada and Great Britain.

I wish to say a word also about trade with the United States of America and with any other country in the world that wishes or is willing to deal with us on a free-trade basis. In my opinion, during this war the industrialist of Canada has proved that in the war effort he has carried out he is the equal, if not the superior, of any industrialist in the world. We have found, in looking into the production of munitions and supplies for

the war, that the industrialist in Canada has done a remarkable job, that the engineers behind that industrialist have great ingenuity, that they have been able to cut costs at an amazing rate, and that we can stand on our feet industrially to-day with anyone in this world.

An hon. MEMBER: Give him business; that is all he needs.

Mr. ROSS (Moose Jaw): The way to get it is to open trade routes. Do that and you will get business. When this war is over, industry throughout the world will have to be rehabilitated. All industry to-day is practically on a war-time basis, and there must be an adjusting period. All industry must change over again to peace-time pursuits, and therefore at that time all industry will be on a level in the world, a level on which it has not been for many years. There are also many controls—war controls, exchange controls, and the controls in the handling of raw materials—which will have to be gradually done away with as we come to the finish of the war. No one to-day can be hurt by the removal of any tariff, because exchange must be turned over to those who are to import into the country and the whole thing is controlled anyway. So that now is the one time that Canada can lower her tariffs or do away with them altogether, without hurting any industrialist, any worker, any citizen of the Dominion of Canada. Therefore, in the budget the government should come down with free trade with Great Britain and the freest kind of trade with the United States and many other nations.

We have had some war-time controls which I do not think have worked altogether to the benefit of Canada. Under the wartime prices and trade board, we have practically closed the American border to the shipment of cattle to the United States. We have done that, but I hope the United States people will not look upon that as a more or less unfriendly act in trade on our part. Some of them may say that at the time they needed beef cattle from us we would not allow cattle to cross the border. It must be remembered, however, that we are giving them a considerable amount of beef in other ways. For instance, their ships that go in the convoys from this country get large supplies to take them over and back. Their people in Alaska, their troops, their construction workers, have received large supplies of beef from Canada, and, as we all know, the north American continent as a whole is short of beef to-day.

Ever since I came to this house in 1925, and I believe for many years before that, there has been a great lack of appreciation of the importance of agriculture in the Canadian economy. The present Minister of Agriculture (Mr. Gardiner) and every past Minister of Agriculture has had to battle like a Trojan to get any money for agriculture out of any government in Canada. This has been the policy of all governments in this country. Thank goodness we have not tried the policy which an hon. member who seeks to interrupt me is trying to bring in, but every Minister of Agriculture has had to battle to get sufficient funds to help agriculture in Canada, and I do not doubt that the present minister has made himself unpopular with some other ministers in the government in an endeavour to put forward the rights of the farmer, which I know he does morning, noon and night. But what we need to-day in this country, more than we have ever needed it before, is a forward-looking policy in agriculture. That would be, not a policy for one year, but a policy for at least five years, or for at least two years after the war, whichever may be the longer.

The situation on this continent to-day is this. The United States and Canada, the two greatest food-producing countries in the world, are shipping considerable supplies of food to the united nations, and while doing that are having to cut down, to some extent, on the amount of food being used by their own people. For some years the United States put into effect policies of curtailing production in agriculture. At the present time there is only one product that is even called a surplus product in Canada and the United States, namely, wheat.

As I said before in this house, and as I will say again, all of that will be needed by the end of this war, or immediately after the war is over. When the war started there were those in Canada who thought it would not be well to bring down a policy with regard to hogs, butter, eggs, cheese or milk, because we would get ourselves into a position where we would not be able to sell them, and we would have surpluses. But that has pretty well all gone now. There are shortages in respect of all those commodities to-day, as far as the needs of the united nations are concerned.

We must plan for the future, for the war, for the period after victory, for bargaining with people who need food, and for the feeding of people as our armies go forward. Canada must be the chief supplier of these commodities. As quickly as possible we must accumulate stock piles of food, in order to feed the people of the united nations, and the

people who will be liberated in Europe. Even in north Africa to-day, people who have been liberated there are not receiving sufficient food. If Italy were to fold up in this war, there would be 55,000,000 more people to be fed, immediately. Then, we must consider Greece, Yugoslavia, Bulgaria—food must be available with respect to all these countries when our armies start to move in.

Although they may not be interested in what I am saying, I wish my hon. friends in the Cooperative Commonwealth Federation would keep quiet, so that others might listen.

I have said that we need future planning and stock piles. For instance, such commodities as powdered eggs, powdered milk, flour, peas, beans, edible oils and fats of different kinds, dried fruits, dried and desiccated vegetables, canned meats—all these should be accumulated in great quantities as quickly as possible.

There are those who will say that we have not sufficient processing plants. Well, when war started we did not have manufacturing concerns to turn out the munitions of war. However, we have them now, because we built them. We can build processing plants in Canada very rapidly, if we want to. Some will say we have not the storage warehouses in which to store these goods. These, too, may be built very quickly. Some say that these meats, and other commodities, cannot be stored for a period of years. I believe Canadian scientists have enough brains and enough ingenuity to find ways and means of protecting perishable goods in storage.

We must find new methods of shipment and handling of perishable foods, in order that these commodities may be transferred during the war, and rapidly thereafter. I have said that Canada must be the main supplier. Why? Because in Canada we have followed a sane policy of endeavouring to try to keep our population at a fair level. Through our price control and wage control measures we have endeavoured as far as possible to give an even deal throughout the country, and not to let wages and salaries run away and thereby start an inflationary spiral.

Unfortunately the United States of America has not followed quickly enough. We find that in that country many thousands of people are getting high wages in money, but because the commodities they have to buy are rising rapidly in price they will not get much more out of it in the end. They will be paying higher prices and demanding many foods which to-day are not plentiful in the United States. That process has already started. Therefore it may be that the increase in food production in the United States will be taken up by their own people for some little time.

Then, in Canada we should have a policy in regard to live stock for the time the war is going on, and for the time when it is over.

An hon. MEMBER: Why have you not one now?

Mr. ROSS (Moose Jaw): There is one; but I am talking about a more extensive one. No doubt in many parts of Europe the supply of live stock has decreased considerably. We cannot develop a live stock policy in a year or two years, For instance, the production of dairy cattle cannot be accomplished in much under four years. The same applies to beef cattle. Breeding stock of hogs or sheep can be produced much more rapidly. That condition, however, does not apply to cattle. Therefore I say that money should be made available to the Minister of Agriculture so that a policy may be developed whereby we can produce more and better live stock in Canada, against the day when the war is over and this live stock can be shipped to rehabilitate the herds and flocks of Europe. But help in that regard must come to the farmers throughout this country.

I do not intend speaking beyond eleven o'clock this evening. I had intended only to point out that Canada is one of the united nations in a position to accumulate large supplies of foodstuffs of all kinds and classes. They can be produced by farmers from one end of Canada to the other. Our policy should be such that not one available acre of cultivated land should be left unproductive while the war is in progress, from now on. Every acre should be used to produce as much as possible. I do not say that high prices should be paid by the government for those commodities that are to be put into storage, but I say that fair prices should be paid to all producers in agriculture. I will admit that this may mean the financing to a very considerable extent by the government of such a programme for one, two or three years. Let us take a look at what has been done in the past. Last year we financed, to the extent of a billion dollars, goods which were sent to our allies. This afternoon the Minister of Finance spoke of some amount of money to be spent this year in order to see to it that the united nations may be able to obtain their supplies from us. Well, I do not know what the government spent last year on agricultural products to be turned over to the united nations, but I venture to say that it was not over ten per cent of the

billion dollars. Probably $900,000,000 went into industry throughout Canada and perhaps $100,000,000 into agriculture. Certainly that is not a fair proposition. If within the next two or three years we devoted four or five hundred million dollars to the purpose of gathering together and storing foodstuffs for the united nations, in the end we would not have to pay that whole cost. The united nations will have to feed these people who are liberated, and we are in a position to have these foodstuffs readily available when the war is over. It is a big job, but it is a job that we in this country must tackle. As a farmer I say it is the business of this government to-day to think along those lines and to endeavour to formulate a policy that will carry out thoughts of this kind which I am satisfied have been in the mind of the Minister of Agriculture for some time. But with this government, as with past governments, it is a hard job for him or any other minister to get money with which to do anything for agriculture.

There is only one other thing I want to say, and then I am through. This afternoon I listened to the hon. member for Rosthern (Mr. Tucker) when he referred to the leader of this house (Mr. Mackenzie King). We have heard other leaders throughout the world praised by almost everyone in Canada. I cannot understand some of our people. Here is a man who for years has led the greatest political party in this dominion. Here is a man who for years has been Prime Minister of Canada. Here is a man who has been attacked on the ground that he did not give leadership in this country, when from the start of this war he has given leadership which has been followed by practically every other prime minister in the world. We have people who call themselves good Canadians crossing the border into the United States and disparaging the efforts of Mackenzie King and the government of Canada. They are not only border-crossers; they are double-crossers of the people of Canada. We have Americans coming into this country singing the same sort of song with regard to Mr. Roosevelt, when we know he will go down in history as the greatest president the United States ever had. He has been blackguarded by people throughout the United States, just as Mackenzie King has been blackguarded by people throughout Canada. It is about time this business stopped. Mackenzie King has given real leadership in this country, and Canada has done a better job in this war than any other country in the world.

Before taking my seat, Mr. Speaker, let me add that in Canada's war effort the farmers of this country have done a remarkable job and have said very little about the tough times they have had in doing it. Therefore I ask the government to look into the matters about which I have spoken to-night, to see if we cannot get a proper policy for agriculture in the coming budget.

On motion of Mr. Gardiner the debate was adjourned.

On motion of Mr. Crerar the house adjourned at 10.58 p.m.

Tuesday, February 9, 1943

The house met at three o'clock.

RAILWAY ACT AMENDMENT

FREE RAILWAY TRANSPORTATION FOR MEMBERS OF HIS MAJESTY'S FORCES

Mr. T. L. CHURCH (Broadview) moved for leave to introduce Bill No. 5, to amend the Railway Act.

Some hon. MEMBERS: Explain.

Mr. CHURCH: Mr. Speaker, this bill raises the whole question of soldiers' transportation in Canada. The purpose of the bill is to amend the Railway Act to provide that members of the forces when in uniform may be carried free on railway trains within Canada. In the last war the railways voluntarily carried the members of the forces for single fare on week-ends. Now they carry them every day at half rate. The Railway Act itself does not provide for any special concessions to soldiers during the war, nor has the board of transport commissioners power to order any. In view of the fact that so many of the camps are far away from railways I think that some measure of free transportation should be provided for our troops who are training all over Canada. Furthermore, a large number of them have been killed on the highways when thumbing a ride. The fifty-mile limit on travel by bus over the highways should be suspended so far as soldiers are concerned.

Motion agreed to and bill read the first time.

VICTORY LOANS

STATEMENT AS TO DISTRIBUTION OF SUBSCRIPTIONS TO FIRST, SECOND AND THIRD ISSUES

On the orders of the day:

Hon. J. L. ILSLEY (Minister of Finance): Mr. Speaker, I should like to make two state-

ments, one a brief one and the other a longer one. The brief statement is with regard to the sales of victory bonds.

As wholly inaccurate statements regarding victory bond sales have been made in certain quarters, I desire to table a statistical compilation showing a classification of the source of subscriptions, at time of issue, to the first, second and third victory loans. The statement has been compiled by the national war finance committee and reveals the amount of each issue purchased by individual investors; by banking institutions for their own account; by dominion, provincial and municipal government agencies or funds; by insurance companies, pension funds, etc.; by trust and mortgage companies, etc.; by colleges, churches, hospitals and charitable organizations; and by business firms and corporations.

For the information of the house I may point out that preliminary figures for the third victory loan show total subscriptions by individuals of $401·1 millions, leaving $590·4 millions representing the total purchases of all other kinds of buyers. Government agencies or funds purchased $54·5 millions; insurance companies, pension funds, etc., $176·7 millions; trust and mortgage companies, etc., $11·3 millions; colleges, churches, hospitals and charitable organizations, $3·3 millions; mining companies, $43·6 millions; other business firms and corporations, $298 millions; and banks, $3 millions.

Of the $3 millions purchased by banks, $2·5 millions were purchased by the Quebec savings banks and the remaining $·5 millions by the chartered banks. In the first victory loan the chartered banks had purchased for cash only $6·7 millions and in the second victory loan there were no cash subscriptions by chartered banks—although, of course, in both cases there were conversion subscriptions by the banks. I stress the insignificant volume of the purchases by the chartered banks because I fear the impression has been given in some quarters that the chartered banks have been among the largest purchasers of these securities. As the house knows, we have actively discouraged the participation by the chartered banks in the purchases of victory bonds except in those cases where a short-term, low interest-bearing bond was offered as part of a victory loan issue for the purpose of converting a maturing issue already held by the banks.

Mr. HANSON (York-Sunbury): Before the minister proceeds, will he say whether the statement covers dispositions and sales of victory bonds, say, by other investors such as corporations? My understanding is that a large number of corporations have sold their first and second victory loan bonds and others are still holding them for resale.

Mr. ILSLEY: The hon. member means, does it cover the number of sales?

Mr. HANSON (York-Sunbury): Yes.

Mr. ILSLEY: No.

Mr. HANSON (York-Sunbury): Of course that is the fly in the ointment.

Mr. ILSLEY: It is not very serious.

Mr. HANSON (York-Sunbury): It is not? Well, I think it is.

Mr. ILSLEY: I am tabling this statement. It follows:

First, Second and Third Victory Loans
Estimated Derivation of Subscriptions at Time of Issue

The attached memorandum contains the estimated derivation of subscriptions, at time of issue, to the first, second, and third victory loans. Figures in regard to the third victory loan are preliminary, as the final results of this loan are not yet compiled.

The subscriptions to each loan are divided into two broad classes, designated Individuals and Non-individuals.

The group designated Individuals includes two sub-divisions, described as special names and all others. Special names individuals represents subscriptions received from investors believed to be capable of buying $25,000 or more par value of bonds at the time of each issue. The group shown as all others represents subscriptions received in the general and employee canvasses. This group includes subscriptions from small commercial and non-profit bodies, the aggregate subscriptions from which would be relatively small in proportion to the total.

The Non-individuals section has been subdivided to show subscriptions from banks for their own account; government accounts; insurance companies, pension funds, etc.; and miscellaneous, this latter group reflecting, for the most part, subscriptions from business firms and corporations.

These data have been compiled by the National War Finance Committee from information obtained at the time of public offering of the three loans, and from other sources. The data should be regarded as estimates, and the results of the third victory loan should be regarded as subject to revision when final results of the loan become available.

CANADA

VICTORY LOANS IN 1941 AND 1942—ESTIMATED DERIVATION OF SUBSCRIPTIONS AT TIME OF ISSUE

(Dollar Figures in Millions)

Item	First Victory loan			Second Victory loan			(Preliminary) Third Victory loan
	Cash	Conversion	Total	Cash	Conversion	Total	Cash
	$	$	$	$	$	$	$
ALL SUBSCRIPTIONS	730·4	106·4	836·8	843·1	153·6	996·7	991·5
Individuals (1)	316·0	35·3	351·3	364·6	1·0	365·6	401·1
Non-individuals	414·4	71·1	485·5	478·5	152·6	631·1	590·4
Individuals—							
(a) Special Names	36·5	0·8	37·3	29·0	1·0	30·0	26·3
(b) All others (1)	279·5	34·5	314·0	335·6	.....	335·6	374·8
Non-individuals—							
(a) Banks—own account	6·7	42·5	49·2	.....	117·5	117·5	3·0
(i) Bank of Canada	.....	7·0	7·0	.....	1·7	1·7	.....
(ii) Chartered	6·7	35·5	42·2	.....	115·8	115·8	0·5
(iii) Quebec Savings	(2)	(2)	(2)	(2)	(2)	(2)	2·5
(b) Government Accounts	31·6	.....	31·6	47·1	.....	47·1	54·5
(i) Federal	9·9	.....	9·9	19·6	.....	19·6	22·7
(ii) Provincial	21·7	.....	21·7	27·5	.....	27·5	18·6
(iii) Municipal and school							13·2
(c) Insurance companies, pension funds, etc	95·5	22·2	117·7	125·6	23·9	149·5	176·7
(i) Life insurance companies	88·9	20·4	109·3	114·7	23·4	138·1	155·3
(ii) All other insurance companies	6·6	1·8	8·4	10·9	0·5	11·4	12·4
(iii) Associations, unions, pension and benevolent funds	(2)	(2)	(2)	(2)	(2)	(2)	9·0
(d) Miscellaneous	280·6	6·4	287·0	305·8	11·2	317·0	356·2
(i) Mining companies	39·1	.....	39·1	29·4	8·5	37·9	43·6
(ii) Trust companies, investment trusts, mortgage and loan companies and real estate companies	(2)	(2)	(2)	(2)	(2)	(2)	11·3
(iii) Colleges, churches, hospitals, and charitable organizations	(2)	(2)	(2)	(2)	(2)	(2)	3·3
(iv) All others, being practically all subscriptions from business firms and corporations	241·5	6·4	247·9	276·4	2·7	279·1	298·0

(1) Includes small commercial and non-profit bodies, the aggregate subscriptions from which would be relatively unimportant.
(2) Not separately calculated, included under sub-section *(d)* (iv).

WARTIME PRICES AND TRADE BOARD

STATEMENT AS TO RELATIONSHIPS WITH DEPARTMENTS OF AGRICULTURE, FISHERIES, AND MUNITIONS AND SUPPLY

On the orders of the day:

Hon. J. L. ILSLEY (Minister of Finance): The other statement I wish to make is with regard to the wartime prices and trade board.

There has in recent months been some discussion in the press on relationships between the wartime prices and trade board and the Department of Agriculture and during the past ten days the subject has been raised in the house. It seems desirable, therefore, to make a statement regarding these relationships. The occasion also presents an opportunity for announcing certain other changes in jurisdiction affecting relationships between the Department of Finance and the Department of Munitions and Supply.

The wartime prices and trade board was created by the government on September 3, 1939, with the responsiblity and the necessary powers to control prices and under wartime conditions to ensure adequate supply and equitable distribution of civilian goods and services.

During the earlier stages of the war the frequent exercise of its mandatory powers was not warranted by the circumstances, and the board in respect of the commodities under its jurisdiction was able effectively to control prices and ensure adequate supply by anticipating and preventing distribution shortages with the minimum use of formal orders.

As the war progressed, as we approached the stage of total mobilization, the board's powers were further extended and it became more and more necessary to exercise its formal powers of regulations. Fifteen months ago the stage was reached when far-reaching and almost universal controls of prices and of other aspects of our economic structure became necessary, if we were to avoid inflation and secure, so far as war conditions permit, adequate supply and equitable distribution.

In the development of these controls and of other controls in other government departments, it was inevitable that some overlapping should occur and some uncertainty of jurisdiction arise. Such a situation began to develop in 1941 between the wartime prices and trade board and the Department of Munitions and Supply, and this was clarified by arrangements made and announced in August of that year.

I think quite a number of hon. members still may not realize the tremendous inflationary pressure that has been developing in Canada during the past eighteen months and how severe and complicated a task it is to prevent these pressures breaking out into a violent and uncontrolled price inflation that would jeopardize our war effort. In spite of what we have felt to be very severe taxation, in spite of the tremendous and gratifying success of our loan and savings campaigns, the pressure of free consumer purchasing power on the necessarily limited supply of consumer goods shows few signs of diminishing.

During the complicated period of organization of these new price and supply controls in the past year, things have had to be done quickly, and one result has been a blurring of the lines of responsibility between the wartime prices and trade board and the Department of Agriculture. Let me say at once that there have been frequent and detailed consultations between the departments concerned, but time has not always permitted either party to assess all the implications of the actions of one upon the other.

In recent weeks this matter has been fully reviewed by the Minister of Agriculture and myself with the result that a full understanding has been reached between the wartime prices and trade board and the Department of Agriculture, overlapping has been eliminated and clear-cut responsibilities established.

The new definition of functions presents no substantially new alignment of authority, but clarifies the basic considerations which have always applied, but which under the pressure of events have at times become confused. Such clarifications of relationships are a frequent, almost continuous, aspect of governmental administration and do not normally warrant a statement to the house. In this case, however, there has developed a good deal of speculation in the press and in some instances this speculation has given rise to greatly exaggerated ideas of the administrative difficulties which have arisen. It, therefore, seems appropriate to advise the house as to what the relationships between the Department of Agriculture and the wartime prices and trade board are.

The wartime prices and trade board is responsible to the Minister of Finance and, subject to that responsibility:

1. It is responsible for estimating and defining the over-all domestic needs for food. Such estimates will be prepared and from time to time revised in consultation with the other departments or agencies concerned.

2. It is responsible for food imports and their distribution subject to existing laws and regulations.

3. It has the final responsibility in all matters of price.

4. It is responsible for all consumer rationing of foods.

The Department of Agriculture, on the other hand, is responsible for the primary production of agricultural foodstuffs, and it has certain functions to perform in the distribution of agricultural products. In order to clarify relationships with the wartime prices and trade board, the following working principles have been adopted:

1. The Department of Agriculture is responsible for seeing that the greatest possible production is forthcoming within the price ceilings established by the wartime prices and trade board.

2. If the desired production cannot be obtained within established price ceilings, there will be consultation between the Department of Agriculture and the wartime prices and trade board. Such consultation will include consideration of subsidies, price adjustments, or a decision to regard the estimated deficiency of supply as non-essential.

3. Recommendations to council respecting subsidies to primary producers will be made by the Minister of Agriculture. Consumer subsidies, however, that is those designed specifically to reduce costs to the consumer, will be the responsibility of the wartime prices and trade board but any such subsidies relating to agricultural products produced in Canada will be a subject of consultation with the Department of Agriculture.

4. Export of such foods as are made available under contract to the united nations (except wheat for milling or flour, which are under Trade and Commerce) will be supervised by the Department of Agriculture.

5. All other steps necessary and desirable for the encouragement of domestic food production by primary producers rest with the Department of Agriculture rather than the wartime prices and trade board.

In the matter of distribution the Department of Agriculture is responsible for any necessary diversion of meat products, dairy products, poultry products, and fresh or dried fruits and vegetables to the armed forces and other priority users in accordance with approved allocations. Distribution to retailers and to ultimate civilian consumers is the responsibility of the board. To avoid duplication of services and staff there will be the closest possible cooperation between the board and the department in the inter-area wholesale movement of foodstuffs for civilian consumption. Wherever possible the use of existing machinery and mutual use of employees and offices will be arranged.

Hon. members will see from this statement that the lines of demarcation are simple and clear. In essence, the Department of Agriculture is responsible for production by primary producers, for export arrangements under contract to meet the needs of Great Britain and the united nations and, where its field organization is already functioning, for inter-area distribution and transfer of supplies as required. The wartime prices and trade board is responsible for imports, and for wholesale and retail distribution. The board also has final responsibility in all matters of price and rationing. Wherever there are mutual interests, there will be the fullest consultation, interchange of information, and cooperation and mutual use of offices and staff.

In this statement I have dealt with the wartime prices and trade board's relationships to the Department of Agriculture. A similar clarification of relationships with the Department of Fisheries has also been reached.

Another rearrangement in jurisdiction with a view to clarification of duties and responsibilities has been arrived at between the wartime industries control board of the Department of Munitions and Supply and the Department of Finance, and has to do with certain domestic end products of a civilian character heretofore under the jurisdiction of the controller of supplies, and to the control over coal and wood fuel.

In the division of jurisdiction between the Departments of Munitions and Supply and Finance, more particularly between the wartime industries control board and the wartime prices and trade board, there is, as I have said, a certain amount of inevitable overlapping of authority, but in so far as it is possible to state a general principle, it is that jurisdiction over basic materials or end products, the principal use of which is for war purposes, should rest with the wartime industries control board, while those which are primarily of a civilian nature should be with the wartime prices and trade board.

Prior to the introduction of the price ceiling policy and the establishment of industry administrators by the wartime prices and trade board, a number of end products of a civilian nature were declared to be "supplies" and were brought under the jurisdiction of the controller of supplies, not because the end products themselves were direct war requirements, but primarily because of their critical material content. These items have now been transferred from the controller of supplies to the appropriate industry administrators of the wartime prices and trade board.

In line with the general principle the control of oil, electrical energy and gas rests with the

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Department of Munitions and Supply through the wartime industries control board, but coal and wood fuel have been with agencies of the Department of Finance.

At one stage in the development of controls this arrangement was satisfactory, but the growing shortages of coal and wood fuel emphasize the desirability of centralized control over all forms of fuel in order to facilitate production planning. Moreover production of wood fuel is closely related to the timber control under the Department of Munitions and Supply. It is therefore proposed to transfer control over both coal and wood fuel to the Department of Munitions and Supply, which will now be responsible for all domestic primary production other than agricultural or fisheries products.

When these rearrangements have been completed responsibility for primary production will be clearly established. The Department of Agriculture or Fisheries will be responsible for the primary production of food, and the Department of Munitions and Supply for the primary output of the mines and forests.

These rearrangements will also serve to clarify the authority of the wartime prices and trade board in the fields of civilian distribution and supply. The board is responsible for imports for civilian consumption, for manufacturing of civilian goods and for wholesale and retail distribution and has full responsibility in all matters of price and consumer rationing with the exception of gasoline rationing which remains with the Department of Munitions and Supply.

Mr. GORDON GRAYDON (Leader of the Opposition): In what material respect does that alter the relationship that has heretofore existed between the wartime prices and trade board and the Department of Agriculture?

Mr. ILSLEY: It is a clarification.

Mr. GRAYDON: It is a clarification, but is there any actual change in the relationship between the Department of Agriculture and the wartime prices and trade board?

Mr. ILSLEY: I do not think that I can give any further explanation than is contained in the statement.

Mr. GRAYDON: If it is a clarification, then there is no actual change in principle in the relationship.

Mr. ILSLEY: This is just one instance of the application of these principles. Certain producer subsidies have been paid. They have been recommended and paid by the wartime prices and trade board agencies and hereafter recommendations with regard to subsidies will come from the Department of Agriculture because of the clarification of their position as being charged with primary responsibility for agricultural production.

Mr. GRAYDON: It may be a clarification in the public mind of the relationship between the wartime prices and trade board and the Department of Agriculture, but the minister well knows that throughout Canada there has been a strong plea, particularly on the part of the agricultural interests, for the setting up of a food ministry and a food board under it to avoid the mistakes of the past which have led to the conditions that now exist. Did the minister in his statement really mean that there was to be some change in the relationship between the board and the Department of Agriculture? It seems to me that mere clarification is not sufficient to cover the situation as it exists.

CANADIAN WHEAT BOARD

QUESTION OF REFERENCE OF ANNUAL REPORT TO SPECIAL COMMITTEE

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I wish to direct two or three questions to the Minister of Trade and Commerce. On Tuesday last he tabled the report of the Canadian Wheat Board for the year 1941-42. I should like to know, first, how he proposes to have this report considered this year and what opportunity will be given members to get information with respect to it. May I suggest to him that the report be referred to a special committee of, say, ten or eleven, rather than to the agriculture committee, which was very unwieldy last year in dealing with the report. I wonder if he would take that suggestion into consideration.

Hon. J. A. MacKINNON (Minister of Trade and Commerce): The annual report of the Canadian Wheat Board is at present in the hands of the printers. I expect to have it for distribution to members by the end of this week or possibly to-morrow. It has been my intention to have the report referred to the committee on agriculture. I shall take into consideration the suggestion made by the hon. member for Qu'Appelle.

Mr. PERLEY: One more question. The minister announced last week the new policy with regard to marketing of production. Can he indicate whether there will be any special

bill with respect to the marketing of wheat this year, or will it be done by order in council?

Mr. MacKINNON (Edmonton West): There is no intention of introducing any special bill.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Monday, February 8, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Hon. J. G. GARDINER (Minister of Agriculture): Mr. Speaker, I rise to take part in the discussion of the motion which was so ably moved by the hon. member for Grey-Bruce, and seconded by the hon. member for Brome-Missisquoi (Mr. Hallé). I wish to join with all those who have spoken before me, and, I am sure, with all those who will speak after me, in expressing my own appreciation, and that of the people I represent in this house, of the clear and able manner in which those hon. gentlemen presented to the house their views on matters having to do with the carrying on of the most important task of this nation at the present time, namely, the prosecution of the war.

I rise this afternoon to answer the suggestion made in the amendment moved by the official opposition rather than to discuss the speech from the throne generally or to debate at length the amendment to the amendment moved by the leader of the Cooperative Commonwealth Federation group (Mr. Coldwell). My reason for stating that at this time is that a part of the amendment proposed by the leader of the opposition (Mr. Graydon) is to all intents and purposes a motion of want of confidence in the government, and particularly in the administration of the Department of Agriculture. Since this is the first opportunity that a minister has had to reply, I wish to confine my remarks largely to the part of that amendment which has to do with agriculture.

The criticisms which have been made by speakers in different parts of the house during the discussions have had some reference to matters which were dealt with a few moments ago by the Minister of Finance (Mr. Ilsley). Since a statement has been made covering those matters it is not my intention to go into them, other than to say that the line of demarcation of responsibility which has been indicated emphasizes the necessity of the Department of Agriculture giving even greater consideration from now on to the matter of production than has been given in the years since the war began.

The criticisms which have been made with regard to matters of policy have had to do largely with questions of production. Running through the speeches that have been made, there has been a suggestion of shortage in production of farm products. It will have been noted that in his statement the Minister of Finance refers to distribution shortages rather than to production shortages. I should like to put in another clause what we are usually referring to when we in this house and others outside the house speak of shortages. The clause I would rather use is this, that requirements for food increases have grown faster than production. There has not been a shortage of production in this country, nor has there been a shortage in the sense in which we speak of shortages in peace time. Whenever we have had sufficient production of any commodity in Canada to permit of exports we have always spoken of having surpluses. We have greater surpluses of farm products in Canada in that sense at the present time than we have ever had. It is scarcely correct, therefore, to say that we have food shortages in Canada.

I think a warning should be thrown out in regard to this matter for another reason. The amendment proposed by the leader of the opposition reads:

That the following words be added to the address:

We respectfully submit to Your Excellency that this house regrets that Your Excellency's advisers have failed:

(c) to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

I have before me an important publication known as *The Statist,* which is widely read throughout the English-speaking world and which is considered to be an authority on matters relating to production in the different parts of the English-speaking world. I should like to throw out a warning to hon. members as well as to publishers in Canada as to the effect of the kind of discussion we sometime carry on has upon those who are thinking of our position outside of Canada. The heading of this article is: "Anti-Inflation Measures in Canada," and the writer states:

But apart from wheat there is little surplus farm production and the people of Canada have, for instance, been asked to eat less bacon so that more can be shipped to Great Britain.

This statement fully understood may have no bad effect, but not fully understood it may give an impression in many quarters outside of Canada that we in Canada are suffering for lack of sufficient food for our own people and for that reason are not able to do our share in the war effort. I am sure no hon. member is desirous of having that impression go abroad, partly because of the assurance it might give to our enemies, and partly because of the difficulty it might create for those who are arranging the food supplies for the nations with which we are associated in the war. I would emphasize again the fact that never before in the history of this country has there been such a large tonnage of foodstuffs produced in Canada as is being produced at the present time. I am not saying that never before have we received as much for the produce of our farms, but I might even make that statement, and probably will before I have concluded my remarks. But at the moment what I am emphasizing is that in actual production of food, apart altogether from the price received for it by farmers, a greater tonnage is being produced now than at any previous time in the history of our country.

The question may be asked, how have we arrived at that position? We have done so because of the efforts put forth by primary producers in agriculture to meet the requisitions made upon them from time to time by the government of this country.

Here I should like to reply to statements of those who say that no direction has been given to the farmers. It would appear that the only persons who feel that way are those who do not occupy farms. We are being told from time to time, in periodicals and otherwise, that no direction has been given to our people. But the remarkable thing is that every year since the war began our tonnage of production has increased by leaps and bounds, and in every year since the war started we have met the objectives which have been set for our people at the beginning of the production season. Farmers seemed to know what they were being asked to do; they applied the necessary energy to the task and got the results. This is my reply to those who say there has been no plan, no direction, that nothing has been made known to the farmers generally to lead them to produce the things that are needed in the war effort.

In order to make sure that this information would go out to the farmers the government set up at the beginning of the war an agricultural war supplies committee. That committee or board has functioned since the beginning of the war. Nine conferences have been held, attended by representatives of provincial governments and of farm organizations throughout Canada. At every one of these conferences, held not later than December in each year preceding the year in which the crop was to be grown, these matters were fully discussed with provincial authorities and representatives of farm organizations. The first gathering was held in the early winter of 1939. The provincial representatives then went back and organized fully the provincial departments of agriculture, and some of them went out and organized farm groups, municipalities and counties, to assist in giving the necessary information to the farmers in the different sections of their province. Finally in December of this year we had a meeting at which we were able to take into consideration not only the requirements from agriculture in this country but the requirements from agriculture in the great country in the south, which joined in the war in the early winter of 1941. Having set up this board, we then entered into agreements or understandings with the countries fighting on our side The first agreements naturally were made with Great Britain. It will be recalled by hon. members that we entered the war along with Britain, in association with France. In the spring of 1940 France dropped out, and during the greater part of 1940 and 1941 Great Britain, with her dominions, stood alone in the war effort against the axis powers. During that period of time we entered into agreements with the British government, and made known the terms of those agreements to the farmers long in advance of their spring operations, emphasizing the importance of producing the amounts necessary in order that our own people and the people of Britain might be fed.

That was the second effort put forth in order to get production. We made an early announcement of policy. The other day I picked up a farm publication issued in Canada, edited by a man who visits the department perhaps more than any other publisher in Canada, and I was surprised to read therein that the farm policy for last year on acreage reduction was announced on the last day of the session. I directed attention to the fact that the legislation having to do with acreage reduction last year was introduced in this house on March 9 and was finally assented to on March 27.

I recite this only in order to indicate that the statement is made in spite of the fact that we have announced our policies in November and December of the year preceding the seeding; in spite of the fact that our legislation has been brought down early in the session, and in spite

of the fact that this year we brought it down so early, the leader of the opposition (Mr. Graydon) rose in his place to raise some objection based upon a statement which came from the west with regard to the announcement which was made on the first working day of this session. But I am happy to be able to say to the house to-day that the organization which met in Calgary met the government again to-day, and indicated in their statement that they have received an explanation from the Minister of Trade and Commerce (Mr. MacKinnon), who made the original announcement, which is entirely satisfactory to them.

So much for the announcements. The government has not stopped at planning and at making early announcements of the programme for the succeeding year; we have also given financial assistance by way of subsidies. I am not going to discuss the question of subsidies at any length, but assistance has been given by the payment of a part of the freight upon fertilizer, in order that farms may produce more than otherwise would be the case. Assistance has been given through the Prairie Farm Rehabilitation Act and the wheat acreage reduction scheme, in order to increase the production of grass and to bring water to land that otherwise could not produce live stock. Assistance has been given by paying part of the freight on feed grain from Fort William to eastern Canada. This freight and fertilizer assistance has cost the government from $10,000,000 to $12,000,000 and has been of great help in increasing production in various parts of this country. I should add that this assistance was not given only to the movement of grain eastward and the movement of fertilizer within the eastern section of Canada; it also has been given in the province of British Columbia. In recent months, since the United States entered the war, it has been the custom of officials of the departments of agriculture of the United States and Canada to meet from time to time and coordinate the efforts of the two countries in the production of the foodstuffs necessary to the most vigorous prosecution of the war by the allied nations.

Perhaps now for a few moments I might dwell upon the results of the efforts which have been made to obtain greater production. Someone has spoken of shortages. What is the basis of the production of all animal products in this or any other country? Is it not the feed available for the production of live stock? When one looks at it from another point of view one realizes that while wheat is the basic cereal food of the people of Canada and of those who live in Great Britain and the United States, there are many European countries in which wheat is not the basic cereal food. Barley, rye—even oats, in Scotland—are very important cereal food products in other countries. What is the position in Canada? Not only are our elevators bulging with the wheat that is stored in them; the bins of the farms are running over. Much of the coarse grain of this country is piled in heaps on the prairies, and some of the bountiful crop which was produced in Canada last year is not yet harvested. Still some people talk about shortages in Canada. We have wheat; we have oats; we have barley; we have rye; we have flax, all in surpluses so great that now the farmer is concerned as to how he can turn his grain into cash in order that he may go on and produce a crop next year.

I make that statement in order to emphasize another point. Last night the hon. member for Moose Jaw (Mr. Ross) delivered a speech which displayed a vision of the future upon which I think he is to be congratulated. But I should like to emphasize the fact that it takes eight pounds of grain to produce one pound of beef, and five pounds of grain to produce one pound of pork. Under emergency conditions a man can live just as long on a pound of grain as on a pound of meat. If the task before this country is that which was outlined to us last night, as I am sure it is, the task of storing in this country foods which will enable us to assist those who will be joining our ranks as we advance toward victory, there is no food product that can be stored in Canada which will do more in that direction than cereal products such as barley, oats, rye and wheat. In other words under emergency conditions a man can be maintained at least five times as long by feeding him grain than by feeding him meat products produced from the grain.

I mention this in order to indicate that we in this country are fortunate in being producers of a product which can be stored so easily. The great task before us at the moment, Mr. Speaker, is to produce food in order that we may assist in winning the war. And while I am hopeful that the war may end much earlier than I really think it will, basing my conclusions upon a survey of the world as I see it to-day, I think all will agree that we must put forth an effort in every line of activity in order to see to it that the efforts which have been made by Russia, and by United States and British troops in the northern part of Africa during the last few months, may materialize in a push in the future which will bring this war to an end earlier than we expect.

Having said this, Mr. Speaker, may I add that in spite of the fact that you can keep a man eight times as long on grain as you can keep him on beef fed from the grain, and five times as long on grain as you can on pork fed from the grain, in an emergency, over a long period you cannot have a balanced ration composed entirely of cereals for a people. When we look at the activities of Britain since the war began and match them with activities in this country, we must keep that thought in mind.

Prior to the war Britain was a producer of live-stock products in great quantity. She produced cattle. She paid a bonus on cattle for years before the war started, in order that people might import them and keep them walking around in the pastures for at least three months in order that they might be available in the form of fresh meat if necessary. But since the war started Britain has been insisting upon her people ploughing up the great pasture lands upon which cattle were pastured, lands which were the basis of the production of dairy products, and has insisted upon the production of cereals. The whole reason for this action arises out of what I stated a few moments ago. If submarine warfare is successful in blockading the British isles for a month or two months, cereal products during that emergency will keep a man much longer, pound for pound, than will meat products, or even dairy products, produced from the grain. Britain having taken this action in self-defence, she has said to those of us who are her friends and who are further removed from the scenes of battle, "Produce other necessities for us." And in spite of the fact that we can store foods in grain form cheaper and more effectively than we can any other kind of food, we are asking our Canadian people to produce meat—to produce pork, beef, cheese, butter; and milk which can be powdered and sent over to the British people at once.

What have we done? We have doubled the production of hogs slaughtered in this country. Seventy per cent of all hogs marketed in Canada are consumed in the British isles. When anyone says that there is a shortage of hogs in Canada, then I point out to him that we have a surplus of seventy per cent because of the policy being followed in this country at the present time.

What about cheese? At the beginning of the war we had a production of cheese which was very low as compared with present production. We started in with an objective of some time reaching 200,000,000 pounds. This is the amount of cheese we produced in Canada about the year 1900. We reached that 200,000,000 pounds, Mr. Speaker, this year. We reached that 200,000,000 pounds — and with what result? More than seventy per cent of all we produce is surplus and goes to Britain to help feed the British people, who in turn are growing cereals in order that they may meet any emergency which may be forced upon their country.

What about cattle? The other day when the Prime Minister (Mr. Mackenzie King) was speaking in the debate a question was asked him across the floor of the house. He stated that the reason for rationing of butter in Canada, and the reason it had been suggested it might be necessary to have rationing of beef, was that we had been attempting to fulfil our trade agreement with Great Britain. Since that time at least two hon. members, during the time I have been in my seat, have challenged that statement. One went so far as to say it was incorrect.

Anyone who understands agriculture as it is carried on in Ontario and Quebec knows that there is a close association between the price which prevails for cheese and butter, and the production of those two products. Everyone in the house knows, too, that when the price paid for cheese is 20 cents a pound, and premiums and subsidies on top of that bring the price up to 24 cents a pound, a price lower than 40 cents for a pound of butter will not bring about an increase in its production in this country.

If we go back to the year before last, what do we find? Every agent from Britain who came to this country, every person who discussed the question on this side of the Atlantic, and every agent of ours who went to the other side and brought back a message to Canada, stated that Britain required cheese and wanted it even as against butter. We have shipped no butter to Britain since the war started. But butter is made from exactly the same kind of milk as is cheese. And when we pay a price in agreement with Great Britain which induces the production of cheese at the expense of butter, of course we render necessary the control of the consumption of butter in this country. This is exactly what was implied in the remarks of the Prime Minister the other day.

When I attempted to correct a statement made in the house by the hon. member for Souris (Mr. Ross), he said: But I am talking about beef. Well, the same is true, in another way, with regard to beef. When a man sits down to his dinner table and finds on it a roast of pork, unless he is a Yorkshireman he probably does not find a roast of beef there too. If he is a Yorkshireman he may also find the beef. However as a rule when we eat pork

we do not eat beef, and when we eat beef we do not eat pork.

We were exporting 300,000 head of cattle—heavy cattle, light cattle, calves, and breeding stock—to the United States at the beginning of the war. And we were exporting just as many the year before last as we exported in any previous year. Last year, down to the first of July, we exported more cattle to the United States than we had in preceding years. We exported 121,000 head of beef cattle in the year 1942 to the United States, and there have been no exports since about the month of September. I give these figures to indicate that even in the matter of beef it is not a question of a shortage in this country. It is a matter of a transition from a period when we were feeding two-year-old steers for market in this country to a period when we are feeding three-year-old steers to be marketed one year later. That we are not able to get on our tables the kind of beef we desire is not because there is a shortage of beef in Canada, but because that six-months' period is required in order to make the transition from one form of feeding to the other. While, therefore, we have found it necessary to close off exports to the United States and to cut down on the consumption of pork, both have been made necessary by the fact that we must ship more and more bacon and ham to Great Britain in order to assist in feeding the British people.

May I say a word or two about some of our other products? What shortages have we in Canada? Certainly we have no shortage of apples. We have been begging every country in the world to take apples, ever since the beginning of the war. We have begged every country into which we could ship our products under war conditions. It certainly has not been beans. We have been coaxing the British and United States governments to take more beans from this country, every year since the war started. It certainly has not been potatoes. One member who raised the question in the house cabled me when I was in Britain in 1940 to ask if I could not get an order there for potatoes, pointing out we had a surplus of potatoes in this country. But when I came back and told him that they were growing potatoes over there in every backyard and had millions of bushels of them, he realized, of course, that potatoes were a surplus in this country; and, Mr. Speaker, in spite of the remark made yesterday by one hon. member, potatoes are still a surplus in this country. Every potato grower knows that; every wholesaler knows it. Some difficulties in distribution have to be ironed out; there are always difficulties in distribution when you attempt to impose upon the people controls to which they have not been accustomed. But when those difficulties have been ironed out the distribution of potatoes in this country will meet the demands of the people of Canada.

Let me repeat; we have surpluses in all these important staple products in Canada, and these surpluses are being utilized to assist the allied countries in feeding their peoples. We shall have food when we have crossed the boundary lines of countries which are now enemy occupied. We shall have food produced in those countries when we have advanced far enough into them to permit of agriculture being carried on behind the lines. The food of our own people in surplus and the food of these people of Europe will be used to assist the allies in winning the war through food as well as through the use of bullets and machines of war.

But there has been one limitation upon the production of the kind of food our allies require during the years since the beginning of the war. In spite of all the effort that we could put into it there was a limit upon production, and that limit was the feed available. We had had a series of poor crops across Canada in the years immediately preceding the war. We had another poor crop in Canada in 1941. When I say to this house that on July 31, 1942, there was only one month's supply of feed in Canada, it will be realized what the limiting factor was in 1941-42. It was feed. Even had we had ten times as much labour as we had during that period we should not have been able to raise more live stock, we should not have been able to finish more live stock unless we did what was advised by some people, namely, to feed our wheat. I do not know just how many farmers there are in this house, but every farmer here knows that there is a limit to the amount of wheat that you can feed to live stock. Everyone knows that if you attempted to keep horses on wheat you very soon would not have any horses. Everyone knows that if you attempted to feed cattle on nothing but wheat, unless you had an expert doing it, you probably would not have cattle very long. Perhaps this does not apply in the same measure to the feeding of hogs and chickens; nevertheless even there a proper rationed feed will do much better for the stock, for the farmer and for the country than the feeding of wheat itself.

What has happened with respect to wheat? We fed twice as much wheat in 1942 as we had fed in previous years. We gave special freight rates on wheat shipped to the east for feeding purposes. Wheat was fed from one end of the country to the other until the amount fed in that year was double the amount fed in preceding years. In spite of that fact

on July 31, 1942, we had only one month's feed supply on hand. Members will tell me that that was not so bad because we had the best crop standing that we have ever seen grow in Canada. But we did not know that when we bred the sows in December of the preceding year. We did not know it when we bred the cows in 1941. We did not know it when we were deciding whether to sell our milk to a cheese factory or to a creamery in the spring of 1942. We did not know until well on in July that we were going to be able to harvest that crop and make it available to the people of this country. So that the limiting factor down to the first of August, 1942, was our supply of grain.

But the government did not wait until 1942 to start to do something about that. We brought regulations into this house and we stated that we were in a hurry to get them through because of the necessity of having feed grain planted instead of wheat. What happened? The house held those regulations up day after day, and it was only by herculean efforts on the part of members, especially of the government, that we were able to get them through the house in sufficient time to let the farmers of western Canada know what was expected of them. That was in the spring of 1941. We repeated that action in the spring of 1942, and with what result? The result was that our lands in western Canada were cultivated in the manner in which they should always be cultivated, with a very considerable percentage of them under summer-fallow. When we sowed coarse grains and wheat on summer-fallowed lands in the spring of 1942, and when we had favourable weather conditions, even with a reduction of seven million acres in wheat in western Canada, we produced more wheat that year than we ever produced before.

What was our limitation in 1941-42? Our limitation was feed grain. We had twice as much feed grain when we harvested our crop of 1942 as we obtained from our crop of 1941. So that through the policies of this government—

Mr. COLDWELL: And the rain.

Mr. GARDINER: And the rain, yes. So that through the policies of this government—and I might say, Mr. Speaker, that the government always likes to work along with those who send the rain—we had the land ready, and one only has to read the scriptures to find out what that means: if you have your land prepared well in advance and your seed planted at the right time and the showers come and the sun beats down upon the land, you get a crop. And that happened in 1942.

In the spring of 1942 when those who represented the farm organizations came to Ottawa, they asked a natural question: What is the government going to do to assist eastern farmers to get feed grain? When you were putting this measure through the house in 1941, members expressed the fear that you would so glut the market with coarse grains that we would be unable to market ours in eastern Canada, or that if we fed those grains to live stock in western Canada we would have so much live stock that we would not be able to market live stock produced in eastern Canada. I must say this for those representatives, that almost without exception the men who said that in 1941 got up in 1942 and said that they were wrong in 1941 and that they were going to join with the government in its policy of 1942 of attempting to get meat supplies and oil supplies to send to our allies in this war.

Let me repeat: it was not hindsight on the part of the government that got the results in 1942; it was not lack of planning; it was not that they did not give information to the farmers across Canada. The results that were obtained in 1942 were based upon the sound policies which had had their inception at the beginning of the war and have been developed constantly from the beginning of the war down to the present time. Might I say that the announcement made to-day by the Minister of Finance is just another indication that the government is keeping abreast of the situation in connection with production across this country.

Then I think I hear someone saying, If there is no shortage, why did you need rationing of butter? Why did you need to talk about rationing of something else? I should like to tell a story which illustrates a point. When I was in Washington in January I met a man who turned out to be a newspaper reporter. Newspaper reporters are usually looking for information; and he said this to me, "I notice you have rationed butter in Canada." I said, "Yes, we have." He said, "What do you mean by saying you have rationed butter? I notice you are giving your people twenty-six pounds per head." I said, "Yes. They were eating thirty-two pounds before." "Well," he said, "that is far more butter than we eat down here. Our figures indicate that we eat only half that much." Well, I brought up a question which has been mentioned in this house from time to time—the consumption of oleomargarine; and he said, "Oh, but that makes up only about one-eighteenth of the

amount." We went on discussing the matter and finally agreed that there is a great deal of vegetable oils consumed all across the south country, consumed on vegetables instead of securing fats from animal production, but having the same results. After we counted all the figures we found that the individual on the other side of the line is eating about the same amount of butter plus oils as the individual in Canada eats of butter plus oils. So that when we talk about dealing with our people on this side of the line in the same way that they are dealing with their people on the other side of the line, we must take all the facts into consideration. It is not sufficient to say that in the United States they are rationing a product down to a certain level, and that therefore it must be rationed down to the same level in this country. We must take all the substitutes into consideration, and having done so, I believe every hon. member will agree that since we are in this war together we cannot build up on this side of the line a condition in relation to the feeding of our people which differs from the condition on the other side of the line, without creating a wrong impression. There may be a necessity for rationing to make greater supplies available to our allies even if there is no shortage of food products.

Or go, as I did a few months ago, to Britain. The British said to us: We want so much of a certain product if you can give it to us; and ever since the beginning of the war this government has taken the position that if it is at all possible to give Britain or any other of our allies the food supplies necessary to the winning of the war, even if it means a regulation of the supplies to our own people, we prefer to give those supplies to the men and women who are in the front line of battle and fighting or suffering attack from day to day.

Again, Mr. Speaker, if it were not for rumours, if it were not for the publicity given to what are sometimes facts, we might not need to ration in this country. When a housewife goes to the butcher shop in war time and finds that she cannot get the cut which she desires from beef, or probably any beef at all, and the butcher says, "You might take lamb, or chicken, or turkey," somebody learns of that and writes it up as a story—usually not the housewife; usually someone else. In peace time what did we do under similar circumstances? We walked down the street a half-mile to another store and usually were able to find, if not exactly what we wanted, a reasonable substitute therefor. If we were doing that to-day in respect of food products we would not have as much agitation for rationing as we have. But even if we do the very best we can, even if we kill every rumour at its inception, when it is decided to cut down the supplies to the civilian population to absolute necessities there must be some kind of regulation of distribution, otherwise some will be left with nothing and others will have too much. So that it is not necessarily shortage in production which brings about rationing; it may be a shortage occasioned by the methods or incidence of distribution. We have had rationing of tea, of sugar and of coffee. All these are products which are produced in large volume outside this country and shipped in, and we have rationing because of an interference with shipping between those countries and Canada brought about by the war. Exactly the same reason brought about rationing at the beginning of the war in Britain, and in the end will bring rationing of some products in most countries.

Someone else says that labour has been a limiting factor in the production of our farms. I have been reviewing the speeches of hon. members opposite in other sessions, and I find that in every session since the war started there have been men on the other side of the house who have said that because of a labour shortage on farms it will be impossible to reach the objectives set by the department. One of those hon. gentlemen has already spoken in this debate and has made the same statement. He made it in 1941 and 1942; he has now made it in 1943. On each of the other occasions, in spite of any shortages of labour there may have been, we did reach those objectives. When anyone asks me whether labour is a limiting factor in production on farms, I say: it has been a limiting factor on a certain type of farm ever since the war began. And what type of farm is that? It is the type of farm from which every last son joined the army or the air force or the navy in the first weeks of the war. Why did they do it? They did it because they thought it was the most necessary thing to do at that time in order to bring this war to a successful conclusion as soon as possible. I am sure that we will all agree that while they may have left difficulties upon the farm, they are entitled to the thanks of this house, of the Dominion of Canada, and of the allied nations generally for the attitude they took. There is still a labour shortage on many of those farms.

There is another type of farm on which there has been a labour shortage ever since the war started. That labour shortage did not begin with this war; it started on exactly the same kind of farm as that from which all of the sons who were engaged in agriculture enlisted in the last war. At that time their

fathers and mothers were in their late thirties or early forties, and they were able to carry on the work of the farm. Many of those boys did not come back, and in some instances, because they did not come back, the fathers and mothers, now from sixty to seventy years of age, are still on the farms attempting to carry on. They are in a classification which was referred to this morning by a delegation that met the government, when it was suggested that these people should be encouraged to dispose of their farms and get others on the land who could produce more effectively because of their younger years. The government has gone so far as to record all the people in Canada who are in that classification, and I think I said to this house last year that there are about seventy thousand farms in Canada occupied by persons over sixty years of age.

Labour began to be a limiting factor in certain industrial areas adjacent to cities in the second year of the war. You will recall that in the first year of the war there was a great deal of uncertainty, particularly during the first six months, but in the latter part of the first year industry was organized, and in the second year of the war men rushed into plants from farms surrounding industrial centres. I would ask hon. members the question: what did this house want them to do? I reply by stating that while I was not one of those who were fully convinced before I went to England in the fall of 1940, I came back to this country convinced that every possible man and woman in Canada had to be got into a plant that might produce munitions of war, or machines or ships, at the earliest possible day, if we were to win the war. We did not as a government go out and tell the farmers not to go into plants. We did not say, you must not go. We encouraged them to go, and if any member is able to stand in this house, as a member did the other night, and point to the production of munitions and supplies in Canada as one of the greatest accomplishments of this war, it has resulted from the fact that these men and women were not prevented by any means, directive or otherwise, from going to these plants and producing in volume at the earliest possible time.

What has been the result? Not long ago I was speaking in Saskatoon to a group of farmers. I had been asked the question that I am putting here, a question that has been asked in the house on numerous occasions since this debate began: Is there going to be an over all farm labour shortage this year? I had to say that we had been building up our objectives year after year while the number of persons on the farms has been going down year by year; we have not yet reached the peak of production under these conditions, and until we have done so I cannot say with absolute assurance that lack of labour will prevent us from reaching our objectives this year. I have this to say as well—and every member of this house, on both sides of the house, knows it is a fact—for eight years before this war started, there were boys and girls brought up on farms who never intended to remain on the farm. They had been directed, from their childhood up, towards some other activity, but they found it impossible to get off the farm. While we counted our unemployed in Canada at one time at something in the neighbourhood of a million, if we had counted the young men and young women who were on the farms unemployed, or partly unemployed because they could not find employment elsewhere, the figure would have been increased by the 250,000 or the number who have left the farms and gone into industry and elsewhere. With regard to overall production, our farms to-day, with these 250,000 gone, are producing more than they ever produced before.

I have eulogized the old people who have been left on the farms and the boys and girls who have worked on the farms. I have spoken of their long hours, beginning at four or five in the morning and ending at ten o'clock at night, particularly for the mothers. That does not answer anything. It should not be necessary to work from four in the morning until ten at night to earn a living on a farm, and that is one of the things which we must remove in that glorious day so many talk about that we are going to have after the war. I hope we shall be able to remove the necessity for some of these long hours. But whether we eulogize them or not, the fact remains that they did the job and produced the food, and they are going out this year to attempt to do the same thing.

A delegation of men came to me and said, "We produced every bit of live stock and dairy products last year that we could produce with the labour on our farms." I said, "What are you here for?" They said, "What do you mean?" I said, "We are not asking you to produce any more. If you are producing all the live stock on your farm that you can possibly produce with the labour you have, nobody is asking you to produce more with that labour; but the fact remains that right in Saskatchewan one-fifth of the area is delivering only one hog on the average from every two farms, and I want these people to feed more hogs." These men said immediate-

ly, "Well, that puts a different light on the whole thing." And of course they will go back home and try to encourage their neighbours to produce more, and they will be encouraged by the provincial government.

I have listened to one or two stories in connection with the labour position, and they remind me of many letters that I receive in my office. People write to me about the difficulty they are having in increasing production, and I realize that it must be difficult. A man tells me he is sixty-nine years of age, and his last son has joined the army. I know he is having a difficult time; no one needs to argue about it. When I hear stories such as were told in this house yesterday to the effect that there are families in some of these neighbourhoods where there are three or four still on the farm, none of them having gone, I know what it means in that neighbourhood. But the stories I like to tell are of the opposite kind, taken from the neighbourhood with which I am most familiar. I know one Yorkshire Englishman who has seven sons. On the day he got word that one of three who had already joined the forces had been shot down over the North Sea the fourth took the train to take his place in the forces, to take that brother's place. These are the stories I like to tell. I go five miles away from that place and find another farmer, a German, who worked his way out of Germany at the age of nineteen to avoid being called up for military training. He also has seven sons. Six of them are married and three are in the army. He is alone with one daughter working the farm and making no complaints about it. He is saying, "This is my job." These are the stories I like to hear from western Canada.

Western Canada creates situations which make possible hundreds of stories of that kind. I know of districts that are largely foreign-speaking, from every family in which someone has enlisted in the armed forces. I know of districts too where the casualty list, if placed before this house, and compared with the number of non-English-speaking people that live there, would convince us as to where the recruits came from, even those who have given their lives already in this war. These are the stories I like to tell.

But I am forced by the statements that have been made in this house to deal with another situation. I am told, times without end, both by letter and by members of this house, that some of our boards that have been dealing with the question of man-power have not dealt with it in the interests of the farming population. Sometimes I am inclined to agree that there may be some truth in what they say. But again I am reminded, every time we have a delegation to Ottawa from farm organizations, and almost every time someone gets up in this house to criticize the activities of the government, that when we are appointing boards we ought to put farm representatives on them.

All I want to say is that the board that has been most criticized in this house and the one about which the most stories have been told is the only board I know of in Canada of which the president of a farm organization is a member. I should like to add that that board was at first composed of a judge and a member of the provincial legislature who is also a returned soldier and the leader of a political group that is not Liberal. When the administration of these regulations was taken over by the Labour department he personally suggested he would prefer not to be a member of the board because his business took too much of his time; he was prepared, however, to act as an *ad hoc* member or remain as he was and sit whenever he found it possible. From that time up to last week I think he did not sit on the board. The judge asked for another representative, choosing him because of his association with farm organizations. In order to be fair I must say I do not think he went to the farm organization and asked for recommendations, but he did select a man and recommend him to the minister, saying he would like to have him appointed because of his associations with agriculture. I know he is quite a capable man. His name was submitted to me, and I was asked whether I knew him. I said I did and that he was working for a farm organization, and he was appointed.

That is the board that has been sitting on these cases, composed of a judge; a president of a farm organization, the only educational farm organization in that province; and an employee of a farm organization in Saskatchewan.

Mr. COLDWELL: If I may interrupt to ask a question, is Mr. Milliken still on that board?

Mr. GARDINER: Mr. Milliken was not on the board. He was the representative of agriculture appointed to place cases before the board.

Mr. COLDWELL: Has he resigned?

Mr. GARDINER: Yes, he has resigned, partly because of the difficulty he experienced while he was there.

These questions of course come up when I am in the west, the same questions as are brought to the attention of other hon. members who

come from the west. I have discussed them on a number of occasions with persons who ought to be able to rectify the situation. On coming back to Ottawa I made representations to the Minister of Labour (Mr. Mitchell), and the minister had his deputy send out a letter which I am going to read to the house in order to have it on *Hansard*, because it states more clearly than I could otherwise the policy of the government in relation to this matter.

The letter is dated Ottawa, February 1, 1943, the beginning of this month. It happens to be addressed to Mr. Justice W. T. Henderson, chairman of the mobilization board at Toronto, but the same letter went to the chairman of every board. I would like to recall to hon. members that this matter was turned over to the Labour department on December 1, so that after all there has not been any considerable delay in the minister's taking action upon it.

This is the letter:

Dear Mr. Justice Henderson,

All will agree that uniformity of method in dealing with various problems by each of the mobilization boards across Canada is very desirable.

After conferring with the man-power committee of the cabinet it has been decided that interpretative letters will be sent out from time to time indicating in some detail the policy in respect to the various phases of the national selective service mobilization regulations.

This is the first of such letters which will be issued by the labour department.

The growing scarcity of agricultural labour makes it increasingly important that essential agricultural workers be encouraged to remain on farms.

In the following the policy in regard to agricultural farm workers is briefly outlined:

(1) An agricultural worker is, of course, free to volunteer for active service.

(2) It is the intention of the regulations that agricultural workers are to be retained in agricultural employment as far as practical through the national selective service (civilian) regulations. To the extent that their services can be spared from the farms during the "off-crop" season they are to be encouraged to take temporary seasonal employment in lumbering and logging, forestry, fishing, coal and base metal mining, and acceptance of seasonal work in such industries does not deprive men of their right to postponement as agricultural workers providing they return to farm work when the season re-opens.

(3) Agricultural workers are to be discouraged from taking employment outside agriculture except in the primary industries indicated above. If they leave agriculture without a permit from a national selective service officer contrary to the regulations they of course lose any special rights to claim deferment as agricultural workers.

(4) Farm workers who apply for postponement of military training are to be granted postponement until further notice.

[Mr. Gardiner.]

In passing I call the attention of hon. members to the fact that in the regulations the word used is "shall"—that "the board shall". It also provides that the decisions in connection with these matters are to be made by a quorum of the board. The board consists of three members, and two form a quorum.

Mr. TUSTIN: Will these boys continue to be called?

Mr. GARDINER: I am just coming to that:

Farm workers who apply for postponement from military training are to be granted postponement until further notice, unless it is established that the applicant is not an essential worker in agriculture. The regulations it should should be noted do not require the farmer to produce proof that he is an essential farm labourer. If the board doubts that a man is an essential farm worker, even though postponement until further notice is given, it can always exercise the right to deny postponement by calling such a man before the board when established facts are presented.

The statement and the inference of the statement is that if the man is given postponement he is not called again at least until the regulations are changed or until the board is able to show that the information he gave was not correct.

Mr. COLDWELL: It is up to the board to prove that he is non-essential?

Mr. GARDINER: Yes.

Mr. HANSON (York-Sunbury): May I interject? It is a most interesting statement the minister has made. Is he able to tell us how often applicants are called before these boards? Because I have never heard of a single case in New Brunswick where an applicant actually appeared himself before the board.

Mr. GARDINER: I think my hon. friend will agree that he has a better knowledge of legal matters than I have, but a man can appear by letter, and most of them do appear that way.

Mr. GRAYDON: They appear personally too.

Mr. GARDINER: There are men who appear before some boards personally. To continue:

If a worker who upon receipt of "order—medical examination" claims to be an agricultural worker but is not considered by the board to be essential to the operation of a specific farm—

This is just as important as the other, and I wish hon. members would listen. If he is called and not given the postponement—

—the question then arises as to whether or not he is essential to agriculture in the district.

If agricultural labour is needed in the district, he should be given an opportunity to place himself in a position where his services would be essential to agriculture on some other farm; or in the alternative to increase the production of a specific farm. The board could give a deferment for three months instead of "granting postponement until further notice" in order to give the man an opportunity of finding essential work.

This, read along with the other, indicates that the cases in which limited time should be given are those in which an effort is being made to distribute farm labour, not merely to retain it.

Mr. COLDWELL: Is that the district over which the board has control or the district in which the man resides?

Mr. GARDINER: There is no further definition given. These are the directions which have been issued, and it will be remembered that the boards have been asked to make any comments they wish, and those will be discussed. I would imagine it would be a different area in different places.

The next provision is new:

6. A person who may not have been employed in agriculture on March 23, 1942, but who has become engaged in agriculture since that time, and is shown to be essential to agriculture, may be considered for postponement on application if the merits of the case are established.

Mr. GRAYDON: Since what time?

Mr. GARDINER: This was issued on February 1.

Mr. HANSON (York-Sunbury): That is the case where the father buys a farm for the boy and makes him a farmer. Pretty dangerous.

Mr. GARDINER: I would rather recite the other type of case again, that it is for the boy who left the farm purposely to enter into a munitions factory, but now that food is considered more necessary in that community, he desires to come back. If he can establish these facts I think the board would be justified in taking action.

The next provision is:

7. Conscientious objectors, including Doukhobors, Mennonites and others, who receive postponement of military training until further notice and are agricultural workers should not be directed to report for alternative service so long as they are employed in essential work in agriculture.

8. Application for leave should be invited from agricultural workers engaged in alternative service, and such applications should be given favourable consideration.

It is felt that if the above principles are followed by all boards the increasing difficulties in maintaining essential farm production will be greatly alleviated.

Any comments and suggestions any board may wish to offer regarding the above principles will be appreciated.

That is signed by A. MacNamara, director of national selective service, and approved by the Minister of Labour.

Mr. GRAYDON: I should like to ask one question with regard to the dimensions of the areas mentioned there. That has a direct bearing on the whole question of the distribution of labour, because if it is confined to only the small area where the man resides, perhaps it will not meet the requirements that are so necessary. Possibly the minister might amplify that point.

Mr. GARDINER: Of course the minister would hope that this would be administered by the boards in a reasonable way, as I am sure it will.

There is just one other matter with which I wish to deal for a few moments, namely, the question, is price a limiting factor? That question has been discussed here from time to time, and the statement is frequently made that British and United States prices are higher than ours. Well, the statement could be made with equal truth that Australian and Argentine prices are lower than ours. For that reason I should like to place before the house for its consideration the fact that our position is not on all fours with either the United States or the British; neither is it on all fours with the Argentine or the Australian. We occupy a position somewhere in between. The United States and British position is affected by their dense population and by the nearness of Britain to the war itself. The position of the Argentine and Australia is affected by their distance from the places where the supplies are required. On the other hand we have a sparse population and large agricultural areas, and are located closer to the scene of battle than any of these other countries. Therefore our position is a little different.

I should like to remind hon. members that many things have been done by the government to assist the price position. Last year, as was stated the other day, we made a billion dollars available to the British government; and the fact that this amount of money was provided, whether it was used directly or indirectly, made it possible for us to dispose of our food products to Britain

with much better results than otherwise would have been the case. Then the government has added to those returns by means of subsidies in certain cases, with which I am not going to deal at the moment. But now I come to the point which has been up for discussion year after year. It was brought before us to-day by the farm federation; it has been brought up in this house by a number of hon. members since the session opened, as it has been brought up continuously throughout the country. I refer to the demand for parity prices on farm products. No one has ever contended that we have parity prices on grains in Canada as compared with any other period that may be used as a basis. Those in this country who first asked for parity prices on farm products said that what they meant by parity was the same purchasing power for what was received for the product in the year in question as prevailed on the average during the period from 1926 to 1929. Recently that has been changed to some extent; some are saying that because we have taken as the basis of the wage position the highest wage in 1926-29 we ought to take the highest price in 1926-29 for farm products. But may I read the basis on which we have discussed this question year after year:

Parity definition: Parity price is the price of the commodity which will give a purchasing power with respect to articles the farmer buys equivalent to the purchasing power of such commodity in the base period.

The base period we have taken in working out the figures I am going to place upon *Hansard* is 1926-29, and the figure is the average figure for that period. On wheat we are down 54·5 cents; on oats we are down 9 cents; on barley we are down 12·2 cents, and on rye we are down 38·5 cents. I come now to flax, on which we are 25·5 cents up. On butter we are ·4 cents up; on cheese, 6·1 cents up; on eggs 1·3 cents down; on steers, ·24 cents up, and on hogs, ·67 cents up. In other words, on all animal and poultry products listed here, with the exception of eggs, we are, on the basis I have just suggested, above parity. This means that for flaxseed we are 112·8 per cent of parity; on butter, 101·2 per cent; on cheese, 133·2 per cent; on eggs, 86·6 per cent; on steers, 116·93 per cent, and on hogs, 105·92 per cent. Let me repeat that some of those coming before us now would dispute the fact that we have parity prices because they have somewhat shifted the basic position. In fact, some contend that they at no time took any other position but that we should start with the highest price during that period, and of course if you start with the highest price it means that on all live-stock products, I think, with the exception of cheese, we shall be slightly below parity.

Mr. NICHOLSON: Has the minister the average for the entire group of commodities?

Mr. GARDINER: No, I have not, but it can be worked out from these figures.

In conclusion, Mr. Speaker, I should like to say that those of us who have been speaking on agriculture have been emphasizing the necessity for increased labour during the coming year. I am going to repeat that I have not been convinced by any arguments I have heard in the house, nor am I convinced by our experiences of the past, that we cannot reach the objectives which we have placed before the farmers of this country for this fourth year of war. There is a possibility, however, that we may not reach those objectives, and I wish to emphasize that if we do not do so, it will not necessarily mean that we have not done everything possible in Canada to help win the war. At some period we shall reach the time, on account of either lack of feed, lack of proper weather conditions, lack of labour, or lack of all three, when we shall be producing everything we possibly can produce, with the facilities that are available to us for the production of food products. And when we are doing that, in so far as food is concerned we are holding up our end in the war activities.

In the first year of the war—the first six months of the war—we were piling up surpluses which no one wanted for the time being. Then, when France fell, we found ourselves in the position where these surpluses were useful. We have gone on producing more and more every year. And for every ton we produced we could find some use, with the exception, of course, of some of the products I enumerated earlier in my speech. They are not the most important food products we are producing in this country. Again, of course I must make an exception of wheat.

We now hope that we are at a time when our armed forces in the field, and those of our allies, can be equipped and supplied with munitions. Probably there is some reason for thinking that, with the support of all the great allied powers, and all their industry, there is reason for placing greater emphasis upon production on the farms than we have been placing during the second and third years of the war. The government has put out directions on farm labour as an indication that it believed that such a time had come when the regulations were put out in March.

Having said that, may I say this, that the greatest job to be done in connection with this war is still to be done on the battlefields. As Minister of Agriculture I am going to make an appeal to every farmer in Canada to produce this year all he can with the labour available, and I am going to make an appeal to the government—and I am sure it will be listened to—to provide as high returns as possibly can be given for the commodities that are produced, always keeping in mind the fact that funds must be found for other things, as well as for paying for food.

Some hon. MEMBERS: Oh, oh.

Mr. GARDINER: My hon. friends over here smile when I say that. Well, I have known many people in my lifetime who did not seem to know the value of money; and I have never known any of them to improve their position by laughing. After all, money is only the means by which we measure the real wealth, the things that are produced in the country. If we have the parity prices which have been asked, we are of course giving what has been asked by those who are most concerned. If in some other direction parity has not been given, and if that applies to those foods which are going to be surplus at the end of the war, I would suggest that we are not yet in a position to determine whether farmers will obtain parity. That cannot be fully determined if their labour has resulted in the production of grain which may be fed or required by allied countries toward the end and following the end of the war.

I think hon. members will agree that the government has been keeping a fairly close check on all three activities necessary to winning the war. In so far as the battlefront is concerned, only one thing will bring about the defeat of our forces. If we have not a sufficient number of men at the spots attacked most heavily by the enemy—and they may choose some of the spots at which they are going to attack—if every man is not supplied with the best equipment which can possibly be supplied, and if every bit of that equipment is not supplied with the best ammunition possible of production the allies may lose. If we do not permit any such deficiences, and if we place behind those forces the food necessary to feed them, and supply the food necessary to assist in feeding the British people, the food necessary to assist in feeding the people in North Africa, and the food necessary to assist in feeding the people in the countries on the continent of Europe, once they are won back to the side of the allies, we shall have accomplished all that is possible toward the successful conclusion of the war.

Mr. COLDWELL: Mr. Speaker, I rise to a point of order. I am sure no one wished to interrupt the minister during the exposition which he made of government policy. But I would point out that the minister has had one hour and twenty-five minutes in which to speak.

Mr. GARDINER: Within the rules.

Mr. COLDWELL: I do not think the minister was within the rules, since the Prime Minister (Mr. Mackenzie King) spoke on behalf of the government, following the leader of the opposition (Mr. Graydon). If the privilege is going to be extended, then I think it should be extended with the consent of the house. Other hon. members have been interrupted and called to time when forty minutes has expired.

Mr. MACKENZIE KING: My hon. friend, will recognize that the Minister of Agriculture (Mr. Gardiner) was replying to his amendment, as well as to the amendment which had been moved earlier. And as a minister replying to an amendment containing additions he is entitled to whatever time he wishes. As a matter of fact the minister, if anything, was considerate in being as brief as he was.

Mr. COLDWELL: Is every minister entitled to make a reply for the government?

Mr. HANSON (York-Sunbury): Mr. Speaker, I raised no objection at the time to the minister's speaking for more than forty minutes, because we will all agree that it was a most interesting and instructive statement; and from the standpoint of view of his party I have no doubt it reflected great credit. However, I wondered about this question.

I rise now only for the purpose of asking for a clarification of the point. Standing order 37 was passed on March 22, 1927. I remember the committee which framed it. I should like, however to ask how many ministers can reply to an opposition amendment. By the way, may I make it clear to the Prime Minister that the Minister of Agriculture in his opening remarks made it quite clear that he was replying to the amendment of my leader, and not to the subamendment moved by the leader of the socialist party. This is what the standing order says:

> No member, except the Prime Minister and the leader of the opposition, or a minister moving a government order and the member speaking in reply immediately after such minister—

That would be, say, the financial critic in an opposition.

—or a member making a motion of "no confidence" in the government and a minister replying thereto, shall speak for more than forty minutes at a time in any debate.

Mr. MACKENZIE KING: That is what he was doing.

Mr. HANSON (York-Sunbury): The leader of the opposition moved what, of course, is in effect a want of confidence motion. The Prime Minister replied thereto. He was the member of the government who replied. How many members of the government are going to reply, and be entitled to speak for more than forty minutes when we, as private members, are restricted to forty minutes? That is the issue. We might as well have it settled once and for all.

I did not raise the point of order when the minister was speaking. I felt he was wrong, but I did not want to stop him. The issue is now fairly before the house. Let us have it settled. I take the ground that this rule means that only one minister may reply to an amendment such as my leader has moved, namely, an amendment involving want of confidence in the government. That reply was made; therefore it cannot be made again.

Mr. MACKENZIE KING: May I thank my hon. friends and also the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) for not having raised the present point while the minister was making his statement. As I heard the minister, in the opening part of his remarks I thought he said that he intended to devote a considerable part of his time to the amendment which had been moved by the leader of the opposition; but that he was also speaking to the amendment to the amendment which had been moved—

Mr. HANSON (York-Sunbury): No; that is where your ears deceived you. That is exactly what he did not say.

Mr. MACKENZIE KING: As a matter of fact that is what he did, in effect. He made a reply to a motion of want of confidence in the administration. My hon. friend the leader of the Cooperative Commonwealth Federation would hardly say that this amendment was not a motion of want of confidence in the administration.

Mr. COLDWELL: It was an amendment to an amendment which had already expressed want of confidence in the government.

Mr. MACKENZIE KING: I should point out to my hon. friend that when the rule is being interpreted it would be well to remember that while we have one government we have four or five oppositions, and we have as a consequence amendments to amendments. In this regard the rule ought to be broadly interpreted. His Honour the Speaker will be able to give the interpretation.

Mr. COLDWELL: When I moved the amendment to the amendment I was limited to forty minutes. I saw the Speaker rising to stop me and I sat down.

Mr. SPEAKER: If no other hon. member wishes to speak on the point of order, I think the practice has been pretty well established in the past as to the case we have before us. Standing order 37, which has been read by the hon. member for York-Sunbury (Mr. Hanson), states:

No member, except the Prime Minister and the Leader of the Opposition, or a minister moving a government order and the member speaking in reply immediately after such minister, or a member making a motion of "no confidence" in the government and a minister replying thereto, shall speak for more than forty minutes at a time in any debate.

Under that standing order the Prime Minister has the right to speak without being subject to the rule of forty minutes. It is true that the Prime Minister spoke after the amendment was moved by the leader of the opposition (Mr. Graydon), but there has been a subsequent amendment to the amendment and the hon. Minister of Agriculture (Mr. Gardiner), I think, in the first statement he made was replying to a motion of no confidence and replying to it from the point of view of agriculture, and also from the point of view of man-power, both of which he dealt with in his speech. In my judgment, therefore, the Minister of Agriculture, speaking as the first minister to this amendment is entitled to invoke standing order 37 and is not limited in his time.

Mr. COLDWELL: Mr. Speaker—

An hon. MEMBER: Sit down.

Mr. COLDWELL: Somebody says "sit down." We are discussing an important point of procedure and in order that it may be clarified I submit that I am entitled to courtesy.

Mr. SPEAKER: I would point out to the hon. member that there can be no debate.

Mr. COLDWELL: Am I to understand, Mr. Speaker, that the mover of a subamendment expressing want of confidence in the government has the right to exceed forty minutes?

Mr. SPEAKER: That question has not been before me, and at the moment I would not wish to say anything beyond that I think he has not that right.

Mr. COLDWELL: The rule must work both ways.

Mr. SPEAKER: The point before us at the moment is as to the right of the minister to reply, without the time limitation, and I have given my ruling.

Mr. KARL K. HOMUTH (Waterloo South): Mr. Speaker, I am particularly pleased that no one interrupted the Minister of Agriculture (Mr. Gardiner) and raised the point of order that the minister was exceeding his time because, before proceeding with the remarks I had intended to make, I wish to deal with two or three matters to which the minister referred. Perhaps the latter part of his speech was the most important when he began to deal with the question of farm labour and referred to the letter which each member of the house received this morning from the Minister of Labour (Mr. Mitchell). That letter in itself, I submit, justifies all the criticism that has been levelled against this government for taking labour off the farms of this country. The minister has said that we have produced a tremendous tonnage of foodstuffs. We have. We had to do it; it was our job to do it. But we have not produced as much foodstuffs in this country as we could have produced if we had had a proper farm labour policy applicable to this country. There are in this letter clauses which, if carefully read over will be seen to bear out the need for many of the things for which we have asked in the past. Under this new regulation, men who are conscientious objectors, men who knew nothing but farming, had done nothing but farming all their life, are now to be allowed to stay on the farm and to produce foodstuffs, instead of being sent up the Montreal river or into the northern wilds to build roads. In my county of Waterloo I know that many of these men were taken off the farm and sent into camps to build roads which will be destroyed before they can be completed. This was a wrong policy. Had these men been allowed to remain on the farms in the county of Waterloo we would have been able to produce larger amounts of foodstuffs than we did in our county. The farmers of this country have done a tremendous job. They had a job to do, and they faced it. They faced it in spite of the many obstacles which have been put in their way by the lack of a proper man-power policy under this government.

This letter also states that farmers will have the right in the off-season months to go into certain industries such as logging, mining and fishing. We have hundreds and hundreds of farmers who can be spared from our farms in western Ontario during the off-season. Under this new regulation they are to be restricted to these particular industries in their search for employment in the off-season. Nevertheless to-day hundreds of them are working in the munitions industries in western Ontario and doing a splendid job. I do not know how we could have got along without them. These men are now prohibited from going into any munitions factory during the off-season to produce munitions of war. Surely that regulation in itself shows that the matter has not been properly thought out. These men are not adapted to fishing and the other industries specified in the letter, but they are capable of going into munitions factories and producing munitions. Therefore I say that the regulations dealing with man-power on the farm are still far short of what they ought to be under a proper man-power policy. These men in the province of Ontario particularly, hundreds of them, have contributed hundreds of thousands of precious man-hours in producing the munitions of war.

At the beginning it was announced by the government that the farmers could go into the munitions industries during the off-season without losing their category as farmers. Then a few weeks ago another regulation came out prohibiting them from working for more than sixty days in a munitions factory. Yet these men are engaged in every form of munitions industry in western Ontario, and many of them have worked for much longer periods than two months. Have they now to quit their jobs, go back to the farm, at present covered with three or four or five feet of snow, and sit and twiddle their thumbs until seeding time comes around? Surely, Mr. Speaker, that in itself shows that this policy has not been well thought out and that there is still room for improvement in our man-power policy. The very fact of these regulations coming out shows beyond all peradventure that there is a shortage of man-power on the farms in this country and that the government is now beginning to realize this. The government is now trying to cure what is the result of their own ill-advised policy.

The Minister of Agriculture also lectured the members of the house for having made certain statements; for instance, a statement with regard to the shortage of bacon and that we should not buy bacon. Was it not the minister himself or one of the men in his department who made an appeal to the Canadian people not to eat bacon and other pork products so that we could ship more of them to Britain? It was not anything said by us in the house which publicized the statement referred to in that international journal; it was the Department of Agriculture itself that requested the

people of Canada not to eat bacon and other pork products, and the people, I believe, rose to the occasion.

There is one other reference I wish to make. I am pleased that the minister was not interrupted. Coming from a district like Waterloo county, where agriculture is very highly developed, I greatly appreciated the speech he made this afternoon.

Last evening a member of the Cooperative Commonwealth Federation party, the hon. member for York South (Mr. Noseworthy) made one or two little jibes at the official opposition and read a letter which had been sent out by the South York Conservative organization. It was an appeal to join the Progressive Conservative association, and for a payment of one dollar the subscriber would become a member and would assist in defeating the Cooperative Commonwealth Federation, an object which I hope we shall achieve, because I think it would be a good thing for the country. But I, too, have a letter here. It was not sent out by any political association within a riding, where they went to the post office and paid their postage, where they went to the printer and had their letter printed, and to the envelope manufacturer and purchased envelopes. This is a letter from the House of Commons, Ottawa, signed by Mr. A. M. Nicholson, M.P., national treasurer of the Cooperative Commonwealth Federation party.

Mr. HANSON (York-Sunbury): Franked.

Mr. HOMUTH: Franked; and with the House of Commons letterhead on the envelope. In this letter—and goodness knows how many thousands went out—is an appeal for funds, and the statement that they have been able to get a Rhodes scholar, Mr. Lewis, a graduate of McGill, to be secretary and organizer of their association; that he could get a position which would pay him a large salary out of which he could contribute a thousand dollars to the funds of the association, but that they wanted to keep him in their own employment.

What I want to bring to the attention of the house is a view I have always held, that no political party has any right to use the money of the taxpayers of Canada for the purpose of spreading its political propaganda or of trying to raise money for its operations. I am definitely opposed to such action. Furthermore, there is an old saying that people who live in glass houses ought to undress in the dark, and I think it applies to the hon. member for York South.

An hon. MEMBER: Have you another like that?

[Mr. Homuth.]

Mr. HOMUTH: Well, Mr. Speaker, I wish to confine myself to the remarks I had intended to make. I agree that it is a happy occasion to reconvene in Ottawa in the realization that the war situation is so much better, that after all we are now beginning to see at least the beginning of the end of this terrible conflict, with the allied troops winning victories on practically all fronts. But there is, of course, something rather saddening in the reconvening of a parliament. It has been my privilege, as a member of either the Ontario or the dominion house, to attend many new sessions, and always the occasion has not been without an element of sadness, because seldom have we met without the loss of some members. As we sit here now we begin to wonder in what direction our ranks will be depleted before another session comes, and how many more members will be lost to us by death. I wish to join with others who have paid tribute to those who have passed since the last session of this house; it is a source of great regret to us.

There was, however, another hon. member who has passed from this house, whose passing is not, I believe, so greatly regretted. He has passed to that "other place." I have never had such a high degree of satisfaction over a senate vacancy as I have as a result of that appointment—and I say that in no unkind spirit. But I should like to make this remark to the Prime Minister (Mr. Mackenzie King), realizing that suggestions from our side of the house are always welcome! There is an hon. member of his party who has endeared himself to everyone here; he is a French Canadian; he happens to come from the province of Ontario; and I trust that when the appointment of deputy speaker is made it will go to one who is held in such high regard by all members of the house. I refer to the hon. member for Cochrane (Mr. Bradette).

In his address the other day the Prime Minister asked us to avoid acrimonious debate, and I believe that, generally speaking, this debate has been on a very high plane. He asked us to cooperate with the government in trying to sell to the people, as it were, the various controls and restrictions which are necessary. I agree that we as members of this house have a grave responsibility. But we have another responsibility, namely that, if there are controls and restrictions which in our opinion are not in the interests of Canada, we must express our convictions in this place, the only place where it can be done. We cannot stand idly by and allow important matters to be adjudicated upon by the various boards throughout the country without saying

what we think about them. We cannot talk to the boards; we cannot talk to the minister when the boards are set up. This is the place where these matters must be discussed. I do not believe that there was ever a government which held office in this country during a trying time which had greater cooperation from an opposition than the present government has received. True, we have been critical, but I hope that the criticism we have levelled against the government has been constructive. If we look back over the plebiscite campaign, who were prouder to carry that vote than members of the official opposition?

Mr. MACKENZIE KING: You took a long time about it.

Mr. HOMUTH: Very well, but when the vote was to be taken we went out and worked for it.

Mr. MACKENZIE KING: I knew you would.

Mr. HOMUTH: Let me tell the Prime Minister that there were not a great many members of his party who did the same thing.

Mr. HANSON (York-Sunbury): You are right.

Mr. MACKENZIE KING: Oh, yes, there were.

Mr. HOMUTH: And when the victory loan campaigns were launched, members of this party worked hard to make them a success. Certainly it was our duty to do so, but what did the hon. member for Brant (Mr. Wood) and members for other ridings around my own do in this direction? How much time did they spend in organizing the victory loan campaigns? I followed the course of these loan drives very carefully—

Mr. WOOD: I would not trade Brant for your riding.

Mr. HOMUTH: The hon. member would have to give me the rest of the province to boot.

We have endeavoured in every possible way to assist the government, but there are some of these matters which I think we have to deal with on the floor of the house, and some of the things I am going to mention to-day have come to me as a result of my activity in industry, representing a farming district. As a result of our building up of control boards, they have seriously affected our output on farms and in the factories. Man-power and these control boards are directly interlocked. Some of these boards are exceptionally good and are doing a fine job. Some of them are headed by men who plan carefully and move warily, and when they put out an order one can depend upon it that it has been so well planned that the order will work smoothly and people will fall in line. But there are other boards that do not plan, boards that do not take the precautions they ought to take, and they make rulings that disorganize industry, so that within a very short time they have to change those rulings. The whole trouble is on account of the fact that the man who was at the head of that particular board was not practical or was not a good organizer. If he had been a good organizer, even if he was not practical in that particular line, he would at least have called in practical men and have discussed these matters with them.

Take, for example, the cost of living bonus, the original order in council dealing with that question. Every industry was told that it had to pay a cost of living bonus. Most of them complied. Some, however, did not, and before any action was taken to enforce it with these particular industries, a new order came out freezing the wages. These industries then could not pay that cost of living bonus, with the result that in many municipalities and industrial centres there was a checker-board system of wages, a system which was due entirely to the effect of the orders in council which were passed by the board, one contradicting another.

Then we have industries which are 100 per cent on war work. These industries are classed as non-essential, notwithstanding that everything they turn out is war material. They are classed as non-essential for one purpose, and everyone knows it, namely, that those called for service out of those industries do not get the same consideration as those who come from what are classed as essential industries. The idea is to get these men out of these industries and fill their places with old men or women if possible.

Orders were made freezing wages. The employees accepted that; the employer accepted it, and they went along their way satisfied as far as possible to cooperate with the government and the government's order. Then suddenly the government come along and start an industry of their own in the vicinity, or perhaps right within the municipality. As soon as they are ready to start they need help. There is no ceiling on the wages they offer. They break the wage ceiling immediately for the district. They will get men and women into that industry regardless—and they do. In these other essential war industries, however, wages are frozen. But this industry starts up, headed by someone appointed by the government, and breaks the wage ceiling, causing discontent in every other enterprise in the dis-

trict. These are the things that are done by these boards through lack of planning, and they disrupt the whole industrial life of the country.

Then we have the cost-plus contracts. The Department of National Defence will take over some building. They will build a barracks or renovate some building they are taking over. They will send some contractor in with a cost-plus contract. Wages mean nothing to him; he will get help. There is no liaison between that job and the Department of Labour or the wartime prices and trade board. By reason of this contract he will pay fabulous wages, wages as high as a journeyman carpenter will get, to men who hardly know one end of a hammer from the other, and he will thus cause discontent in the district, which is a serious matter. I know of instances where high school boys were offered fifty-one cents an hour as helpers—wages higher than the whole wage structure in the district—by some contractor who came in with a job from the Department of National Defence.

Mr. HANSON (York-Sunbury): Or by government engineers.

Mr. HOMUTH: These things are done by these various controls, and they have disrupted the whole economic fabric of the country and caused that discontent which we have in industry. We had the spectacle of the steel strike. That strike should never have occurred. I can understand a strike in some munitions factory, and other munitions factories carrying on. But here is an industry that is vital to every munitions factory in the country, an industry that is the very foundation of the munitions which we are making in the various factories in Canada. It was because of the vacillating labour policy of the government that that strike ever occurred, and it was declared illegal. Before that, the Minister of Labour (Mr. Mitchell) and the government should have prevented it from developing. They should never have allowed that board to rise until they had even moved to Ottawa, conferred with the government and brought down some sort of unanimous report. If they had done that there would have been no strike in that industry. But the strike occurred, and it was declared illegal. Then the government started to negotiate with those men who were carrying on an illegal strike, and finally the strike was ended. But what did the government do in making the settlement they did? They froze the cost of living bonus to the steel workers, so that as the cost of living index is reduced the bonus will remain, whereas the cost of living bonus in every other industry will be reduced. What are the employees in other industries going to say when, as the cost of living index diminishes, their cost of living bonus is reduced while that paid to the steel workers remains frozen? A settlement such as that cannot help stirring up trouble in other industries. Again I say it is because of the lack of force, the lack of sound reason in dealing with these matters, that a great many of the difficulties we have in industry to-day have been brought about.

One of the essentials in working out a manpower policy is that first of all we ought to know, and this house ought to know, how many men we shall require for the air force and how many men we shall require for the army. How many men shall we require for the navy? How many men shall we require for the auxiliary services? How much farm labour shall we require? What shortage, if any, is there of industrial labour in this country? How can this house deal with these matters; how can we discuss them intelligently unless we get information from the government as to what their plans are? Surely it is not giving information to the enemy to say, We are going to raise another fifty thousand men for the air force, or the navy, or the army. Those are things we ought to know. Not since the war started have we had a clear-cut statement to this house.

What is happening to the draftees who are now being called up? What is their position? True, the government was freed from any obligations in regard to them by the vote on the plebiscite, but what is their position to-day? Suppose the Canadian army gets into battle and more and more reinforcements are needed; what is the position of these men who to-day are being called up for service in Canada or Newfoundland or on this continent? Is their position going to be that if a very sudden need is apparent the government overnight can pass an order in council and immediately make these men available for overseas service? The men themselves ought to know what position they are in. These men who are now being called for military training, ostensibly for duty on this continent, ought to know where they stand. The government ought to tell this house what their position is with regard to these men that they are calling. Is it any wonder that at times hon. members say there is no leadership, no guidance in regard to these matters?

Often many of these regulations that do not regulate but that do disorganize are passed simply, it would appear, because of fear of political repercussions. I say that honestly and sincerely. Too often it seems to be done with the political viewpoint in mind. We had one of the most upsetting things happen very

recently, the exodus of thousands of men to the United States to go into the lumbering business there. The Minister of Labour stated that some 3,700 men had been given permits. Would he say that only 3,700 men went over there to cut timber? Let him put his immigration officers on when these men start to come back and see if he will not find that double that number went.

Mr. HANSON (York-Sunbury): How many went illegally?

Mr. HOMUTH: They went over there to cut timber that is not required for our war purposes, whereas in Canada we have a tremendous shortage of these men.

Mr. HANSON (York-Sunbury): Right in New Brunswick we have.

Mr. HOMUTH: Would the minister in charge of selective service say that no requests have been made by the lumbermen of Ontario for men to carry on the lumber business, that no request was made by the department of lands and forests, the minister or his officials? I know Mr. Hipel very well; I know something of the ability that he puts into his job; I know something of the difficulty he has in getting men into the northern woods to cut the timber we need. This afternoon the Minister of Finance (Mr. Ilsley) said that fuel wood is now to be controlled because there is a shortage of it; yet thousands and thousands of men are allowed to go over into the United States to cut wood there.

Over and above that a member—supposedly a member—goes to the selective service administration wanting to take five hundred men to the United States, if I am correctly informed.

Mr. MITCHELL: Let me correct my hon. friend. There was never a member of parliament came to the Labour department for five hundred men.

Mr. HOMUTH: Well, I say a permit was given for five hundred men to go over there. Who signed the permit? Who gave the right to take them over? Was it denied by Mr. Nicholson and those in charge, and did they say to the minister that that right should not be given? Those are the questions which the people of this country want answered. Those are the questions which the lumbermen of northern Ontario want answered. Those are the things that industry wants to know, because those are the things that disorganize industry and make people feel that they cannot get the cooperation of this government that they should have. It is a serious situation, a serious indictment of the whole manpower policy of this government.

These boards are set up; very often they do things that are ridiculous. If we were not engaged in a war in which our very life is at stake, some of the regulations that are made, and unmade the next day, would be a joke. I sometimes think the minister says to himself, this, that or the other should be controlled; I will hunt up someone who can do it. Accordingly he hunts him up and gives him an office, a desk, a secretary and a brief case.

Mr. HANSON (York-Sunbury): And a carpet.

Mr. HOMUTH: Sometimes a carpet, and a pretty nice desk. He sits there and says to himself, I am here to control something; I am going to start to control. Immediately he starts to issue orders to control this or that or to do this or the other thing. In a short time the control has to be taken off or changed or the order unmade.

Is there anything more ridiculous to-day than the regulation of bus traffic in this country? The trip limit is fifty miles. A man gets on a bus wanting to go fifty-five miles. He has to get off five miles from the terminus and perhaps hire a taxi for the rest of the way, as many do, while the bus goes on with an empty seat. If you wish to go from Toronto to Bradford you take the bus for fifty miles, get off at a hay field, take a waiting taxi that takes you the rest of the way, the bus going on with an empty seat. The termini now for bus trips are not town to town but cornfield to turnip patch. The thing is so ridiculous.

Then we have control of truck traffic. Firms had special trucks built to handle their particular commodity. There are many such in my district. These trucks are of no use whatever for general cartage. They can now travel only thirty-five miles; they used to travel one hundred or one hundred and fifty miles. How do they get around this control? Some of the trucks are actually taken off the road; the tires are depreciating; the truck is depreciating; it is just so much waste machinery in the country. At least the government should have let them carry on until these specialty trucks were worn out. But if they do not lie idle they will carry the commodity thirty-five miles to where another branch has been established; the goods are unloaded from one truck to another and carried the next thirty-five miles, and so on until they reach their destination. Think of the waste of man-power. The thing is ridiculous.

As a result of this sort of thing people are beginning to lose confidence. The government ask for confidence. How can people have confidence in view of such silly controls as that?

This story may be far-fetched, although I am not so sure that it is. They tell me that a farmer out west had a notice that he had not delivered his full quota of wheat to the board. He wrote back saying that man-power on his farm had been depleted, and that he could not deliver the wheat for another month because they were now in the lambing season. He got a letter back from the controller, "put off the lambing season for a month."

I realize that this may be far-fetched, but I do say that these things are serious. I am in the midst of it; I can see what is going on, and I do feel that to handle industry, agriculture or any other branch of our national economy, only the very best men one can find should be appointed. The other day the Prime Minister referred to the fact that we were criticizing the men who had been appointed to these positions and said, "But the members of the opposition asked us to do this." Certainly we did. At the beginning of the war, when we saw something of what was going on, when we saw the disorganized situation that existed, we urged the Prime Minister to go out and get the very best men he could find in every branch of industry to come in as advisers to the government and organize us for the war effort. But we did not ask him to have them come in and usurp the rights of parliament, as they are doing to-day.

These are just some of the things I wanted to bring before the house, realizing as I do that if we are to go out and sell this war effort, these controls and these restrictions to the people of our constituencies, the people of this country; if we are to build up confidence as we in this parliament are doing the very best we can to do, then the foolish things such as I have recited should be cleared up at once. Seriously I say that the time for any political face-saving has passed. It is up to us to build up a confidence in the minds of the people of this country. We have a tremendous effort to put forth. This may be the deciding year of the war. The extra food, extra munitions, extra equipment and so on that we can produce this year may be the deciding factor of the whole war. Let us go to work on it, and let the Prime Minister do as the other day he said he would. If it is true that some of these men do not fit into the job, let them go; clean up some of these things as they should be cleaned up. Then he will get the backing of every member of the opposition.

At six o'clock the house took recess.

[Mr. Homuth.]

After Recess

The house resumed at eight o'clock.

Hon. P. J. ARTHUR CARDIN (Richelieu-Verchères) Mr. Speaker, being now a private member of the house I could listen with the greatest freedom of thought and mind to the speech delivered by the new leader (Mr. Graydon) of the newly baptized opposition party in the house. I do not hesitate for one moment in extending to him my heartiest congratulations, first of all upon having been given the honour of representing his party in the house as opposition leader and, second, upon his brilliant first speech in that capacity. The hon. member has many personal qualities, and I do not hesitate to say that he possesses both in mind and intellect the necessary qualifications to occupy an important place in the public life of this country. Whatever his views may be, he will always, I am sure, enjoy the respect of all hon. members, even though they do not agree with the sentiments or opinions he may express when speaking for himself and for the party to which he belongs. He has been in the house for a certain number of years, not very many compared with the time I have served here; but during those years he has made a great number of friends, and has been respected by members sitting on both sides of the house.

His presentation was good. I listened to him with careful attention, and with a somewhat more independent state of mind and spirit than I would have, had I been sitting on the treasury benches. He offered a good argument, and laid the foundations for a good conclusion, but, unfortunately, he did not arrive at a logical conclusion.

He made reference in strong, harsh terms to the fact that parliament was in need of rebuilding its reputation before the public, and of creating or developing better procedure than had been the practice for a certain number of years. I agree with him on that point. Even if we do better than others, no one can dispute that the parliament of Canada does not at present enjoy the confidence and respect it enjoyed in the past.

The hon. member referred to the changing of the rules of the house. He was quite right. Our rules of procedure are obsolete. They have been framed after the rules followed at Westminster, but here we have not developed the methods and customs prevailing at Westminster. There is an urgent necessity for a change in the rules of the house, a change in our methods of procedure.

But, even if they are obsolete, the rules of the house in many respects are not observed

This is particularly true in connection with the reading of speeches. That is something which helps to discredit parliament. To a certain extent the chamber has become what we call in French—I do not know the English expression—un cabinet de lecture.

It may be that under certain circumstances there is the necessity for reading a statement. However, I have lived long enough in political life to have seen great leaders of the past—Sir Wilfrid Laurier, Sir Robert Borden, Sir George Foster, and other great cabinet ministers—who were satisfied with only a few notes, even when making in the house a statement on the most important questions.

Exceptions may be made for the Prime Minister and the leader of the opposition, but this procedure of reading speeches should not prevail on every occasion and on all questions. Knowing the present Prime Minister as I do, I can say that he is a master of the English language, a master of his own mind and of his own thoughts. He says exactly what he wants to say at any time and in all circumstances. He does not need to put down on paper five or six days or a week in advance what he wishes to say in the House of Commons. He has a great gift of learning, and to my mind he would be the last one, had the practice not been developed in the past few years, to ask to be allowed to read his speeches or statements on matters of secondary importance.

The reading of speeches has developed into a habit by all parties in this house for some years. The other day we listened to a very good speech delivered by the leader of the Cooperative Commonwealth Federation (Mr. Coldwell). It was a very good speech indeed, but if he will allow me to say so he nearly spoiled it. Fortunately for him he is a good reader, and it was not too apparent that he was reading a text. But I would always prefer to hear the gentleman give his ideas as they occur to him while he is on his feet, his speeches are then far more effective.

There are many other aspects in which the rules should be amended. I have no time to go into them now. I shall make only a brief reference to *Hansard*. I do not know whether I would be in favour of abolishing *Hansard*. But few people read it now. In the old days it was referred to very often by the leaders of all parties with a view to discovering some contradiction of statements. Nowadays, however, we do not bother about contradictions. We have contradictions not only between what was said in past years and what is said to-day, but we have contradictions in the very same speech. The end of a speech does not agree with the beginning and very often the beginning contradicts the conclusion. Thus I see no great need for recording what is said. Under the pretext of new conditions and of changed times leaders contradict themselves and continue blithely their way on, not worrying at all about contradictions. They do not care whether the stand they took a month, or a week, or a day ago, agrees with their present attitude.

There are many other reasons why parliament is coming into public discredit and among then I might cite the positions which are taken by members or leaders in flagrant contradiction with their declarations to the electors. There is also the hesitancy shown on any question which might gain or lose votes to a party or group. In the end all these things come to the electors, first, causing them to doubt and finally casting discredit on parliament.

With all due deference, and with all the personal friendship I have for him, may I say to the leader of the opposition that his amendment to the main motion is an example of those hesitating moves and vacillating attitudes which help to discredit parliament in the eyes of the people. I cannot vote for the conclusion of his speech. I would have been ready to accept most of the premises that he laid down, but the conclusion of his argument as contained in the amendment that he moved to the address is not in accordance with the premises. The amendment is vague, as vague as it can be. It is obscure and lends itself to all kinds of interpretations. Any party or group in this house could find therein something that would accord with their views.

Unfortunately the same remark applies to the subamendment which has been moved by the distinguished leader of the Cooperative Commonwealth Federation. It is presented in general terms which need to be explained in detail and which for the most part are not clearly understandable for the man on the street. With all due respect to both hon. members, I will say that the amendments appear to have been drafted with the idea of gaining support from people of opposite views. It shows lack of courage to state precisely the policy proposed or suggested. The amendments which have been moved, the speeches which have been delivered and, I might add, with some hesitation, the attitude of the government remind me of a man trying to ride three horses at the same time, and trying to be Santa Claus offering something to each group in order to satisfy all shades of opinion. But that cannot be done very long without destroying the confidence of the people of Canada in our parliamentary institutions.

Boards have been appointed, without any responsibility to parliament, to deal with matters which the departments could very well have taken care of. We have hired the services of outsiders who know nothing of politics and have had experience only in the limited field of their personal business activities. These boards are deciding public matters according to their whims. In their inexperience they are destroying established practices and customs which have been in existence in our country for over fifty years. The civil laws are being disregarded. The privileges and rights of the provinces are being interfered with by men who have no responsibility except the one of preparing a report to their minister. That is their only responsibility. Members of parliament have no importance and have no authority with these boards, these extraordinary men, these supermen who are directing the affairs of the country at the present time. In due time, all this comes to the ears of the people and helps to discredit our administration. We are fighting for liberty, we are fighting for democracy and parliamentary institutions. Yet most of our activities are in the hands of little potentates, men of no experience, dictators in the field that has been given to them for administration. These new appointees are nominally dollar-a-year men, but they receive salaries from the organizations to which they belong. I do not suggest that they are doing anything wrong, but certainly they are not likely to do anything prejudicial to the firms with which they are connected. There were in the public service numbers of men who could have been brought together and could have administered and directed efficiently many of our war activities.

Propaganda is also a source of discredit to parliament. Propaganda such as is carried on to-day under such high-sounding titles as "winning the war" and "war service" is some kind of blackout of the intelligence of the population of Canada. The people are not getting the truth. Most of the time they are listening to appeals based on imagination, sentiment, feelings and half-truths, all this calculated to arouse unfairly the emotions of our people.

Something which happened not long ago is a flagrant breach of a promise solemnly made in this house and of record. We were handed a few days ago a document, "Canadian War Orders and Regulations. Extra" dated February 1, 1943. It will be recalled that under the mobilization act of 1940, section 5, it is required that orders and regulations passed under the authority of that act, when parliament is not in session, "shall forthwith be published in the *Canada Gazette*" and distributed to the members of the House of Commons. Well, that little document dated February 1 carries on the first page an order in council dated January 19. It informs us that orders in council have already been passed on September 4, September 14, November 3, and December 8—orders in council based on the disposition of the mobilization act to send recruits outside Canada. The first order in council of September 4 and the others were not printed or published in the *Canada Gazette* at that time. They lay dormant in the desk of the privy council from September 4 until January 19, or February 1. Is that observing the law and causing the printing of the order in council and its distribution "forthwith"? No; it is taking advantage, as I predicted would be done, of the last sentence of section 5, which provides for special circumstances.

The government took the power, when the amendment was passed, when Bill No. 80 was adopted, to order that publicity should not be given to decisions of the government when they felt it would not be in the public interest to do so. This is a breach of a promise. I remember very well the answer which I received on that point last session from a member of the government, "Oh, do not fear that this clause is going to be taken advantage of; if the power is used it will be only under the most extraordinary circumstances. "We propose," said that gentleman, "to publish the orders in council and make all our actions public." That pledge has been broken. What danger was there to the national interest in making public on September 4 that we had sent recruits to Newfoundland? In what way could our war effort have been prejudiced by letting the public know that we had decided to use the recruits as regular volunteers and members of the militia of Canada? In no way could this have prejudiced our war effort or caused any difficulties, or have brought information of any real advantage to the enemy.

To-day we find that in orders in council the names of the regiments are omitted, because it is not in "the national interest" to say that regiment number three or regiment number five has been sent here or there. How can the disclosure of such a fact be destructive to our war effort? How can it give to the enemy encouragement or support or useful information to state that we have sent a certain regiment to replace another in Newfoundland? This gives the people an indication of what is going to happen if some day the government decides under the authority of the

mobilization act to send our sons and recruits overseas. These methods do not help to maintain the prestige of parliament.

The speech from the throne contains many words, but is rather poor in substance. As my time is running short I will be brief in the observations I shall make on the speech from the throne. There is the question of redistribution. That is nothing new. It has to be done in accordance with the constitution. But there are rumours that we shall not proceed with the bill. Newspapers have already stated that owing to certain difficulties, and to the fact that certain provinces will lose some seats in the house, the bill may be postponed until after an election. At any rate that is what I have read in the newspapers.

Parliamentary secretaries are to be appointed. That is not new either. I do not think this is necessary. My remarks are not to be taken as a reflection on the personality of those who have been chosen already and, as I am told, have already started their work. They may all be good men, deserving recognition and deserving to be trained in the business of the house. It is quite all right from that point of view, but to my mind it is the fifth wheel of the wagon.

Our position is not the same as in England where the government has to direct national and imperial affairs, together with what correspond to our provincial and municipal organizations. We are a small country and a small parliament, from the point of view of responsibilities, in comparison with the parliament of Great Britain, and this is an expenditure which we could easily avoid when our taxes are already high.

After all, what are the parliamentary secretaries going to do in the house? When they are asked a question about something that has been dealt with in the privy council they will be unable to answer, not being members of the cabinet. When they are asked a question on a matter of policy of the government they will not be in a position to answer because they are not members of the government. In fact, they will be only glorified private secretaries or deputy ministers; that is all. On all questions of policy they will have to promise information for the next day, and the next day they will read a statement which will have been prepared by the minister or by somebody in the department. Well, such a statement could be read by any minister present in the house. It seems to me that our administration, with its numerous departments, its exceedingly large numbers of boards, commissions and controllers, is cumbersome enough without that additional machinery.

We have been told in the speech from the throne that national health will be taken care of and that social security will be looked after. But, as already mentioned by some other hon. members, these questions are largely provincial matters, and I hope we are not going to take advantage of the situation created by the war to deprive the provinces of the privileges and exclusive rights guaranteed them by the pact of confederation, without adopting some other satisfactory method which would protect minorities and guard the provinces against a central organization in Ottawa. With that limitation, what can we do? Very little. That is probably why the Prime Minister told us in his speech that these matters would be looked into, and probably that is all that will be done.

I question the merit of the study that we can make of the situation that will exist after the war. Where is the man bright enough and with vision enough, the man capable of prophecy, who is able to tell us what are to be the foundations upon which we shall build the welfare of Canada after the war? We shall find ourselves in a situation which none of us at the present time can properly envisage and determine. We may do a certain amount of work here and there, but it may very well be that when we are faced with the real situation after the war all the plans now prepared will be of no avail.

What is the use of building a house when we do not know upon what foundation it is to rest? Why lose our time in dealing with such uncertainties?

The speech from the throne also reviews our war effort. It has been a magnificent effort, I admit, and I am glad of it. All Canadians are proud of it, and we have the profound satisfaction of having it recognized that our war effort surpasses that of any other country of our size. As far as man-power and finance are concerned, our war effort is superior to that of the great republic to the south, the United States. Our war effort is really a great thing. It is abused, though, by a large number of people and is taken advantage of by many. Our war effort should be regulated by reason. There are certain problems which we must face courageously and one of the most important of these is agriculture.

I listened with great attention to the wonderful speech delivered by the Minister of Agriculture (Mr. Gardiner) this afternoon, who always makes great speeches. He is a convincing speaker. Nevertheless the fact remains that there is a great man-power problem in the agricultural field in Canada. Whatever explanations may be given, even coloured with sentiment, they do not improve the situation.

There is a shortage of farm hands in Canada. This is admitted everywhere, in all sections of the country, and this ought to be taken care of. The very letter from Mr. MacNamara, which was read by the minister this very afternoon, admits that there is a very serious shortage. It refers to the difficult situation in which the farmers find themselves at the present time. The terms of the letter are very clear on that point. This is the substance of one of the priliminary paragraphs:

> In view of the increasing shortage of farm labour it becomes more and more important to encourage essential farm labourers to remain on the land.

This is an official document which has just been signed by the director of selective service and approved by the Minister of Labour (Mr. Mitchell). I need not go any further. I have also the word of the Minister of Agriculture himself in his statement published in the Montreal *Standard* of February 6:

> Can the farmers of Canada attain the 1943 objectives? Certainly they are going to make a valiant effort to do so, and if given some help both in man-power and farm machinery and equipment it is most likely they may perhaps surpass some of them.

Therefore there is a shortage of farm labour in Canada and we ought to cope with that situation. Such letters, circulars, promises and instructions given to judges, telling them how to read the law, are not satisfactory. That is not enough. It only means perpetuating the vague and nebulous system that exists at present and under which farmers never know definitely whether or not they are going to have the help of their sons to cultivate the land. In many instances they do not get deferment unless the military authorities give their approval. Such a hit-or-miss system that has prevailed up to the present time must cease. One might say that is an election promise if there were an election in sight!

Mr. SPEAKER: I have to inform the hon. member that his time has expired.

Some hon. MEMBERS: Go on.

Mr. CARDIN: Five minutes.

Is agriculture essential or not? It is essential. We ought to take every means to help this industry at the present time, because without it, without food products, however well-trained our men, however great our armament, the war would soon end. A man with an empty stomach is incapable of carrying the most perfect gun. Agriculture is the most important thing in the world at the present time. Canada, instead of trying to be first as far as man-power is concerned should strive to be first as far as agriculture is concerned, first in supplying food and armaments for the fighting forces. There are countries capable of supplying more man-power than Canada. Russia and China have inexhaustible resources of man-power; there, men can be found in as great numbers as may be desired. They need the armaments and also the food we can produce.

Let us base our participation in the war upon reason; let us see that what we can do best is done first and not second, even if it is a source of pride for us that certain of our men are fighting gallantly at one point or another. We must sustain them, and we must help to sustain Russia, China, and Britain and other parts of the British empire.

Munitions also are necessary, they are most important. The United States are thinking of fixing and limiting their man-power to 7,500,000 men. It is about time that we ourselves think of placing a limit—as high as possible, I admit—on our man-power overseas, and try to feed those who are in need of being fed. In north Africa people are dying, and the political and military heads there to-day say that what has been provided up to the present in the form of arms and food is only a drop in the bucket and that unless something more is done in regard to food and armaments we shall not succeed and thousands upon thousands of the population will perish. The same situation prevails in China. China is threatened with famine, and she has not the armaments she needs to carry on her fight. Good old China, whom we love so much to-day, that we praise so much to-day and proclaim to be one of the first peoples in the world! For years she was fighting the Japanese on her own territory without our help, but to-day, what a change! We have discovered that she is a great country, a country that deserves our praise and support. We have modified our views; we have become a little more courageous and ready to help China now, as well as Russia. Let us give them what they need most, not men but food and armaments. That is what they want to enable them to carry on the struggle. As a matter of fact they are fighting for us as much as they are fighting for themselves.

If we have some success to-day, who has achieved that success? The Russians. Without Russia where would we be? Probably we would be signing a treaty of peace, not according to our terms or our will, but according to the will of others. That would be our position.

What are we to do? I am going to be bold, not afraid to express my thoughts. I regret that the government at the present time has not seen fit to suspend the mobilization act of 1940 until at least a survey has been made of the whole situation in order to ascertain the most pressing needs of Canada as well as of the united nations. We ought to make such

a survey, instead of trying to attain the same end by a circular letter to be sent from time to time to the boards or to the committees that decide whether or not a man essential to the farm or to an industry should be given a military postponement. I hope we do not establish in this country, for coming generations, a practice by which those in authority are going to tell the judges and those who have been sworn to interpret the law what they ought to do and how they ought to interpret that law. I trust we have not reached that depth. If the law is not good, let us change it, but while the law is there, let us observe it in the letter and in the spirit. What this letter purports to do is to tell the boards that they should interpret the law according to what the authority thinks it is important to do at a given time. If that is what we are fighting for on the battlefield, we had better cease. If we are fighting for principles like those; if the law is to be changed according to the will of the government, according to the will of a superior officer, according to the will of a military authority, I do not know where it is going to end.

That is my suggestion, and I am not afraid to make it. I may be accused of not being alive to the situation, of not taking cognizance of the facts as they exist in the world to-day. To those who may be inclined to attack me and to be unjust I wish to say only this. To-day Irishmen are proud of Ireland even though their country is neutral. The Australian people are also proud of their country, though they have limited the extent of the field in which they are going to fight. They are still part of the British empire and of the British commonwealth. South Africa is still a member of the commonwealth and its people are still proud to be citizens of that country, although they have also limited the field of their activities in this war. The United States are looking after themselves and their interests first. They are helping to defend what we call liberty, democracy, etcetera; but I have not seen anything in the press nor have I heard a speech by any politician in that country stating that they were ready to give second place to their rights, principles, advantages and interests. Russia is fighting for herself, too. No public man to-day would deny that statement. Why can we not be Canadians, though participating in the war? Why do we not see our war effort through our Canadianism? In doing all we reasonably can to help win the war, we should not try to surpass, for vainglory or vain pride, the efforts of other countries who are more vitally and directly interested in the conflict than Canada?

One further word and I shall conclude. I have lived long enough to remember that one man, at one time very powerful in the United Kingdom and who was a close personal friend of our Prime Minister—I refer to the late Mr. Ramsay MacDonald—was not in full accord with the government of his country in 1914-18. He was not in favour of England going into the war as deeply as she did in those years. Who would say that Ramsay MacDonald was not a good British citizen and a great man? A few years later he became Prime Minister of Great Britain, and we acclaimed him here in Canada when he paid us the honour of a visit. Perhaps that might answer those who may be inclined to criticize me too severely.

Something was mentioned about Casablanca. Either the leader of the official opposition or my good friend the leader of the Cooperative Commonwealth Federation asked the Prime Minister to make a statement with regard to the conference which took place between Mr. Churchill and Mr. Roosevelt in that city. Before six o'clock, that day, the Prime Minister began to give his explanation, brilliantly as always, with a fine choice of words and a careful weighing of his sentences and expressions. He presented a very good argument. After six o'clock he continued by reading a document he had prepared on the same subject. As the Ottawa *Journal* put it the next day, the statement before six o'clock was much better than the one after six o'clock.

The Prime Minister gave many reasons why Canada was not represented at that conference. The first was, "Well, I was not invited." That reminded me of a little story regarding a visit which Emperor Napoleon paid to a little town in France. He was received by the mayor of the locality who explained to him that for various reasons they could not fire a gun in his honour on his arrival. In fact the mayor said that he had fifteen reasons for not having fired a gun, and he proceeded to enumerate them: "First, we have no gun." Napoleon interrupted him and said, "Well, I do not want to hear about the other reasons; that suffices me." The moment the Prime Minister told us he had not been invited to the Casablanca conference I thought that was good enough, and that no other explanations were needed to indicate that while not invited he was there not in person, but in thought, and also through knowledge, because General McNaughton who is in close touch with the military authorities must have, in all probability, been aware of the questions discussed

at the Casablanca conference. All these excuses and arguments were not as good as the first reason the Prime Minister gave before six o'clock, namely, that he was not invited.

I am not humiliated because we were not invited. We had no reason to be there. We had no place there, because we are not one of the main powers conducting the war. Our authority is secondary; our role is second to that of many others, and we must accept the decisions of the powers mainly responsible for carrying this war to a successful conclusion. We had no reason to be there, and we have no reason to complain because we were not invited.

Let us adjust ourselves to our role, to our position. We are a dominion. We are a member of the British commonwealth of nations. But we are not as powerful as England; we are not as powerful as the United States; we are not as powerful as Russia. We are a small nation trying to do our best to help the sovereign nations and the great cause. We cannot hope to impose our will or our wishes when decisions as important as those which no doubt were made at Casablanca are to be reached. Let us avoid all unjustified pride of ourselves. We are in this war, it is true. We are in it to do the best we can. but as far as I am concerned, Canada comes first.

I am more interested in the welfare, well-being and maintenance of Canada than in anything else. It is all very well to coin phrases and to express opinions about this and that, opinions and coined phrases which in reality mean only one thing, that the end justifies the means. That is a nazi and fascist principle, and one to which I cannot subscribe.

We must be reasonable; we must keep our feet on the ground and not lose our heads in the clouds of excitement and exaggerated pride. Let us not exaggerate the importance and the extent of the contribution we can make in this struggle.

Let us be Canadians; let us think as Canadians and let us act as Canadians.

Mr. F. D. SHAW (Red Deer): Mr. Speaker, in coming to the conclusion that I should participate in this debate I was motivated by a very strong desire to give expression to my feelings regarding matters of current concern, and matters of future concern referred to in the speech from the throne. May I say at the outset that I cannot subscribe to the theory frequently advanced in the house that, through agreement or through some type of understanding, we should bring about a hasty conclusion to the debate on the address in reply to the speech from the throne. After all, this is the occasion upon which the private member has an opportunity of dealing with those many matters which affect not only his constituency, but all of Canada.

Upon entering the new year Canadians were greatly encouraged by the improved military position of the united nations. I fancy that it is not an exaggeration to say that we have been inspired by the offensive action in North Africa—offensive on our side, because we showed aggressiveness; and offensive so far as our enemies were concerned, because of the effect it had upon them. Furthermore, we have unbounded admiration for the people in the British isles who continue to carry on not only the defence of their shores against a threatened invasion but also the production of vast supplies of the tools of war and of the foodstuffs necessary to carry them through during the prosecution of the war.

We have been impressed, too, by the significant and heroic achievements of our Russian allies. All of those to whom I have referred are indeed deserving of our deepest gratitude. It would not be appropriate for me to proceed without further asserting that we entered the new year full of admiration for and confidence in the men of our own fighting forces who have gone into theatres of war on our behalf.

There is one danger, however, with which we are confronted at the present time. I fancy that as a result of the fact that at least for the most part the battles are now extremely favourable to us, we may relax our vigilance and endeavour to hide behind a cloak of optimism. We have among us too many volatile analysts and amateur strategists, if I may so describe them, who may endeavour to convince us that all is well, that the crisis is past, and that we may now relax. We have been told that the war will be long, that it will be bitter and bloody. I am satisfied that we should look upon the conflict in the light of the fact that it will still be longer, that it will still be much more bitter than it has been in the past, and that it will also be bloodier. We have heard it stated that the price of victory is blood, sweat and tears. We have not had a great deal of that yet, but let us not be unmindful of the fact that there shall be much of it.

In the speech from the throne many words were directed to the post-war world. I do not agree with those who assert that at this time we should not concentrate any of our efforts and our energies upon consideration of and preparation for the post-war period. With regard to that part of the speech from

the throne which refers to the post-war world, we find that the government intend to endeavour to provide freedom from fear and want. They intend, so they assert, to provide insurance against the inevitable consequences of major economic and social hazards. I may be unduly pessimistic—if I am, I am not alone—but I must say that I see in the expressions contained in the speech from the throne only pious platitudes. I cannot believe they are anything else. I fancy they were designed to be soothing; and I am indeed satisfied that much of it will prove to be meaningless.

As I have said, I do not care to be unduly pessimistic; but all we have to do is to look back over the last ten years, when there was every opportunity to do something about providing freedom from fear and want. Nevertheless in those years we did so little. I remember all the fine phrases and meaningless expressions of those days. Therefore, when I remember that the same individuals passed out for our consideration, mainly at election time, fancy phrases which once more crop up, I cannot be assured that they are not again being used for the same purpose. I trust—and I think I am expecting too much—that there shall be clarification of the expressions contained in the speech from the throne. I should hope that we may be given something concrete, so that our faith may be bolstered, so that we may be encouraged to exert ourselves to an even greater extent in our efforts to bring to fruition the promises now handed out so freely. Unfortunately, for decades politicians have been providing us with these vague phrases which, in almost every instance, have eventually proven that they could give us nothing but economic indigestion and disillusionment. Freedom from fear and want—I wonder what that means. I wonder which hon. member of this house can rise in his place to-night and tell us what he means by the expression "freedom from fear and want", and what he proposes to do in an effort to bring about that condition. We insist, Mr. Speaker, upon the government giving us something concrete and definite with regard to the post-war measures which they have in mind.

Another matter which comes to my mind is this: Are our changes to be basic? Are we going to get right down to business and endeavour to determine what these things are that have in the past caused the deplorable conditions which have been imposed upon us? Or are we going to devote our energies toward finding palliatives, patches, if you please, in an effort to make the old system perform functions which, deep down in our hearts, we know it never can perform? I assert that there should be a commitment in this regard; I assert that if we are merely to have a few more schemes comparable with unemployment insurance, the government might just as well introduce their bill now and get the misery over with as soon as possible. It would be a waste not only of the time of this house but of the money of the Canadian people if the energies of the members of this house were to be centred upon the searching out and utilization of patches. We have had enough of that, Mr. Speaker.

Furthermore, when I try to determine to my own satisfaction just what faith I should have in the government when it comes to the laying down of a sound post-war economy, I reflect back upon some of the policies which have been so dear to them in the past. I shall refer to only one or two, and that only briefly.

First, the old age pension. I hesitate to mention that for fear I might incur the wrath of the hon. member for Athabaska (Mr. Dechene), who, last year, when I made reference to old age pensions, chastized me because he asserted in effect that owing to my extreme youth I could not know anything about the conditions which prevailed among the old age pensioners.

Mr. DECHENE: I think the hon. member is wrong.

Mr. SHAW: That is just my hon. friend's opinion.

If the government are sincere in what they contend they are going to do or at least try to do, they could at least take a step forward and show their sincerity by immediately increasing the amount of the old age pension and lowering the age qualification. I go one step further. I say it is criminal that when the son of an old age pensioner joins the active service forces, and assigns part of his pay and secures a dependent's allowance for his parents the old age pension should be reduced accordingly. I repeat, that is criminal, and I say that without qualification.

Then, with respect to veterans' pensions. We are continually receiving letters from veterans of the first great war—yes, and my hon. friend beside me says, from veterans of the Boer war too—letters from veterans who have suffered degradation as a consequence of the reward which they received from the government of this country after they had offered their lives in its defence, and who in many instances returned to Canada maimed or otherwise impaired in health. I am not fond of quoting these cases, but I will make just a passing reference to one particular case.

It is that of a man who went overseas in the last war and fought in the mud and hell of Flanders' fields. He lost an eye and about 88 per cent of the vision in his other eye. Let me pause to ask you, Mr. Speaker, what would you part with an eye for? Or 88 per cent of the vision of the other eye? I dare say you would place a fancy price upon it. But what do we do about the other fellow? Here is this fellow given a pension of $20 a month. Then, because he took over a rural post office that pays him about $100 a year, less a ten per cent compulsory deduction for war savings, and because he raised $78 worth of grain and had one or two pigs to eat the slop, if I may use that term, the government officials came along, surveyed the situation and declared that his pension would be reduced by $10 a month. How can we expect a government that will condone actions of that sort to do anything for the boys who return from this war? Personally I cannot be led to believe that much can be expected. Mind you—all hon. members know it, I do not have to tell them—the case I have cited is only one case out of scores and scores and hundreds. As an indication of our good faith let us wipe these cases off the books and, if it takes $100 a month to provide the necessities of life, let us say to these men: "We will give you $100 a month, and we will not send a government official to peek around the corner of your barn to see whether there are ten or eight little pigs in that new litter."

How about the men who are returning from overseas now? I have a placard; I have not it with me to-night but I carry it with me very frequently, which is about the size of this sheet I hold in my hand. It is divided into two sections. In one section it sets forth all the advantages that accrue to the boys who will don his majesty's uniform. It gives the rates of pay for the various ranks. Then it gives the dollar value of the hospitalization services, the medical services and the dental services which he may expect. All that is set out in detail. Then it shows the dependents' allowance and the separation allowance, and it is a glorious thing when it is all added up in a corner of the placard. It just makes the fellow wonder why the government told him a few years ago that they could not afford to pay him more than twenty cents a day in a relief camp. Then in the other section are listed the advantages that accrue to the man upon his discharge, and they look beautiful too, especially when nailed on the telephone poles on every corner of my town. But it is not what the government promise that I am concerned about. What I am concerned about is what they do for the boys who are coming back now every day.

There is in my town a man who spent almost two and a half years overseas in this war. While on manoeuvres he was involved in an accident in an army lorry. His chest was crushed; his collar-bone was broken, and his arm was fractured. He came back to this country after being in hospital overseas for several months. He was discharged upon reaching this country. He appeared before a medical board and they assessed the damages which he had suffered. I might digress at this moment to give expression to my thoughts with respect to some of the boards, but I will try to curb my emotions at this time and refrain. This man, who cannot to-day carry on work, is receiving the noble sum of $7.50 a month; and he had to fight for that. The government cannot fool the people of my town, even though it used to be a Liberal town, when things like that are happening all the time. That means more than what appears on these papers. Let us show these boys that our statements are more than pious platitudes, more than surges of emotion that are here to-day and gone to-morrow. Let us prove through our actions that we are sincere in what we said about the things we are going to do for these boys who are fighting that our country may be preserved. The hon. member for Battle River (Mr. Fair) tells me not to forget the girls who are in uniform too. What I say about the men applies also to the girls in the service.

What the Minister of Agriculture (Mr. Gardiner) said this afternoon with respect to agriculture did not fool me one iota, nor did it cause me to change my notes a fraction. Black is black to me regardless of who may contend that it is otherwise. We live back in those constituencies; we know what those farmers are confronted with, and it does not take a Minister of Agriculture or anybody else to tell us what those conditions are. To-day agriculture in western Canada is in a wild state of confusion, and I find it difficult to imagine that after this war, when all available foodstuffs will be required to assist the people of the depressed countries, out of the confused agriculture of to-day there can then emerge a stabilized agriculture.

In my own constituency, of which I speak because it is the district with which I am most familiar, approximately sixty per cent of our threshing could not be done last fall. I am not minimizing the fact that we had an unusually bad fall, but at the same time I am not overlooking the fact that farmers in my constituency do not operate threshing rigs with

two teams in place of six or eight just because they like to do so. Sixty per cent of our coarse grains and our wheat are either under the snow in the stooks or in swaths on the ground. The farmers in my constituency are mixed farmers, or, to use a more dignified expression, they carry on a diversified type of farming. They have encountered almost unbearable difficulties as a result of the acute shortage of feed for their live stock. I wish I could have the Minister of Agriculture in my constituency and take him for a drive.

An hon. MEMBER: Take him for a ride.

Mr. SHAW: "Take him for a ride," my hon. friend says. I will refrain from commenting on that.

The day before I left my home town to come to Ottawa I met a certain lady. I did not go out searching for her; I had not known her before that day; but she was introduced to me as one who had encountered great difficulty on account of the shortage of man-power. This lady is forty-six years of age; she lives with her eighty year old mother on a thousand acre farm not far from the town of Innisfail. I do not say that all of the thousand acres are under cultivation, but a large part of the farm is cultivated. They have sixteen milk cows which they milk morning and night; they have 100 hogs, they have 200 sheep. Last fall, after they had put in their own crop in the spring, they were obliged to cut and stook it. Unfortunately they did not get it threshed. Shortly before I met this lady she had purchased 2,000 bushels of coarse grain for the hogs, and she had shovelled all of it herself, both on to the wagon and off it after it was hauled to her place. That is but one case; I did not search for a glaring example of what we are up against.

The man-power shortage is attributable to these facts. A very great number of young men from my constituency have joined the active service. As I stated before, I reside in a town of approximately 1,200 people, and from that town and the immediate vicinity 430 men have enlisted. On top of that, the government exercised the authority vested in them under the National Resources Mobilization Act and drafted a number of men. Speaking with respect to the draftees, and the difficulties which we have encountered in connection with our agricultural problem as a consequence, I should like to refer to the letter which the Minister of Agriculture read this afternoon. To me that is one more headache, for two reasons. First, there is still too much of an indefinite nature about that letter; and second, there should be a postscript, "Please read this when you get it." I am satisfied that many of the officials whom we have in the selective service offices are in a mild state of confusion—or probably it is not so mild—on account of the fact that the instructions they receive can be interpreted in so many ways, and because, in many instances, that hard-boiled officialdom has cropped up again. Talk about an instruction such as this:

> Applications for leave should be invited from agricultural workers engaged in alternate work service, and such applications should be given favourable consideration.

To me that is bosh, in view of the experiences we have had. We have sent men to the selective service offices; we have begged for postponements because we knew definitely that they were urgently required, and we could not get them. There should be a clear-cut, definite and immediate investigation into the operation of the selective service offices. I got just beyond the point I wanted to cover, but these are the facts which I wished to place definitely and clearly before the house.

Unless our old age pension question is settled, and settled forthwith; unless we have these necessary revisions in the veterans' allowances and so forth, applicable to men of the last war as well as to those sent home during this war, and until such time as we have a clear-cut and definite man-power policy in this country, so that our agricultural industry will not flounder and ultimately fail—until we give consideration to these matters and thus prove our sincerity, we have no business talking about promises, the glowing promises of a grand, new post-war order.

There is another matter about which I should like to speak, because I believe that in this regard we encountered difficulties in my part of the country far more serious than those in other parts. I refer to the acute fuel shortage during this winter. I fancy that some hon. members have read in the press that in the city of Red Deer we were burning our fences and so forth. I know it is all right for someone to rise in his place and say that arrangements were made with the bank so that we could purchase fuel in advance; but do not forget—I learned this from actual experience—that if you did not need the money you could get it to buy coal, and if you did need it you could not. We were cautioned to put in our coal in advance. Many of us—and I had the experience myself—ordered our coal early in the summer and could never get it. We got small quantities, but we did not get enough. In view of the acute fuel shortage we should, as I have asked in a resolution which appears on the order

paper, immediately take such steps as are necessary to develop the undeveloped fuel resources of the country and to arrange for the proper distribution of those fuel resources.

We speak about miners and we often criticize the miners; but if you say to the coal-miners in our part of the country, "We will give you employment throughout the year; we are going to put aside reserves of fuel," you will get 100 per cent cooperation. But what they object to is being laid off this week and working day and night next week. Now is the time to examine into that fuel problem. We cooperated last year out there, but our problem existed just the same. Therefore now is the time to give most careful consideration to that matter.

And now one or two of my own observations with respect to the post-war order. It is imperative that we should cast aside certain prejudices which many of us have and assert that we shall examine carefully into every proposal that is advanced which might be of assistance to us in determining this post-war order. If members of the government sitting on the other side of the house stay there, or sit in the committee that is to be set up, and say repeatedly, "We want nothing of you, or we want nothing of this group or of that group", then you are beaten before you ever get started.

Surely out of every proposal there must be something worth while, and when I refer to the proposals which we have so frequently advanced in this house as social crediters, I should like to remind hon. members of three or four, or even half a dozen of those proposals, which have been made use of in the present war thus far, not all of them by this government. In the first place, I well recall that on December 18, 1940, the President of the United States, in discussing the requirements of the various allied countries, asserted that if we were to wait for those countries to get themselves into the position where they might be able immediately to compensate us for what we sent them, then they would suffer defeat. Therefore he used this expression: Cut out the financial nonsense. That is one of the things we must remember in our post-war reconstruction. If the United States had not cut out the financial nonsense, where would the products of your lease-lend agreement come from? Second, I know that when the submarine blockade during recent months threatened the British isles, to the extent that it appeared as though their food supplies might be cut off, through low cost credits the United States government assisted the agriculturists of the British isles to boost their production to the point where to-day we are told they are practically able to provide seventy-five per cent of their own foodstuffs.

The point I wish to bring out there is that there was a demand for the production of foodstuffs. No antiquated financial system was permitted to impede the farmers of the British isles in producing the maximum quantities of foodstuffs. I know, too, that it was not long ago that the financial requirements in Great Britain reached the colossal sum of £12,000,000 a day, and they were suffering acute difficulties in an effort to acquire the amounts necessary under the accepted orthodox method of financing. It immediately became necessary for the treasury of the British government and the Bank of England to get their heads together and say, "These are our requirements and we will so adjust our financial policy to make them possible." And they have done it.

In the next place, we encountered this situation in Canada only recently—rationing by coupons. Does not that open one's eyes to this extent, that if, through a system of rationing or whatever anyone may wish to call it, we can distribute the so-called scarcities of foodstuffs in war time, we can adopt some similar proposal to distribute the surpluses of peace time? I say it opens one's eyes. It should. Again, we had recent reductions in the prices of certain commodities—two cents a quart on milk for example, the very thing we have advocated, namely, the reducing of the price of the commodity to the ultimate consumer.

We are not completely satisfied with the sources of revenue used for the purpose of reducing that price, but the producers were subsidized and the consumers obtained the commodity at a lower cost than prior to that time. And last but not least—I hesitate to mention this because, as sure as anything, someone is going to grasp it and endeavour to twist it out of shape so that no one will recognize it—in 1933 Germany was financially bankrupt in the eyes of the world, but between 1933 and 1939 she built a colossal war machine without going out of Germany to get the money to do so. We have reason to believe that national credit was used to a very large extent for that purpose. In fact I have a letter signed by the governor of the Bank of Canada—he did not send it to me, but I saw it—in which he asserted the same thing.

I do not propose to transgress much further upon the time of the house, but I do wish to say I believe, as do many other hon. members, that there is danger in the scores and scores and scores of boards and controllers and so on that have come into existence in this country. I am not so much concerned about

them as I am about the authority that the government of this country has vested in them. To-day it is getting to be that when I write from my home to a minister he refers it to a controller and the controller answers me. The minister as much as asserts that the responsibility has passed out of his hands and that controller So-and-so has it. Many of the regulations that we have to-day are not written in the laws of this parliament; they are not written by men chosen and known by the people of this country, but rather they are written in office dungeons by anonymous experts, so-called. The time has come when we should put a stop to this practice, even though we do admit that in war time certain extraordinary powers must be vested in a government.

Mr. BROOKE CLAXTON (St. Lawrence-St. George): Mr. Speaker, I propose to speak on a subject that is rather novel here, namely, the working of parliament, a subject that should interest us, because nothing is more interesting than the work we do.

Last session, on two or three occasions a number of hon. members referred to the working of parliament and made suggestions that something should be done to gear up parliament so as to make it a more effective instrument for helping the country and directing its efforts in the war. On May 26 last the Minister of Finance (Mr. Ilsley) had this to say:

> In my judgment parliament is more and more on trial at the bar of public opinion. There is something wrong with this House of Commons. I am not reflecting on the house, and I do not know what is the cause. But there is something wrong with it.

Since then, the leader of the opposition (Mr. Graydon) has proposed that it is time that we change the rules of the house, but the Prime Minister (Mr. Mackenzie King) doubted whether this was a suitable time to do so. Meanwhile hon. members and the people are making two sets of comments about parliament. One is that parliament just talks; the other is that parliament is a rubber stamp, that its members are not independent enough. I ask hon. members how they would like to have the house full of some of our most independent members. I will not name them, but let hon. members think of them for themselves. We must have parties in order to organize opinion, or we would have a totally different system from the one in which we want to work.

Some of the criticism about the House of Commons and its working is just misinformed, and some of it probably is on account of the fact that some people are disappointed because some supporters of the government did not turn upon the government and turn it out. Other comment on the working of parliament results from the feeling that there is room for improvement and that we can do something about it so as to make parliament the great forum of the nation and a better expression of the national will.

I would suggest—and here I think all hon. members will agree with me—that there is no more certain way of weakening parliament than to sneer at it and its workings. We can all try to improve it, but there is no point whatever in just saying, What is the good of it?

If there is one answer to be made to the criticisms so far made about parliament it is that nobody seems to have studied and expressed why it is defective, if it is defective; what can be done to change it, what should be done, and when. So far we have not had a debate on the subject, because there is no way under the rules to have a debate relating exclusively to this subject.

It is not my suggestion that the rules should be substantially altered. My view is that the rules are all right for the most part, but that changes should be made in the way in which we work the rules and that this will effect all the reforms that anyone would want to make. As I go along I propose to compare our procedure with the procedure in the British house. I do that for this reason, that the British people have had a very long experience of the workings of parliament, including a great deal of experience with the working of parliament in crises. Quite properly we regard the parliament at Westminster as the mother of parliaments, and the working of that parliament throughout the trials of this war has been one of the reasons why the whole world admires the British people. But I do not say that we should copy it in everything.

If time permitted, I should like to examine some of the rules of the congress in the United States and the parliaments of other members of the British commonwealth. I suggest that we can learn from the experience of other parliamentary bodies, and at the same time that we have a great deal in Canada that is better than is found anywhere else. But I do hope that hon. members will agree that if there is room for improvement we should try to make the improvement.

Please do not think I am setting up as an expert in parliamentary procedure. I recognize my own inexperience and limitations in that regard. It just happens that I have been interested in the subject, as other hon. members are; I have discussed it with older

members and members of other parliaments whom I have known, and have read something about it.

The point at which I begin is this, that the rules, the procedure of parliament here and everywhere else were primarily designed for the passage of legislation. If one studies the matter and looks through the rules, one sees that they are designed to promote the enactment of legislation. Parliament is a legislative body; that was its primary function. But when we get into a state of war or meet the developments that have occurred in the last few years we find that the functions of parliament have changed. To-day parliament does not spend much of its time in enacting legislation, considering bills and passing them; it is the executive, the cabinet, which makes most of the laws, and of necessity it must be done in large measure by the executive. To-day the main function of parliament is to support and control the executive and to conduct a kind of government by discussion, so as to keep the executive continuously responsible through parliament to the people, and also to keep the executive efficient and give it every support that we can. My submission is that the practice we have continued to follow in Canada is the practice that is adapted for the purpose of passing legislation, while in Great Britain the parliament at Westminster, under exactly the same rules, has adapted a practice which is more suitable to the changed conditions of the times.

May I illustrate that. Since this debate commenced we have had some six or seven days discussion on the address; and as everyone knows, this is a general debate. Let me take just a single day, February 4, and look through the discussion that took place on that occasion. On that day different members spoke about food control, social security, women's war work, the officials of the wartime prices and trade board making speeches, nutrition, wooden ships, the Japanese in Canada, fuel shortage in British Columbia, food control, farm labour, social security, farm income, man-power, fuel shortage, reinforcements, redistribution, national income, pensions, post-war developments, production and employment, farm prices, post-war, food, farm prices, farm labour, social insurance, farm labour and labour. Similarly we could go through any general debate that occurs in the house, either this debate or the budget debate, and see subject after subject touched upon by one speaker and then perhaps left for three or four days before being taken up by another. That also has been illustrated to-night. The hon. member for Red Deer (Mr. Shaw) who preceded me did not follow the hon. member for Richelieu-Vercheres (Mr. Cardin), and as yet I have not followed either of those two hon gentlemen in their remarks.

The point I make is that in a general debate of this kind there is no possibility of having consecutive discussion relating to a specific point. I suggest that there are ways and means of having that. What I have just said about general debates of this kind is perhaps even better illustrated by what happens in connection with the war appropriation bills. It will be remembered that in 1940 we had a general debate on the war appropriation bills and the conduct of the war. Throughout that entire debate the members of the cabinet, almost without exception, were continually in their seats, wasting their time—which is more valuable than the time of anyone else in this house or this country—in listening to that discussion, a great part of which did not concern them. In 1941 we spent some thirty-six days in that debate, covering about 805 pages of *Hansard*, and I believe I mentioned once before that the then leader of the opposition had no less than 954 separate innings. At the same time in the British house they were voting ten times as much money by a similar though not the same procedure. The debate in the British house covered forty pages of their *Hansard* and was completed in three days. In closing the debate the chancellor of the exchequer made a speech consisting of five sentences, of which I will quote the last three:

> I think only one direct question was put to me in the course of the debate. It was directed to ascertain my estimate of the revenue we expect during the coming year. I am sorry that I cannot give that information.

On the conclusion of that sentence he sat down, completing his answer to the discussion that had gone on. That was his only contribution to the debate, apart from his opening speech. Contrast that with the ordeal through which the Minister of Finance (Mr. Ilsley) had to go, sitting here day after day answering thousands of questions, then stepping right from the war appropriation bills into the budget debate and doing precisely the same thing.

In 1942, the session just concluded, the practice was extended of dividing up the debate and taking the service departments one at a time. I think all hon. members will agree that was a great step forward. All that I suggest is that this practice be carried two or three steps further forward. At the end of that debate in 1942, after we had spent twenty-nine days in a general discussion of the conduct of the war, the Minister of

Finance made available a general break-down of the expenditures of a great number of departments, and for the last six days of the debate the discussion was related to that break-down. From that time on, the discussion was closely directed to the specific points set out therein, and we made very much better progress.

My suggestion is that in view of the tremendous burden which is placed upon the government and upon parliament, in view of the changed functions of government as a result of the wide extension of the whole realm of governmental activities, there is no way in which the deliberations of parliament can be carried on effectively unless they are organized and controlled. I suggest that the time has come when this house should direct the government to assume the responsibility of allocating time to debate, day by day, and indicating precisely what subjects will be discussed and how long will be spent on them. Such a practice requires no change in the rules of the house. It requires acquiescence on the part of members of the house; it requires that they should discipline themselves and cooperate with the government in seeing how best we can do the work of this house, to make it the most effective instrument for carrying out the national will. In Great Britain, again, that is actually done to-day. It has been done for a great number of years, and it is done under precisely the same rule that we have in Canada; namely, the order providing for closure. There is no provision in the British standing orders or rules for the allocation of time by the government. It is all done because the government has the power of closure if it desires to use it. Out of that comes the power of the government, acquiesced in by the other members, to arrange the time of the house; and of course in doing so the government consults with the Speaker and with the whips of the other parties.

I suggest that we might well look to the government and ask it to begin—not too rigorously at first—to proceed in this way when we come to the war appropriation bills which will come up for discussion within the next few days. In the United Kingdom they finished in December the debate on the address, corresponding to the debate now going on here. For that debate the government had allocated eleven days. Of those eleven days six were spent in general debate; five were devoted to private members' amendments, which is a very interesting development there. The total number of British *Hansard* pages devoted to the general debate was 185, and of the six days allocated to that debate the greater part of two were spent in secret session. But then, having finished the general debate in six days, they went on to discuss a number of amendments which had been suggested by private members in order to concentrate discussion on specific points that were of general interest. Those amendments were selected by Mr. Speaker, after consultation with the various parties, as being the amendments which would concentrate the discussion on specific points, one at a time. I have in my hand copies of the British *Hansard* for the period I have mentioned, and when I come to No. 7 of the current session, for November 25, I see the first amendment that came up. It has to do with war injuries compensation. Then on the next day the next amendment came up, and they had a discussion on colonial development, a matter of great public concern in Great Britain and elsewhere throughout the world. Then on the third occasion they had a debate on reconstruction. That debate continued for two days, and during its course the paymaster general, Sir William Jowitt, who has charge of coordinating British work on reconstruction, made an extensive report to the house and to the country through the house, as to what was being done on that very important question.

If, however, the government is to have vested in it by the acquiescence of the house, or through the use or threat of closure, if necessary, the power to allocate the time of the house, and to designate specific subjects, then of course as a corollary the government must give opportunities for the discussion of subjects of general interest, and create such opportunities from time to time as occasion arises. In that connection I suggest that now there are one or two subjects of utmost importance to all of us, and with respect to which many of us would like to hear discussions, and would like to know what is happening. I refer first to the general international situation, and then to the particular development of defence arrangements in Canada, having regard to our very close and, I am glad to say, cordial and effective arrangements for the defence of this continent, in conjunction with the United States. Those are two subjects upon which the house should concentrate its attention for at least a day. I should hope very much that at some time in the future the government may be in a position to allow that.

In England, as we know, one of the most interesting, characteristic and distinguishing features of the British parliamentary system is the question period. Every day, according to the rules, from 2.45 to 3.45 p.m. there is a full sixty minutes of questioning. Questions are placed on the order paper the day before. Those for which oral answers are desired are

marked with an asterisk. Each day from 150 to 200 questions are asked and answered. Very few of those questions are designed to get information. They are all designed to bring to the attention of the government a point of view or a grievance; and the form of the question is quite different from the form we follow.

I have chosen a question at random, and I find that it reads:

> Sir W. Smithers asked the parliamentary secretary to the ministry of food what position Mr. Calder holds in his ministry; and what were Mr. Calder's connections with bacon factories previous to his appointment. . . .
>
> Sir W. Smithers: Will the minister take steps to dissipate the idea . . .

And so on. The under-secretary makes reply. Then, the next question:

> Mr. Thorne asked the parliamentary secretary to the ministry of food whether he will have some of the bread made of flour, oats and barley put in the tea room?

Not only have they questions, but supplementary questions are also allowed, within reasonable limits. As I say, very few of these questions are submitted for the purpose of getting information. They are designed to bring forward a point of view briefly and quickly, and that point of view registers for what it is worth. Often when this is done it obviates the necessity of putting the point in a more formal way in debate in the house.

Supplementing questions is the adjournment debate. It is quite a different matter from our procedure to adjourn the house to discuss a matter of urgent public importance. The parliament at Westminster has that procedure, too. However, we have not anything like the debate on the adjournment. This is a procedure whereby any member who is dissatisfied with the reply of a minister says, "I give notice that I will raise that on the adjournment," or else he gives notice without having a question. Then, the government may occasionally raise a debate on the adjournment. The whips get together and arrange that within a day or two when the normal time for the adjournment of the house takes place, opportunity will be given for a member to state his case. Two or three members may join in, if there is time, and the minister or under-secretary will reply, the matter thereby being disposed of when it is hot, and when there is still interest in it. That is the last that is heard about it. However, it has the result of releasing the subject at once, ventilating it and securing the attention of parliament, the country, and the minister. It also supplements the very effective method of interrogating the government by way of questions.

[Mr. Claxton.]

Almost every day there are adjournment debates. Even during the period I have mentioned, at the beginning of the last session of the house when the debate on the address was in progress they had, on the second day, a debate on estate duties; on the third day a debate on the situation and status of Prince Paul and Princess Olga of Yugoslavia; on the fourth day a general debate on the business of the house; on the seventh day a debate on Royal Observer Corps centres; on the eighth day a debate on essential work order; on the ninth day a debate on the weaving mill at Tayport; on the tenth day a debate on a Royal Air Force, airmen's application; and on the eleventh day a debate on civil service pensions.

That is in the period of the debate on the address. Almost every day opportunity is given toward the end of the sitting for about a half hour to be spent in the ventilation of some subject. Through those devices of questions and adjournment debates it is possible for private members to bring matters to the attention of the government and the people exceedingly quickly. All my conversations with members of parliament at Westminster have indicated that they regard the question period as the most important single feature in British parliamentary institutions. As we all know, we have not that kind of question period here. Our practice is to ask questions which seek information, a great deal of which is sometimes available in blue books. Such information is placed on *Hansard* or supplied through sessional papers as orders for returns. I think hon. members will agree with me, however, that a great part of the material asked for in our questions is of no permanent value, and might just as well be obtained by the member through direct communication with the department or the minister. With respect to these other types of questions, may I point out that a very large percentage of them are of a contentious and argumentative nature, and have the effect of stating a case.

In addition, arrangements are made in the British House of Commons for the holding of debates on special topics. During the debate on the budget, for example, it may be agreed that the second day will be spent on some specific topic, and the third day on another. In that way they break down the whole broad scope of a debate into topics which can be handled. Members may speak consecutively, and ministers or under-secretaries may reply. In those debates there is a meeting of minds and a clash of wills. At once they become much more lively and interesting, and at once there is something the people can follow. At the same time it is a debate about which the

press gallery can write, with interest. It is something which can be handled and which has some meaning, because it is not scattered throughout a whole session. For instance, statements respecting reconstruction, and thoughts in line with that subject, will be recorded on one occasion. Having taken place on such an occasion they are not so likely to take place at other times. I suggest that in this way the parliament at Westminster not only secures more orderly and organized discussions, but saves the time of the ministers, who know when subjects are to be considered. At times when matters outside their interest are not under consideration, they need not be present.

Then, too, there is much more satisfaction in dealing with a subject in a manner which makes one feel that he is making some contribution, progressively. One idea, of course, leads to another. There is all the great advantage of discussion in a deliberative assembly, without the disadvantage of having a series of set speeches on different subjects, such as we are making to-night, and such as we make on other occasions when we have general debates.

We are told, of course, that the kind of thing to which I have referred should take place on the estimates. That may be so, and it may not. It depends upon the year. In 1940, the business of the house was such that we dealt on a very hot August day and night with 493 items in the estimates, totalling $191,623,349.69; that was on the second last day of the session, on August 6. In 1942, on the last day of the session, we dealt with 190 items totalling $251,974,758

Mr. MacNICOL: They were not dealt with; they were just voted.

Mr. CLAXTON: They were voted, and some of them were discussed. That was the only opportunity accorded for discussing the subject I am now discussing, the procedure in the House of Commons, because the appropriation for the House of Commons came up on that day. It is for that reason that I venture to take up the time of the house on this subject to-night, because on account of pressure of work another opportunity may not occur until very late in the session, and we know what it is to bring up a new subject in the house toward the end of the session. It would be like a little boy in class at school who does not understand a question, and who is scared to ask because he is afraid of getting the whole class kept in to hear the answer.

There are other suggestions that might be made in connection with the business of the house, but I would present for the consideration of hon. members in the government the suggestions I have made, namely, that time should be allotted to specific subjects; that they should be picked out and dealt with one at a time; that the question period should be extended and liberalized a little so that occasionally the government might commit itself on a question of future policy; that there should be adjournment debates and that debates, like the budget debate, for instance, might be divided up to provide an opportunity for the discussion of special topics. These proposals I have made could be carried out without a single change in the rules of the house. All they require is the general will of the membership of the house to put them into effect and the willingness of the government to carry them out, and I would hope that the government would be willing to do so because I can see no other way of saving the time of the government and making its work in the house easier than by means of these suggestions.

One further suggestion is in connection with committees. I think most hon. members would like to see the practice of referring matters to committees extended. I have had a very short experience in the house, only three years, but during that time I have served on some thirteen committees of which ten were active. During that time—and I know this is the experience of other hon. members—in no one of these committees was there a single vote on party lines. As soon as the members got on the committee they began to work seriously and intensely to find the best solution for the problem committed to them. If the problem was one which was suitable for study by a committee, and the committee was not too large, it invariably brought in a sensible, constructive report which was carried out by the government in every case except one.

I mention the size of a committee because it is my experience both outside the house and in, and the experience, I think, of other members, that the effectiveness of a committee decreases geometrically in proportion to the increase in its membership over fifteen. I think fifteen is the right number. It is the number fixed in the rules of the house. With a small committee of that size the members are much more conscientious; the responsibility is not diffused, and there is a much more steady attendance, a much closer discussion, and more opportunity for the members to meet in between meetings and work up material. Therefore I suggest that fifteen should be the maximum number for a committee, and I hope that this suggestion will be taken into consideration by the government when it comes to appointing a committee on social legislation.

I think it is our experience that the chairman of a committee should preferably, not be a member of the government. I have sat on committees with chairmen who were members of the government, and I must say they presided magnificently. Nobody could have presided better or with greater objectivity, but at least on one occasion it led to some embarrassment that a member of the government should have been chairman of the committee. My idea in this is that once we get a matter out of the house and before a committee we lose the atmosphere of the arena and we get into the atmosphere of the workshop, where we want to do the job as quickly, effectively and efficiently as possible. That is my experience.

I suggest that some committees need expert assistance, and I sincerely hope that the committee on social legislation is not set up without a great deal of expert assistance, similar in standing, if possible, to that provided for the royal commissions in England which ultimately resulted in the Beveridge report. It is impossible for members of a committee to give the detailed work and study and have the background and special knowledge necessary to handle a topic of that kind.

Then the committee produces a report. By that time the matter has been screened through the committee, and the discussion of its report in the house provides an opportunity for a useful short debate on the subject, in which debate usually only the members of the committee take part. It has been my experience in the last three years that these debates have been the best in the house, and I do not think any one of them has ever taken more than a day.

We all know, too, that the mere fact that a committee may look into a matter has a salutary effect upon some government departments. I believe that in time we ought to have committees of the house on different subjects to which matters would be automatically referred, such as man-power and labour, munitions and supply, agriculture, reconstruction, international affairs and information—topics like that, and not merely matters which are to be the subject of legislation.

This brings me to my next suggestion. We have heard a great deal said about government by order in council, but the people who talk against government by order in council seldom say how government should be carried on. The fact is that we have the executive taking the responsibility of using the authority we have given to it, but the people who complain of government by order in council would be the first to complain if the executive failed to use that authority. It is greatly to the credit of the government, parliament and the country that at no stage has our government failed to have the courage to use the authority it has been given. It alone of all democracies was the first to introduce effective measures to deal with the spectre of inflation. I see no other means whereby that could have been dealt with so effectively as by order in council. But we have had 25,000 orders in council, and now there is a kind of public clamour growing up against government by order in council which will grow as victory comes closer and people want to get rid of bureaucratic control, as they call it. To prevent this from growing to the point where it interferes with the conduct of the war and to preserve the supremacy of parliament, we must have some say at some stage in these orders in council, and in a great number of instances we cannot have it before. The practice of tabling orders in council is, for all practical purposes, an empty form. I suggest that orders in council be referred to a committee for consideration —not all the orders, but orders having the effect of legislation of a general nature. Even when they get to the committee, all the orders of that kind would not be discussed; but if the committee felt that one particular matter should be discussed it could take up that order, have the departmental officials there to explain it, and make its report to the house. This could be done exceedingly quickly. In this way there would be an opportunity of improving the drafting of the orders, which sometimes leaves a great deal to be desired; there would be exercise of control over the executive, opportunity for ventilating grievances, and also observance of the important principle of the supremacy of parliament. I suggest that is one way in which it could be done without any sacrifice of the speed and decisive action which are necessary in order to carry on the war.

There is some need of an appeal from orders of a punitive nature. I do not see why all the boards which have orders of that kind should not act like the wartime prices and trade board; that is, use the courts exclusively. But in other cases anyone who regards himself as aggrieved by the application of an order in his individual case should have an opportunity of appealing to some authority other than the men who made, enforced, policed and executed the order. Therefore I suggest there should be an administrative tribunal of the same character as the war contracts depreciation board or the board

appointed under the Excess Profits Act. Both of these boards have done magnificent work.

There also ought to be an appeal from all orders under the national mobilization regulations. It is the only way in which uniformity throughout the country can be preserved. It is the only way in which possible injustices through the board being too rushed can be corrected or further consideration given. Accordingly I suggest that there should be an appeal from all these boards to some authority.

In conclusion, I have this to say. We live at a time much more important in the history of parliament and of our country than any other. There is no one who should occupy a more important role in the life of Canada than the members of this house. Not only do people look to us for leadership and guidance; they want everything that we can give in the way of devoted service to our country. We are willing to give it, and I believe, from what I have seen of them, the members of this house of all parties would be only too anxious that their very real sacrifices of time, health, family life, and future expectations of a financial nature should be made more valuable to the country, and that I suggest, might come about through the further consideration of some of the suggestions I have made this evening.

Mr. R. T. GRAHAM (Swift Current): A number of very fine addresses have been made in this particular debate. The speaker who just preceded me made an interesting contribution on an unusual subject, one which, of course, will have to be given great study, as he no doubt expected it would, before it can be accepted in its entirety. Nevertheless I should like to compliment the hon. member for St. Lawrence-St. George (Mr. Claxton) upon being sufficiently fresh in his viewpoint to introduce the subject and deal with it as he has done, indicating the considerable amount of study he must have given to the subject with which he dealt.

In addition, I wish to join those who have spoken before me in commending the addresses of the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. It is for me a happy thought that I have in my constituency a highly thought of citizen who is a lady cousin of the mover of the address. I have a sense of pride in the fact that there is at least some connection between the far-off constituency of Swift Current and that of my hon. friend who moved the address in reply. My remarks of commendation of course apply equally to the hon. and gallant member who seconded the motion.

May I also say, and I think the house will agree, that it would be well to note the value of the address delivered by the Minister of Agriculture (Mr. Gardiner) this afternoon. Regardless of our political viewpoints we, as a former speaker pointed out, are the representatives of the different sections which go to make up Canada; and the concise and cogent information given to this house this afternoon by the Minister of Agriculture makes the task of every member that much easier.

May I also, in commenting upon the addresses in this debate, pay a word of compliment to at least two members of his majesty's loyal opposition. I refer to the hon. member for Haldimand (Mr. Senn) and the hon. member for Waterloo South (Mr. Homuth). The one dealt with agriculture, and the other with the industrial war effort of Canada. While I do not find myself in agreement with many of the points which they made, it struck me that they were moved by a sincere desire to criticize fairly and constructively the policy of the government with regard to these two important phases of our war effort. Constructive criticism, as we all know, is a valuable adjunct of any government charged with the responsibiliy of carrying on the business of a nation.

The speech from the throne dealt with many matters of importance. The most important, of course, is the successful prosecution of the war. Anyone who read that speech or heard it at the opening of this session must have been struck with the fact that not only did it specifically express a note of confidence in our present position, as regards the war situation generally, but the very fact that the speech contained matters such as post-war reconstruction and social security indicates that there is in the minds of those who advised his majesty in the drafting of that speech a certain measure of confidence which will be heartening not only to the members of this house but also to the people of this country.

It is easy, too, to realize the truth of the statement that we can take pride in the progress which has been made in the successful prosecution of this war. It is only necessary to think back to the perilous days of Dunkirk, and to the time when we sat in this house and received the news of the fall of France, and compare the situation then with what it is to-day, to realize that progress has been real and substantial, and we can take pride in the immense advance which has been made upon the road to victory.

Canada's war effort is becoming more and more a matter of great pride to all Canadians. That war effort is not the result of accident; it is of course the result of a sustained and well planned programme of contribution to the common cause of the united nations. I believe that the Prime Minister (Mr. Mackenzie King) and the government who have led the country in that effort can be justly credited with a great deal in so far succeeding as they have done in making Canada's contribution something of which we can all be proud. Not only that, but I say to members on this side of the house that those of us who saw fit to support the Prime Minister in the rather trying days of last session and the session before can all take a great deal of pride in recognizing that his aims and objects were dictated by wisdom, and in giving him that loyal support which enabled him to put that programme into effect.

I agree, however, with the note of caution expressed by the Prime Minister when speaking in this debate, that the measure of success which we have realized is only a warning to us of the path we must follow in order to achieve victory. We, in a democracy, of course hate war so intensely, and it is so foreign to our whole philosophy of life to believe that other peoples would use war as an instrument of aggrandizement, that we welcome any sign of approaching victory and the time when we can turn back to the peaceful pursuits that so suit our philosophy of life. Yet we would be foolish indeed if we did not recognize the immense task that lies ahead of us. I read in a National magazine recently of the forces that Japan still has at its disposal to fight the battle in which we are engaged with that country at the present time, and they are still a great menace. She occupies vast territories that have so widened her economy that she faces want in one or two items only. She is immensely strong in man-power, immensely strong in ships, immensely strong in the strategic position she succeeded in securing for herself by her treacherous attack prior to the outbreak of war between herself and the United States. We must recall, too, that Germany is still mighty in her military strength, the accumulation of many generations of that race that seems so far to have been bent on world domination. As Germany is forced back on her own central home front, she solves many of her communication problems, and this leaves her with a freedom of action in defence, which we must overcome before victory can be ours. So that never for a moment, either in our hearts or in our minds, should we permit the feeling of optimism, or of confidence even that pervades Canada at the present time, to weaken us in any way in the determination to see to it that Canada's material, physical and human resources shall continue to be used for the purpose we have before us, which is to defeat those forces of evil that so violently and disgracefully attacked the democracies.

May I also point this out. I think it is something we should note, those of us who by the nature of our position take a great interest in the political life, not only of this country, but of other countries as well, that in the commencement of the fourth year of the war the great democracies, Great Britain, the United States, Canada and the other component parts of the British commonwealth of nations, can feel that democracy, with all its apparent faults, has stood the test in the hour of trial, and that democracy is the democracy we have always known—a democracy of free parliaments, a free press, freedom of worship, freedom of speech, freedom in the expression of the opinons we see fit to utter so long as they do not offend the rights of our fellow men. It is a great thing to keep that in mind when discussing the relative merits of this or that kind of governing system. In the last analysis, these free democracies are standing the test, and we are all of the profound belief at this moment that ultimately they will achieve victory over the totalitarian states.

In passing, I would call the attention of those who advocate a planned economy, or the setting up of government whose control is vested in a group of experts to deal with the lives and the welfare of our people, to the importance of always keeping in mind that, despite the fact that Hitler has had many men of brains and capacity, sometimes regarded as supermen in Germany, and having devoted all the talents of that country to the planning of success in this war venture of his for world domination, nevertheless he and all his cohorts and experts will fail in the task to which they have set themselves. The same is true of Mussolini and Italy. So that I think the nature of the progress we have made should strengthen our belief in democracy as we have known it, and we should not hastily or lightly cast aside a system that has brought us the results it has during this war period.

It is true that our democracy has certain weaknesses. It is inclined to be hesitant in coming to a decision; it is inclined to engage in controversy to too great an extent; it is inclined to an inability to gird up its loins to exert its maximum war effort. Yet these weaknesses are the corollary of free institutions, and I am not afraid to say that the expression of these weaknesses in war time will become

the very strength and bulwark of the free institutions of democracy in the times which we so much desire that lie ahead.

There were one or two matters that arose either in the speech from the throne or during the discussions in this house of peculiar interest to me as coming from Saskatchewan. One was the suggestion, in fact the declaration of intention, that a redistribution of seats in this house should occur at this particular session. I add my voice to those from western Canada who suggest to the government that it would be extremely unfair at this time in Canada's history to propose that Saskatchewan, the third largest province in the dominion in point of population, and its neighbouring province of Manitoba, should find, largely as a result of the war effort and the transfer of people from the prairies to the industrialized sections of Canada, that they are penalized for making that contribution by losing, for a period of at least ten years, the number of representatives they have heretofore had in the house of commons. I am sure hon. members will agree that no other part of Canada has the troubles which have beset western Canada, struggling to construct an economy that will support itself, or deserves more the fullest measure of sympathy in this house which can be given it. I therefore strongly urge on the government and the members of this house, who in the last analysis will have the decision in the matter, that they exercise generosity in recognizing the cause of the shifting population from Saskatchewan and Manitoba, and that in any redistribution measure which may be introduced, the effect of that legislation will be deferred until 1953, or for a considerable period after the cessation of the war, so that we can then see whether the movement from those provinces has been temporary or permanent.

There is also the other matter that is constantly raised, without any fruitful results, I am sorry to say, namely, the concentration of Canada's industrial life in the two central provinces. I for one have always recognized and forgiven, if that is the proper word, the Minister of Munitions and Supply (Mr. Howe), having regard to the immense task with which he was presented during the early period of the war, in procuring the great amount of material that was required at once for Canada at war. I did not blame him much, that, on account of the necessity with which we were faced, in the early days of the war he seized upon plants that were already in existence and transformed them into the arsenals of munitions and supply that we so urgently required. Since then, however, there has been a great change. We have had time, and we have time at present, to consider the larger question, the result of the great concentration of industrial activity in the central provinces and the failure of Canada as a whole to remove one of the constant points of irritation in confederation, and to see to it that decentralization takes place where it is wise and proper, and in that way balance the economy of the outlying portions of Canada to a greater extent than has been done hitherto. I believe that if we continue now on the path we have been following we shall continue on it in peace time as well. The fact that the plant, equipment, management and all the essentials are there will be used to justify the continuance of the use of those properties.

Hon. members know as well as I do that we have been seeking ways to use our surplus of wheat. I was told by one who ought to know that the United States government is spending immense sums of money and employing a large group of highly trained people to look into ways and means of using cereal crops for the manufacture of industrial products. For industrial alcohol, synthetic rubber and similar products we have in western Canada not only immense quantities of materials but immense potential capacity to produce those materials. We would thus be serving the best interests of western Canada and, indeed, of the whole of Canada if we could, to some extent at least, break up this concentration of industrial life in the two central provinces, which concentration sooner or later will cause serious trouble. We can do it wisely, and the whole of Canada will profit.

In listening to the different problems that were brought to the attention of the house during this debate, I naturally followed with great interest the speech delivered by the new leader of the official opposition (Mr. Graydon). I join with others in congratulating the Progressive Conservative party upon the choice of him as their acting house leader. I did, however, note that in putting upon *Hansard* most of the party's platform adopted at Winnipeg he did not include in the apparently important sections of that programme the resolution which the hon. member for Qu'Appelle (Mr. Perley) succeeded in having passed at that convention and which had to do with the price of wheat. I am afraid that this was a child whose desirability was questioned at that convention.

I noticed also a suggestion that appeared in the Ottawa *Journal* and was mentioned by some hon. members in this debate, namely, that the selection of the new name—to which I have no objection—need cause no comment, because Sir John A. Macdonald once used the same name to describe the historic party of

which he was the head. But may I point out that those who use that argument rob the Winnipeg convention programme of much of its freshness and the hope that it and the Port Hope meeting inspired in the minds of the people that the addition of the word "Progressive" meant a decided change in the policy of the old Conservative party. The argument lends strength to the suggestion that this is merely a revival of the old party with a new name but with no real change in its policies. I say to the members of that party that I hope Mr. Bracken will be able to persuade the members of the party that the programme is a worth-while programme, one that he in western Canada has always supported with regard to freer trade and a freer economy in this country. I shall be happy indeed—I say this quite sincerely—if members of the Progressive Conservative party in this house will declare their intention of accepting whole-heartedly the new programme now adopted by the party as expressed in its Winnipeg platform and make vigorous speeches in this house in favour of free trade and a freer economy. I for one will welcome to my side at least and to the side of a great many hon. members on this side of the house any support that hon. members can give to that wise and beneficent policy that we have so long advocated.

Also I could not help noticing that the hon. member for Rosetown-Biggar (Mr. Coldwell), the leader of the Cooperative Commonwealth Federation party, suggested that the speech from the throne was merely a series of pious platitudes. He will not mind if I say to him that I listened with considerable interest to his radio address a couple of weeks ago and noted the fine manner of its delivery to the public of Canada. Nevertheless let me say to him that his address dealt only with generalities. The comment of a friend of mine next morning who said he had listened to the hon. member's address was that he had come to the conclusion that there were not many Canadian soldiers in Libya. I asked him why. He said, "Well, because if there had been Mr. Coldwell would undoubtedly have promised them ice and air conditioning". There is an element of truth in that statement.

I have listened to thousands of expressions of opinion as to what should be done in this country, and almost without exception what one gets is a statement of a problem, phrased in varying language but still simply a statement of the problem; seldom is there any concrete suggestion as to how a solution of the problem can be achieved. The only time in his speech in this debate that the hon. member for Rosetown-Biggar became specific is worthy of note. I draw this particularly to the attention of the hon. member for Cape Breton South (Mr. Gillis) who suggested that in the Cooperative Commonwealth Federation programme there is no suggestion whatever of state socialism or statism or concentration of power in the state as opposed to the present system of government. The specific contribution made by the leader of the Cooperative Commonwealth Federation was the suggestion that we appoint a representative committee. He stressed that point, that it be truly representative. How it could be formed to the satisfaction of my hon. friend is a matter that would have to be decided. Nevertheless the suggestion was that we appoint such a committee to consider ways and means of carrying out a reconstruction or rehabilitation programme, and that this House of Commons, representative of the free people of Canada, should without question, or without discussion—I take it that was meant—immediatley undertake, without examination of the proposals, in two years to vote five billion dollars to that committee and allow it to expend that money in the manner it suggested.

Mr. COLDWELL: A representative committee instead of a non-representative one, and report to this parliament.

Mr. GRAHAM: To me that is the very essence of the Cooperative Commonwealth Federation programme, and I suggest to the hon. member for Cape Breton South that he note that the only concrete and specific recommendation, in which social security is mentioned, made by the leader of his party during this debate, is the suggestion that this parliament voluntarily give up its position as trustee for the people of Canada in connection with the expenditure of money; that not only do we turn over to someone else the task of preparing a programme, but that we undertake not to spend any time in examining into or discussing their proposal, and that we give them this amount of five billion dollars to spend in a given period of time.

Mr. COLDWELL: That is absolutely wrong.

Mr. GRAHAM: Well, I have the hon. member's speech before me.

Mr. MacINNIS: Parliament does not give up its trusteeship when it votes money for the carrying on of the war.

Mr. GRAHAM: As I say, to me the suggestion to which I have referred is a denial of the democracy I took the time to praise a few moments ago. As the hon. member for Jasper-Edson (Mr. Kuhl) said the other

night, it would mean the securing of social security at the cost of our individual liberty, to which I think no sane member of this house would agree. May I say, too, in all fairness to the members of the Cooperative Commonwealth Federation party that considering the task with which this country will be faced after the war is over; considering that some eight hundred thousand men will be coming back to our shores—at least we hope so—whom we shall have to place back in civil life in a reasonably prosperous condition; considering the dislocation that will occur in our industrial life, our farming life and, in fact, every phase of Canadian life as a result of this prolonged struggle, would any sane person suggest that in addition at this moment, or between now and the cessation of war, we should agree to revolutionize suddenly the whole system of democratic government under which we have lived and under which we shall succeed in winning this war? Would anyone suggest that in addition to the problems which we shall have to face then, we should add the further problem of the dislocation that would result from any such change, even if that change were meritorious and justified?

Mr. DOUGLAS (Weyburn): Certainly we shall have dislocation if we do nothing.

Mr. GRAHAM: I suggest that democracy can undertake the task of building upon what we have learned in the past, using the wisdom we may acquire during this war, to see to it that our problems are wisely met and our difficulties minimized to the greatest possible extent during the period of dislocation, reestablishment and reconstruction through which we must pass.

I now turn to the subject that really caused me to take part in this debate, one in which I take a great interest. I refer to the question of social security. As I have already stated, most of the contributions offered so far in the editorial columns of the newspapers and in speeches from different individuals have consisted of statements of the problem itself, statements of what we must face. Seldom is there any concrete, wise suggestion offered as to how social security may be achieved. Together with a great many members of this house I was very much interested in the fact that in England a commission headed by Sir William Beveridge, an economist of whom I happen to be a great admirer, brought forth what is now known as the Beveridge report, which, of course, as he has stated is only a suggestion for a solution of a certain phase of the social security problem. At least it is a concrete contribution, and I for one have greatly appreciated the opportunity of reading the result of the work of Sir William Beveridge and those associated with him in that task. Naturally his report applies peculiarly to industrialized Great Britain. I believe it is founded upon Liberal principles, according to my understanding of Liberalism. I believe members of this house and the people of this country would be well repaid if they carefully studied that report in order to ascertain the value of any ideas therein contained which might be beneficially applied in this dominion. However, I think I should say this, in connection with the whole programme for social security, that in our desire to bring about that result we must not assume that it will come simply because we are united in that desire.

On motion of Mr. Graham the debate was adjourned.

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

Wednesday, February 10, 1943

The house met at three o'clock.

LABOUR CONDITIONS

LUMBER INDUSTRY—EXIT PERMITS ISSUED TO CANADIANS TO CUT TIMBER IN THE UNITED STATES

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): There have been references in the press with respect to the number of Canadians crossing into the United States to work in lumber camps. The hon. member for Waterloo South (Mr. Homuth) raised the question during his address on the debate last evening. For that reason I should like to make the following statement.

In normal times a considerable number of men from Quebec and New Brunswick living along the American border have crossed into the United States each winter to work in the woods. Exact figures are not available, but it seems probable that in some years up to 20,000 men engaged in this movement. In the winter of 1941 and 1942 some measure of control was introduced and the number crossing the border was limited to approximately 7,200.

The first arrangement between the governments of Canada and the United States was that this season approximately 3,700 would be allowed to cross to the United States for

this purpose. There were 3,870 Canadians in the United States on permits to work in the woods in New England and northern New York during the present winter, as at January 16, 1943, the border then having been closed for new entrants for this purpose. The limit of 3,700 men was never quite maintained. Late in 1942 some Canadian firms cutting logs in the United States for Canada asked permission to engage about 200 additional men. The government agreed to the allotment of these men to the Canadian firms; under this arrangement 256 men were permitted to depart.

Subsequently the war man-power commission of the United States urged that 2,250 additional men be authorized to cross the border, and a special representative of the commission came to Ottawa in December to support the request. He stressed American-Canadian relations in a total allied war effort. As a result, it was finally agreed to allow 500 additional men to enter the United States, with the assignment as among the different logging firms to be carried out entirely by the war man-power commission of the United States. It was understood that the border would definitely be closed for such entries at January 15, 1943. When the time came only 325 of the additional 500 allotted actually left Canada.

While the total quota was raised to 4,456, preliminary figures indicate that up to January 15, when the border was closed, about 4,287 had crossed, of whom the 3,870 referred to above were still in the United States on January 16. It is possible that other men who were entitled to reenter the States for logging work were home in Canada for the week-end when the count of 3,870 was made. However, this number will gradually reduce as men return to Canada; for any man who returns for four days is not allowed to reenter the United States.

The suggestion has been made that in addition to men allowed to go to the United States legally, a number have gone illegally. There is no evidence to support this allegation. The fact is that were it not for administrative assistance given by the United States government, quite a number of Canadians might have crossed the border illegally, owing to the difficulties of policing the entire border. However, the United States government has given assistance in two ways:

1. In the early winter the Americans assisted in a close checkup throughout all the camps, made by Canadian officials, in regard to Canadians then in the United States.

2. Since exit permits have been required to leave Canada to work outside, the United States government through its immigration service has insisted that any man crossing the border from Canada to work in the United States must have a Canadian labour exit permit.

It will be readily appreciated that the co-operation of the United States authorities facilitates enforcement of the labour exit permit system.

It is important to note three points: First, not only were logging operators in the United States interested in this movement, but the war man-power commission of the United States was also keenly interested. Second, the allocation of the men among the various operators after crossing the border was wholly undertaken by agencies of the United States government. Third, quite a proportion of the logs cut in the New England states are for export to, and processing in, Canada, and enter into Canadian manufactures.

It is extremely important to Canada that we maintain good relations with the United States. The quality of these relations is emphasized by the fact that the United States has given us assistance in controlling the movement of woodsmen to that country. Some give and take in regard to labour supply along the border is essential. We receive return assistance in this regard from time to time.

Mr. GRAYDON: May I ask the minister to supplement his statement? Is this the result of some reciprocal exchange of labour between Canada and the United States, or is it a single incident in itself?

Mr. MITCHELL: It is far from a single incident. If I remember correctly, and probably the hon. gentleman also remembers it, owing to the late harvest in western Canada last year arrangements were made for the movement of combines and their crews, principally into the western provinces in connection with the harvest there.

Mr. GRAYDON: When these men were given their exit permits to cross the border to work in the United States in the logging industry, was there a shortage of labour in our own lumber camps in Canada?

Mr. MITCHELL: That is substantially true.

Mr. GRAYDON: If there was a shortage of that type of labour in the lumber camps in Canada, did the minister give consideration to the question of transferring those men, who evidently were not needed where they were, to other camps in the dominion?

Mr. MITCHELL: As my hon. friend no doubt knows, there is a measure of cooperation between ourselves and the United States in the matter of labour supply in the broadest sense. Perhaps I might refer to steel at the moment. We get considerable exports of steel to this country to permit our industries to maintain the present tempo of production. While what my hon. friend says may be true—I have not looked into that aspect of the matter—we take what I might call a broad view of the question, and having regard to this movement in that part of the country we felt it was a duty as good neighbours at least in part to comply with the request of the United States.

Mr. GRAYDON: Was the request for the transfer of this labour from Canada to the United States made at the instance of strictly American firms, or of Canadian firms who had subsidiaries there?

Mr. MITCHELL: All I can say is that negotiations were carried on with the manpower commission and the authorities in the United States. While I have heard some things that the hon. member probably has in the back of his mind, I have no information in that regard.

Mr. JOHNSTON (Bow River): When these Canadians were permitted to go to the United States, were they allowed the American rates of wages or were they subject to Canadian rates?

Mr. MITCHELL: That is elementary.

Mr. JOHNSTON (Bow River): No, it is not. What about the work on the Alaska highway?

Mr. MITCHELL: I think it is elementary. If my hon. friend went to work in New York he would receive American wages. These men went to the state of Maine and naturally received the American rate of wages.

Mr. HAZEN: Can the minister tell us what percentage of the lumber cut in the United States is processed in Canada?

Mr. MITCHELL: I cannot tell my hon. friend.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, February 9, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. R. T. GRAHAM (Swift Current): When the debate was adjourned last evening I was discussing the matter dealt with in the speech from the throne under the general head of social security. I had pointed out that a mere statement of the problem which we wish to solve, and unity of desire to achieve a measure of social security, will not in themselves be sufficient to enable us to reach our objective. One of the first essentials of planning for social security will be to put our house in order so that the foundation can bear the superstructure or the load that we propose to put upon it. May I say in passing that no plan of social security in a country such as Canada, with so important a part of its population engaged in agriculture, should lose sight of the position of the person engaged in farming. Certainly any plan based on the assumption that a measure of social security would merely add to the load that agriculture is already bearing would be a fatal mistake on the part of those attempting to put such a measure into effect. Our first duty is to examine the structure of Canada's economic life to see whether it can be improved so that it can bear that load which we propose to put upon it.

I ask myself what would be the two most important things to be dealt with in order to achieve our objective. First I suggest to the government and to this house that the fiscal policy of Canada must be such as to encourage the greatest possible exchange of surplus products with other countries; and secondly there must be a recognition on the part of that very important group in our Canadian national life, namely, labour, of the true relationship that exists between their wage rates, the cost of production and their own standards of living. I propose, in the very short time I have, to deal briefly with these two points.

I have often been amazed in the last few years to note that in all the strange formulas presented by different groups and individuals to cure our economic ills, the oft-repeated principle of common sense, to embark on a policy of free intercourse with the other nations of the world, has been so little put into practice. History shows that Great Britain rose to its greatest industrial strength and its highest standard of living under exactly that policy. The United States, in the early days of its development, accomplished the same measure of prosperity by free intercourse among the component parts of that great empire. It was only when their productive capacity rose to the point where they could not only serve the needs of their own people

but produce great surpluses that could be exchanged with other countries, that it has been gradually brought home, by the utterances of public men in the United States, that the advisability of continuing the high protectionist policy of the United States is wrong and will not succeed. That great empire, Soviet Russia, will in all likelihood go through the same experience as the United States. It may accomplish wonders internally so long as it is in that stage of development, but when it reaches the point of saturation it must look abroad to increase the standard of living of the people.

This is a particularly opportune moment to bring to the attention of the house the advantage of a policy so long urged by practically all economists, and certainly by many groups in this house down through the years. I suggest to the government that the greatest contribution made by the Liberal party in Canada to the general prosperity of the country has coincided with those opportunities which it has taken advantage of to increase trade with the country to the south of us. That is a standing tribute to the policy of free trade, and my own submission is that, unlike some other formulas, if we find a small dose of medicine accomplishing fairly good results it is sensible to continue the treatment and see if we cannot attain the degree of satisfaction in our economy which we all so much desire.

May I hope, too, that there will be no delay in this house on that particular question. In view of the recent Winnipeg convention, the long known attitude of the new leader of the Progressive Conservative party, and the attitude which has been expressed by the leader of the Cooperative Commonwealth Federation and the leader of the New Democracy or Social Credit group, I take it that this is a most opportune time for Canada to embark upon a policy which would produce the highest possible national income and ensure the highest possible standard of living for its citizens.

The other point with which I propose to deal is the position of labour. I have on my desk the report of the special committee of this house which sat in 1937 to consider farm implement prices. At page 1230 a breakdown is given of the actual costs entering into the manufacture and distribution of a horse-drawn binder betwen the years 1913 and 1936. I draw the attention of the house to that particular table, because the more I have studied it the more I am convinced that in those figures lies the secret of the cause of many of the failures in our economy during that period. If hon. gentlemen will examine this table they will find in the story it tells, first, that the direct labour costs entering into that binder increased during that period by over one hundred per cent.

As my time has almost expired, I shall have to leave this question with the hope that an opportunity will be given to me later to develop my argument.

Mr. J. R. MacNICOL (Davenport): Mr. Speaker, while I should like to make some comment on two or three of the items mentioned in the speech from the throne, and refer to the remarks made by two or three speakers who have preceded me in splendid addresses, I shall confine my remarks to the sentence in the speech from the throne in which the government states its determination to explore further reconstruction and rehabilitation measures. I believe that if I deal with that question only, my time will be all taken up, and I may add that the major portion if not all of my remarks will be directed to reconstruction and rehabilitation in the western provinces.

I should like to know if up to the present any plans have been prepared by government agencies in charge of the matter to provide, immediately after the war is over, work for the returned soldiers and those who may be displaced from munitions plants. I should like to know of a single project for which all the details have been prepared; because after the war we shall find exactly the same thing taking place that took place at the end of the last war. Industry will not be able to continue to employ the staffs on their payrolls at the close of the war. Therefore in my judgment the authorities should have ready concrete plans, with blue-prints, specifications and everything else required, pertaining to projects which are to be undertaken after the war, together with the quantities required of the various materials entering into their construction, so that the producers of the materials can be notified at once to produce so much of this and so much of that. There should also be prepared lists of the various trades which will be required to work on such projects. In my judgment this is essential. It is all right to explore, as the speech from the throne suggests. I am all for exploring; I have done a lot of it myself, and I shall refer to that in a moment. But we have to do more than explore with regard to reconstruction and rehabilitation; we have to be ready for immediate action at the conclusion of the war.

I remember November 11, 1918, as if it were yesterday. On that day the plant which I knew a good deal about had approximately 1,000 employees working in it, mostly

men. On November 15 that plant did not have 200 men and women working in it; on November 22 it did not have 150, and those who were employed were not working more than two or three days a week. The point I make, Mr. Speaker, is that it is of vital importance that whoever is going to look after reconstruction and rehabilitation after this war must begin now to prepare the projects which are to be undertaken, in order to allow industry itself to retool and reorganize its plants so that it can proceed from where it left off when the war broke out. It is of vital importance that steps be taken at once to prepare all details of the various projects to be undertaken.

Last summer I had occasion to make a trip up to the Athabaska river in northern Alberta. There I came in contact with a number of men from the United States—they are called PRA I believe—who were on their way north to work on various projects. They were United States civilians, but they were in uniform. They were, I presume, civilian workers on United States projects. I had a good deal of conversation with them; for I am always out for information. They were on their way north to a project which up to that time I had not heard of but which turned out later on to be the Peace River-Providence highway. These men told me that they were going down the river, some to Fort Fitzgerald, some to Fort Resolution, some to the mouth of the Hay river, and some, I presume, to Providence itself. The instructions they had from their headquarters were to proceed west from wherever they got off and go towards the line of the new Peace River-Providence highway. There was already a road about ninety miles in length running north from a place called Grimshaw, west of Peace River, in the direction of Providence, but it stopped some miles north of Notikewin. The United States workers were to proceed north and work first on what is known as a tractor winter road, from Grimshaw to Yellowknife on Great Slave lake. They were to proceed north some distance towards Hay river and then go to the northwest around Great Slave lake to Providence. The point I make is that they knew where they were going. They were numbered with each project; I have a recollection that one project was called No. 276, and the material for that project was numbered also. In other words they had prepared a number of projects covering the length of that new highway, several hundreds of miles, and their men all knew where they were going and what materials were required for each project.

The point I make is that we must forthwith begin to plan definite projects, for which the necessary men and material will be tabulated in order that those projects may be carried out. I think we must be ready, because I believe this war will end almost overnight, as the last war ended in 1918. I believe the hon. member for Broadview (Mr. Church) was the second man in Toronto to be notified of the armistice on November 11, 1918, and I think I was third. This war may end in the same way. Are we ready; has anything been done to prepare for that day? From an editorial which appeared in the Toronto *Globe and Mail* on January 5, I believe some schemes, of which we do not know, are ready. The editorial pointed out that there was one large project for which the details were apparently more or less complete, of such a size that it could be designated as a provincial or regional project. I do not believe the editorial writer was thinking of the St. Lawrence seaway, a project I greatly favour, because that is neither provincial nor interprovincial; it is international, and would be a mighty big project to go on with. But if there is some provincial project ready I should be glad to hear of it, and I should like to know what it is.

For myself I have followed the instructions given by the chairman of the rehabilitation and reconstruction committee at its final meeting last session, when he told each one of us we should go where we could and search where we could in order to ascertain any projects which might be undertaken, and which we should present to the committee again this session. I have quite a number ready, including one which I am going to mention to-day. It is too large for any committee to deal with. It will require the support of the government. I refer to a grand project for the rehabilitation of the great Saskatchewan river, first for navigation purposes, second for the production of power, and third for the conservation of water.

For a long time, Mr. Speaker, my warmest feelings have been for the western provinces, of course in addition to my own province which I love very greatly. I have had a strong feeling for the western provinces because during all the years I have been here I have heard from their devoted representatives in this house of the dire problems those provinces have had to face. I have made many surveys of the western provinces, both alone and with guides, and I have observed just what those provinces have to contend with. It is not their fault. It is not the fault of Saskatchewan that the rainfall of that province is so low. When the

pioneers first went out there they read with happiness the advertisements telling them what a wonderful country western Canada was. They did not know that the rainfall was away below the average for Ontario or eastern Manitoba. They went in there and settled, and far too many have had a terrible time in too many of the intervening years. I made up my mind, therefore, that anything I could do or say to help reestablish the economy of the west would be done and said, no matter what the cost.

One of the great troubles in the west is the water problem. God has given them a great river. Of course it has its peculiarities. It is not like many other rivers, but it is like some. The first vision I had of what the Saskatchewan river could do for the western provinces came to me in Tennessee, where I spent some considerable time in making a thorough survey of the whole Tennessee valley project. The Tennessee river waters the land of seven states, some more and some less. It starts in the mountains, just as the Saskatchewan starts in the mountains. It gathers practically all its water within one hundred miles of its sources, as the Saskatchewan does; then it flows across a great country, just as the Saskatchewan does. The Tennessee river flows west for about eight hundred miles, but of course it flows through a country that has a much heavier rainfall than occurs in western Canada. In spite of that fact, however, they had difficulty in raising crops in those states. They had to have more water; they had to conserve their water, and they did so. I believe we can do the same thing here in Canada. I believe the time has come when Canada must organize in the Saskatchewan watershed something similar to what has been organized in the Tennessee watershed, where they have established a great transportation route, a vast power and water resource. In many places on that river they did not have a draft of more than two feet, though it is a strong and powerful stream. To-day, however, for the first 650 miles they have a draft of six feet, and when they complete their works they will have a draft of nine feet over the whole length of the river from Paducah to Knoxville.

We can do the same thing on the Saskatchewan; we can rehabilitate that river in which the water flows at the rate of 56,000,000 tons a day without giving adequate return to those great provinces.

I am firmly convinced that no matter what it costs this country, the amount required must be spent to rehabilitate our western provinces, because the success of the east economically depends upon the success of the west. We are interdependent; we cannot separate one from the other and expect to prosper. The more we work together, the more we prosper; and goodness knows western economy is entitled to some consideration it has not been getting in the past. On the Tennessee they have already built seven huge dams. I have seen all of them, ranging from 100 to 200 feet in height. Generally they are over a mile in length, and one of them is three miles long. Nothing has stopped them in their programme. They have provided storage space of 10,000,000 acre feet to eliminate the possibility of floods, and have succeeded in eliminating all possibility of floods. To-day the Tennessee Valley Authority is producing 1,600,000,000 kilowatt hours, and its power was sold wholesale at 4·47 mills per kilowatt hour. Surely that is something worth while. They are industrializing the whole of seven states through the God-given blessing of the Tennessee river.

We can do the same thing in the west through the blessing of the Saskatchewan river. Two or three hon. members who have preceded me in the debate have said there is little manufacturing in Saskatchewan. Well, manufacturing cannot grow in a big way unless large blocks of power are available at cheap rates. Saskatchewan could have large blocks of power, and could have it cheaply. Perhaps they could not finance such a project; but if they could not, then it would be up to this government to finance it—and when I refer to this government, of course, I do not refer to a political party, but rather to the government of the day. The federal government could give Saskatchewan its opportunity to shine in the sun of cheap power.

That province has lost much of its population. Why? Because there have been few places of any magnitude to which their young men could go. Compare Saskatchewan with Ontario, this glorious province of which we are all so proud. Here we have the Ontario Hydro Electric Power Commission, with its 2,000,000 horse-power for sale in the province. Is it any wonder that Ontario is such a great manufacturing province? Well then, let us give the western provinces a chance to do something too.

What I am going to present is not new. These are not my arguments at all. Of course I have read a great deal on the subject, and last year I surveyed the area in question. I believe I travelled 10,000 miles altogether, much of that distance on the Saskatchewan river by canoe and by diesel engine boat, with Indians as guides.

Mr. COLDWELL: Which river?

Mr. MacNICOL: The Saskatchewan river.

Mr. COLDWELL: North or south?

Mr. MacNICOL: The north or main Saskatchewan river, chiefly from the forks to the mouth. That is the section about which I am going to speak in greater detail.

At the beginning of my observations, I said that this is a great river; indeed it is far greater than most people would believe. It has a watershed of 155,000 square miles. Its flow is not as large as might be expected, because the rainfall is low, but God has provided it with opportunities for reservoirs which can be filled to retain that surplus water. Sometimes the flow is as low as 2,000 second feet. Its mean flow is 30,000 cubic second feet. On one occasion it has risen to the stupendous volume of 297,000 second feet—a level to which the Tennessee has risen on occasions. Whereas the Tennessee has a watershed of only 40,000 square miles, that of the Saskatchewan, as I have said, is 155,000.

If the river were rehabilitated for navigation, power and conservation of water, we would get somewhere. The first government to propose navigation on the Saskatchewan river in a modern manner was the Laurier government. Last summer I went to St. Andrew's locks which were opened by Sir Wilfrid Laurier in 1910. It was there that I learned what he had said upon that occasion. He and his government did not for one moment build the St. Andrew's locks just for something to play with. They had a vision. Here is the vision Sir Wilfrid had at that time: "We have opened the Red river up to lake Winnipeg; it now remains for my friend Doctor Pugsley" —who was at that time minister of public works— "to open the Saskatchewan from Edmonton to Winnipeg." He continued:

I am glad to say that my friend the Minister of Public Works is already at this work. He has engineers in the field surveying the Saskatchewan river, and before many years are over I hold that we shall witness such a thing as has been witnessed to-day—that is to say, the opening of navigation of the Saskatchewan river up to the city of Winnipeg, and if God spares me, and if the grace of God and the will of the people keep me where I am, I am sure that I shall see the day when a barge laden with coal at Edmonton, nay at the very foot of the Rocky mountains, will be unloaded at Winnipeg without breaking bulk on the way.

That would be a distance of 941 miles to the mouth, and another 300 miles to the city of Winnipeg.

Sir Wilfrid had the vision, as did his minister of public works, to rehabilitate the Saskatchewan river as a navigational course. Why? Because it meant lower freight rates to the west. Is that not one of the grievances in western Canada?

Mr. REID: It surely is.

Mr. MacNICOL: The freight structure in that part of Canada is not encouraging. I am not blaming the railways; perhaps they are getting too little. However engineers in those days advocated the building of a transportation route on the Saskatchewan river. At that time the plan called for the overcoming of Grand Rapids by, I believe, two or three locks.

That was the Laurier scheme, mainly to open up the Saskatchewan river as a navigational route. There is no reason why it should not be done, because it is a fine river. From the Pas right down to Flying Post at the outlet from Cedar lake there is no obstruction whatsoever, and that is a distance of about 135 to 140 miles. Substantial boats can make the trip. In the old days the boats used to go all the way from Flying Post rapids to Edmonton.

One of the men who advised the Laurier government was Lieutenant-Colonel Swinford, who had been general manager of a company operating ships on the Saskatchewan river from 1880 to 1888. I saw the hull of one of those old ships last summer, lying ashore at Prince Albert. It must have been a boat over 200 feet in length and 40 feet in width, and must have drawn three or four feet of water. How they ascended the rapids west of the forks, I do not know; the boats may have been pulled up by capstans. In any event the engineer in the department of that day, a man named L. R. Voliguy, estimated that the cost of rehabilitating the Saskatchewan river from its mouth to the city of Edmonton, a distance of 941 miles, would be only $21,000,000. That was to have been the cost of Sir Wilfrid Laurier's scheme.

Later other schemes were brought forward. In 1931 the Saskatchewan government engaged a celebrated engineer, Mr. H. G. Acres of Niagara Falls, to prepare plans and specifications for the production of power on the river. I am a great believer in combining navigation and power, because by so doing the cost is materially reduced. Mr. Acres went to what is known as Fort à la Corne, and proposed building a dam two and a half miles east of that point. His proposal was that the dam should be 125 feet high, and I believe his figures are available. The minimum flow of the river is not very great when it is at its low point—I believe it is said to be about 4,000 second feet—but it goes up to nearly 100,000 second feet during the flood season. The plans and specifications he submitted to the Saskatchewan gov-

ernment showed that at Fort à la Corne 86,000 electric horse-power could be produced, to sell at over 5½ mills per kilowatt hour at the production plant.

It would be a wonderful boon to Saskatchewan if they could get power that cheaply and if they could get it in a block that size. It would offer an inducement to the building of some of the factories hon. members have been speaking about, and others as well. The other day I had a discussion with a man in Toronto who is contemplating the development of iron ore on the Belcher islands in Hudson bay. I asked him where he was going to ship it, and he replied, to Churchill. It would be a splendid thing for the prairie provinces if they could have iron ore delivered out there and then have the electrical energy available to process it into manufactured articles. The west must have some manufacturing to retain its population and increase its economy. In order to have manufacturing, cheap power must be made available.

If it is necessary for this government to assist the Saskatchewan government in building a dam at Fort à la Corne in order to produce 86,000 horse-power, or 125,000 horse-power in shorter hours of operation, why should we not do it? Would it not be a magnificent thing for that province? Of course it would. It would give them the power they have not at the present time. God has blessed the southern part of that province with almost inexhaustible quantities of cheap coal. A huge power plant should be built at Estevan, or near the coal fields, to provide large blocks of cheap power for the southern part of the province.

In 1932 the Manitoba government put forward a scheme which in my judgment was a good one. It provided for power and navigation. So far as navigation goes, it would be superior to the plan of ascending the Saskatchewan river from Grand Rapids. I believe the Manitoba plan, which was prepared by Mr. C. H. Attwood, proposes the damming of the Saskatchewan river at Flying Post, where there is an excellent site for a dam. This dam would raise the level of the water in Cedar lake by about four feet and flood the million-acre Saskatchewan delta. I travelled through most of this country last summer and I saw what the results would be. They are producing thousands and thousands of rats in those marshes, and such a work would materially assist in that production. We could pay off the national debt if we raised enough rats down there and shipped them out of the country.

[Mr. MacNicol.]

There is a peculiar topography to this terrain. Cedar lake is about 831 feet above sea level and just across a narrow isthmus known as Mossy, which is not over three or four miles wide and no more than 75 feet high, is lake Winnipegosis. It could easily be cut through. Lake Winnipegosis is the same level, 831 feet above sea level. If the isthmus were cut through, as was proposed by the Manitoba government in its plan, then the waters of the Saskatchewan river would flow into lake Winnipegosis. From lake Winnipegosis they could flow across Meadow portage to lake Manitoba. From lake Manitoba the waters would flow down the Fairford river and through lake St. Martin; thence by a canal twelve miles long across country to fall back into lake Winnipeg, near the mouth of the Dauphin river at a point one hundred miles south of the mouth of the Saskatchewan river. The Attwood plan suggests that by thus diverting the waters of the Saskatchewan river they could be made to produce 400,000 horse-power as well as provide an inland navigation route. That power itself would pay, lock, stock, and barrel for the rehabilitation of the Saskatchewan river.

The three western provinces and the federal government should act together in solving this problem of the Saskatchewan river. We should take the same stand they took in Tennessee, Kentucky, North Carolina, Mississippi and the other states in connection with the waters of the Tennessee river. They treated the waters of that river as a single economy, and all matters that pertained to the river were handled together. One state or one province should not attempt to rob the river at the expense of another. I am going to suggest that the government set up a board of engineers to be composed of federal government engineers and engineers from the provincial governments of Manitoba, Saskatchewan and Alberta. There would thus be no expense except that of making the investigation. These government engineers could get together and try to evolve some plan for the rehabilitation of the Saskatchewan river for the benefit of Manitoba, Saskatchewan and Alberta instead of having it run down to the sea without giving any return. The electric power belongs to the provinces.

What would be the result? There would be anything from 75,000 to 125,000 horse-power at Fort à la Corne, and another 400,000 horse-power near lake Winnipeg. This would provide the power to light up the prairies. It was not pleasant to me last summer to find that the prairies were not lighted up the same as rural communities in Ontario. They are entitled to everything that we have down

here, but they cannot get these things because they have not the power. They have not the power because this great river has not been harnessed. Navigation would be increased with a reduction in freight rates; power would be developed to encourage manufacturing in these western provinces, and there would be a tremendous conservation of water.

At Fort à la Corne there would be a depth of water 125 feet deep and the water would be backed up for about twenty and a half miles. This would mean a storage of over ten billion cubic feet of water. That is not the only place where there could be water storage. West of the forks at Cole rapids they did start to build a dam some years ago, and I do not know why they stopped. But a dam could be built there and more power could be generated. This would mean a fair navigation route all the way from the mouth of the river right up to Prince Albert, to start off with. Other power dams could be erected at other places.

I am convinced that we have been asleep in this country so far as water conservation in the western provinces is concerned. I am not blaming any particular government; for all governments are in the same boat. Perhaps it was too great a problem to be solved rapidly. I know that all members in this house and all governments will be sympathetic and will be ready to do anything possible to rehabilitate our western economy through greater water conservation, the development of more power and the providing of additional navigation.

In connection with irrigation I have read over what is known as the Pearce report, and others have referred to this as well. Irrigation is most important to the west. At the present time an average of approximately 56,000,000 tons of water flow past Fort à la Corne every day in the year. Perhaps some of that water would be used to irrigate the arid plains of Saskatchewan, much as some portions of Alberta are being irrigated. It is possible that the irrigation area of Alberta could be greatly increased through conservation of water; if it could, it would be to the good of the western provinces and would mean prosperity for the whole of Canada.

I do not know what more I can say, except to urge that this matter is worthy of consideration, and to ask the government to consider it and to cooperate with the three provincial governments concerned with a view to determining whether the time has come to do for the western provinces, through power, navigation and the conservation of water, what has been done for the seven states watered by the Tennessee river. For my part, as an easterner I have long believed that the more prosperous the west, the more prosperous the east, and I would support gladly any appropriation which this government felt would be necessary, though it ran into millions, to rehabilitate the western provinces and in particular the great area of which I have spoken. What if it did cost a hundred million dollars to give the west the chance to have power at 4·47 mills per kilowatt hour, as in Tennessee which perhaps we cannot hope for, or five and a half mills as engineer Acres suggested it would cost at Fort à la Corne. It would be a great thing for the west. For your own province of Manitoba, Mr. Speaker, a plan has been suggested to lower the waters at the delta of the river. Such a lowering would interfere with those great fur-bearing marshes. I hope nothing of that kind will be allowed. Has not the time come, for the sake of the economy of the west itself and of all Canada, to cooperate to preserve the waters of the Saskatchewan—that great river a thousand miles long in the north branch, perhaps more in the south branch—so that ships may go up as far as Edmonton, deliver their freight all along the way, and return with coal? The river banks near Edmonton are full of coal; why should not some of it be brought down? It would do much to relieve freight rates. I have tables of the freight rates which were compiled at the time Sir Wilfrid Laurier was considering the proposal. At that time the rate on coal from Edmonton to Saskatoon was 8·4 mills per ton mile; on the Ohio river it was only 1·4 mills per ton mile. That is a vast difference, is it not? The United States rivers—I have been over many of them, the Tennessee, Illinois and the rest of them—have equipped themselves to deliver freight at a low rate to help build up the national economy; and I say, Mr. Speaker, that we should do the same for the western provinces.

Mr. MAXIME RAYMOND (Beauharnois-Laprairie (Translation): Mr. Speaker, the speeches from the throne, except however the one we heard last year, do not as a rule contain much that might lead to practical discussion, for the very reason that they are more or less empty. This year, apart from the war programme outlined, the speech from the throne is no exception to the general rule. Therefore, I should not have taken part in this debate, had not the Prime Minister (Mr. Mackenzie King) made a remark about the small group of members who deemed it their duty to sever their connection with the Liberal party and sit on the opposition side of the house.

In a three-hour speech, the Prime Minister has endeavoured, in particular, to show that Canada was making a greater war effort than the other allied nations, to indicate that this war effort would be increased and "that the only limiting factor with respect either to troops or supplies for overseas was the limit of the ships available to transport them".

That is an outspoken statement.

In other words, that is the policy of the Conservative party, which has been denounced for 25 years by the Liberal party and which was resumed in a well known utterance of Arthur Meighen: "To the last man and the last cent".

We already knew, unfortunately, that our war effort was much greater than that of the other allied nations—a fact which had been evidenced by the last budgets—and the Prime Minister has on many occasions taken pride in it, just as he took pride in having declared war on Japan before the United States took that action, although the country that was attacked was not Canada but the United States.

Quite recently, in a speech delivered in New York on December 2nd last, the Prime Minister made much of Canada's war effort from the standpoint of troops and supplies, as compared with the effort of the United States and he showed that ours was much greater than that of the United States.

Has not Mr. Churchill himself stated to the Prime Minister:

That it was beyond him to understand how Canada has been able to do what she has done and is doing in the war.

Well, if Mr. Churchill does not know it, we do: it is by ruining Canada, by sabotaging our whole present and future economy.

Our limitless war effort is to-day a cause of grave concern for the producers of staple goods, for all those who put the interests of Canada before the interests of other countries, and for those who think of the future, of the post-war period.

The young men in our rural communities are being sent to training camps, at a time when on all sides complaints are being made about the scarcity of farm labour and when the farmers are being requested to produce more. Through the lack of farm help, whole fields of vegetables could not be harvested and had to be mowed for the destruction of weeds.

Night work for women in munition plants is another problem which is serious from various standpoints. The government's policy seems to aim particularly at conscription of men for military service.

[Mr. Raymond.]

Allow me to read the remarks made by the chairman of one of our great banking institutions, the Banque Canadienne Nationale, at the annual meeting of shareholders. I suggest that the government give this statement its close consideration:

The war expenditure during the present fiscal year will be close on four billion dollars.

This estimate is even exceeded.

This figure gives relief to the importance of our economic effort, but, at the same time, it throws some light on the burden carried by a country of eleven and a half million inhabitants, which endeavours to become granary, arsenal and man-power pool all at once. However, the united nations statesmen speak of a war of attrition that may last some years yet. It would be well to remember the French proverb which could be loosely translated as follows: "He who wishes to travel far, must spare his horse." To win the peace that will follow a war of attrition presupposes the conservation of man-power, capital, food, raw materials and all sorts of goods. World leadership will pass from the countries who will need assistance to those who are in a position to give it.

On the other hand, the power of a belligerent country is, to a large extent, dependent on the maintenance of a proper equilibrium between military and civilian economy, for the absence of such an equilibrium might entail severe consequences. An exaggerated, premature or badly directed effort, if it unsettled the national economy on which it is based, might weaken Canada before the end of the war. After the war, the country would not be in a position to carry the heavy burden which would fall on its shoulders, unless its economy had remained sound and solid.

The man-power shortage is already serious in certain essential fields of production such as agriculture, cattle raising, lumbering, coal mining and even certain mining operations supplying metals essential to the prosecution of the war. Should we not follow Britain's example who has been forced to return 50.000 coal miners to their work after they had been called to the armed forces?

In the United States, it seems that the first step taken by Mr. McNutt, the man-power controller, has been to make sure that agriculture had a sufficient amount of reasonably paid labour. The absence from the home of thousands of women employed in munitions factories may entail severe consequences not only on the economic set up, but also on the moral and social structure of the country.

Why should Canada's war effort be greater than that of other allied countries?

Would it be to protect her territorial interests in Europe, in Africa or in Asia? No; we own no territory outside America, while most of the other allied countries are now fighting to preserve their former possessions.

Would it be to conserve the mastery of the seas and to secure post-war trade, as is the case for many of our allies? No; this does not apply to us.

Would it be because our country is richer than other allied countries? No. Being a nation of eleven million and a half inhabitants, living in a vast country, needing all our resources for development, we were, before the war, in 1939, said our leaders, without money to undertake any works that would give jobs to our men and put an end to unemployment; and now, not only do we spend more than the other countries in this war, but we offer to a richer country than ours the gift of a billion dollars, when that same country is lending money with interest to her less fortunate allies.

Would it be that we are more than others exposed to attack? No. Here in America, thousands of miles away from the war fronts, our country is better protected than others by oceans, and is far from the firing line.

Would it be that we can rely on an inexhaustible man-power reserve, numerically greater than those of other allied countries? No. A nation of eleven and a half million inhabitants, our population is less than one per cent of the total population of the allied countries.

Let us not forget that those who will pay the cost of the war will not be the present leaders so much as future generations.

Says the Prime Minister: "Nothing matters but victory." Then what? Indeed, we all want victory, victory over the axis, but let us not lose peace.

In 1918, we won the war and the same principles were invoked for participation, but we lost the peace. We do not want history to repeat itself. If there are some who have no thought for the post-war period, because they have no family worries of their own, the heads of families are in duty bound and have a right to keep it in mind.

The post-war period! All allied countries are, as indeed they have been for a long time, thinking about it. Why should we not do the same?

A dispatch received lately told us that London is thinking of calling an imperial trade conference to protect its post-war trade and safeguard its interests.

That conference is not intended to win the war but to prepare for the post-war period. Still, our Prime Minister keeps on repeating to us: "Nothing matters but victory," which was really the subject of his last speech.

I remember well the following declaration by Sir Norton Barclay, in England, in 1940:

> The winning of the war and the loss of our export trade, said he, would be a poor heritage to pass on to those who will come after us.

Besides, right from the beginning of the war, in 1940, a commission was created in London, under the chairmanship of a member of the Cabinet, for the study of post-war problems. In certain quarters of London, for a long time, plans of mass emigration to Canada have been under consideration. All this is not for the purpose of winning the war.

In Canada, post-war problems are of no account.

Was it on account of post-war problems that, at the beginning of January, representatives of the Canadian universities were called to Ottawa for the purpose of arranging a suspension of the classes in some branches of education?

Is the closing of the faculties of law, social sciences, commerce and arts an indication of the manner in which post-war problems are considered?

What does the speech from the throne indicate for the post-war period, and to allay the growing concern of the whole population?

Young people are worried because they do not know if after winning the war for others, we will not lose the peace here, in Canada. They are the same young people who, after sacrificing themselves on foreign battlefields, will find themselves shouldered with a crushing burden.

Read the speech from the throne over again. We are promised a committee of inquiry which will probably make no report at this session, as the Prime Minister has led us to believe.

Has the government no plan to offer? Have they not examined the question? Usually, we are presented with prepared plans; they have nothing to offer but a committee of inquiry.

The two most disquieting problems at present, as well as for the future, are those of agriculture and labour, and the government has no effective proposals to offer for their solution.

Suffice it to state right now that a man employed in a war plant, whose particular task tends to impair his health, is entitled to higher wages as a compensation for his reduced earning capacity in the future and the government, who grant subsidies reaching hundreds of thousands of dollars to private war industries, should insist on reasonable salaries being paid to employees in keeping with the risks they incur.

The other day the Prime Minister took us to task for having left the Liberal party at a time like the present and he added that our

conduct reflected honour neither upon ourselves, upon our province nor upon the country as a whole.

As far as honour is concerned, I would remind the Prime Minister that the concept of honour varies with individuals. In the province of Quebec, since that province is being referred to, a man of honour is he who keeps his word, his promises and fulfils his obligations; and when the time will come for us to go before the electorate for our province to pass judgment upon us, we will have no fear of the verdict. In the meantime, the Prime Minister is without mandate to speak for the province of Quebec, particularly in view of the rebuff sustained at the time of the plebiscite and of the Charlevoix-Saguenay election.

We have left the Liberal party because it has abandoned the policy which it had advocated for 25 years, and particularly during the 1940 general election campaign, to adopt that of the Conservatives which it had ever opposed; because the Prime Minister failed to keep his pledge, because he broke his most solemn promises and because we have lost faith in him.

A cursory glance over the years reminds us how in 1917 the Liberal party opposed the Conservative party because Mr. Borden had written a conscription measure into the statute books despite a pledge to the contrary. Ever since, at each election, the conscription issue was the mainstay of the Liberal party's campaign argument. At the time war was declared, in September, 1939, the Prime Minister solemnly promised in this house "that no conscription measure would be put forward by his government". Here is what he said in the House of Commons, on September 8, 1939:

> I wish now to repeat the undertaking I gave in parliament on behalf of the government on March 30 last. The present government believe that conscription of men for overseas service will not be a necessary or an effective step. No such measure will be introduced by the present administration.

That promise was made to the province of Quebec. In the words of Mr. Lapointe, it was a contract.

At the general elections of 1940, the same promise was made, the same undertaking given.

On June 18, 1940, in the debate on the Mobilization Act, the Prime Minister repeated in this house the same promise in the following words:

> Once again I wish to repeat my undertaking, frequently given, that no measure for the conscription of men for overseas service will be introduced by the present administration.

On June 24, 1940, the Prime Minister in a special message to the French Canadians on the occasion of their patron saint's day, renewed the same promise.

In April, 1942, he endeavoured, by means of a plebiscite, to be relieved of that undertaking, while claiming that there was no question of enforcing conscription. The province of Quebec flatly refused to relieve him of that promise. However, five days after the vote, he introduced in this house a conscription measure, stating that it was a logical consequence of the vote. Accordingly, since August 1, 1942, we have in our statutes a conscription act which is the worst that has ever been devised.

We have severed our connection with the Liberal party led by the Prime Minister who has written into the statutes of 1942 a conscription act worse than that of 1917, which he had condemned, and despite his promise that such a measure would never be introduced. We feel that in leaving the Liberal party under these circumstances, we are faithful to our pledged word and bring credit on ourselves and our province.

We have ended our association with the Prime Minister because we no longer place any reliance upon his statements or promises, especially since the plebiscite and the conscription act.

The people have been and are still being deceived when told that conscription is not enforced.

We have actually had for a long time a disguised and hypocritical form of conscription.

In accordance with an order in council dated June 27, 1941, no male person between the ages of 18 and 45, can obtain employment in the civil service, unless he can produce a medical certificate issued by the military authorities showing that he is unfit for military service.

In September, 1941, the Minister of National Defence (Mr. Ralston) requested employers to release those of their employees who were of military age, in order to encourage them to enlist, the only conscription for them being to enlist or starve. That was conscription of the poor.

Young men have been called under the Mobilization Act of 1940. Once they had reached the military camps, various forms of intimidation and blackmail were resorted to with a view to forcing them to enlist for service overseas.

Such is the disguised conscription which has long been in force. It was said that the conscription for service overseas adopted in 1942 would not be enforced.

However, scarcely one month after the Royal Assent had been given to that act, that is to say, on September 4, 1942, an order

in council, later supplemented by many others, was passed providing for the dispatch of recruits beyond the Canadian territory. But those orders in council, as had been forecast last year by the hon. member for Richelieu-Verchères (Mr. Cardin), remained on file so that the public might not be informed. Pursuant to those orders in council the recruits could be sent first to a specific place, Newfoundland in one case, but also anywhere overseas without any further order in council, because the order to which I am referring states that pursuant to the Mobilization Act and the War Measures Act, the Minister of National Defence is authorized to dispatch certain recruits to Newfoundland, but it further provides that such recruits are to be put on active service outside Canada under section 64 of the Militia Act which reads as follows:

The governor in council may place the militia, or any part thereof, on active service anywhere in Canada, and also beyond Canada, for the defence thereof at any time when it appears advisable so to do by reason of emergency.

Now, let us consider order in council P.C. 11159, passed on December 8, 1942. It is stated therein first that under the Mobilization Act and the War Measures Act—

The Minister of National Defence is hereby authorized and directed to dispatch such personnel who have been called out for training, service or duty, pursuant to the provisions of the National Resources Mobilization Act, 1940, as from time to time to him seems necessary, having regard to the military exigencies of the moment, to Newfoundland . . . and to issue or cause to be issued all orders, and to take all steps necessary to give effect to this authorization and direction.

In other words, the Minister of National Defence has been authorized to dispatch men mobilized under the Mobilization Act, 1940, and the War Measures Act to a specific place, that is Newfoundland, but the order in council goes farther and provides as follows:

Further, all personnel so dispatched, or who may at any time be so dispatched, are, pursuant to section 64 of the Militia Act, chapter 132, Revised Statutes of Canada, 1927, placed on active service beyond Canada for the defence thereof.

Let us recapitulate. The Minister of National Defence may be authorized to dispatch soldiers outside Canada under the War Measures Act, the Mobilization Act or the Militia Act. True, the Prime Minister stated that he would submit to a vote of confidence of parliament before sending troops overseas under the Mobilization Act, but he did not say anything about the Militia Act, which is another conscription measure. The order in council authorizes the Minister of National Defence, under the Mobilization Act, to dispatch recruits to Newfoundland only, but, on the same occasion, the Minister of National Defence was authorized, by the same order in council and under the Militia Act (which is another conscription act) to transfer these same recruits in the active force and cause them to serve anywhere outside Canada. Therefore, no new order in council will be necessary to dispatch these recruits on service anywhere outside Canada, as the minister may see fit; he is already authorized to dispatch them.

In spite of all these facts, there are some who are surprised that we dissociate ourselves from such a policy and lose faith in those who are responsible for it. We have lost faith, because we are being continuously deceived.

One more remark and I am through. Our group, the Bloc Populaire Canadien, although composed of few members, expresses, I believe, the feelings of a large section of the Quebec population. It does not wish to fall into petty politics nor to move amendments for opposition's sake. It will judge every measure on its merit and take whatever stand is inspired by truly Canadian interests.

Being unable to support the speech from the throne, because we cannot approve the government's war policy, we cannot support either the amendment or the subamendment, since they add to the speech from the throne and imply its acceptance.

Mr. H. E. BRUNELLE (Champlain): Mr. Speaker, I shall not follow the hon. member for Beauharnois (Mr. Raymond) in the arguments he has used to show that we are doing too much in this war. I only wish to point out that he said we—which I presume includes the hon. member—all want to win this war, and the natural conclusion to be drawn is that in consequence we must do all we can to win it. We went into the war voluntarily and on condition that there would be no conscription for service overseas. As yet there is no conscription for service overseas, and I think we might well wait until we have it before we begin to complain. There is a principle or motto, "Sufficient unto the day is the evil thereof" and I suggest that the hon. member for Beauharnois adopt that principle as one that should be followed by everyone. To be fair, I suggest to the hon. member as a general statement that in discussing the policy of the government during a war such as this, one must constantly bear in mind the fact that war measures of necessity are unpleasant, at least, if not always onerous. It cannot be otherwise,

since such legislation is bound to require some manner of sacrifice from every class of society. In French we say, "On ne va pas à la guerre sans qu'il en coûte," which expresses in a short and simple way what should be in the minds of those who undertake to discuss war-time legislation. It seems that only those who persist in thinking that we should not be in this war will disagree with what I have just said, but since the number of isolationists in this country is very small I shall not discuss their views further.

During the next fifteen or twenty minutes I wish to refer to the government's programme with regard to social security and then discuss our agricultural problem, and I shall say a few words with regard to the war-time price controls. First, perhaps, I should congratulate the hon. member for Peel (Mr. Graydon) upon his recent appointment as house leader of the opposition. It was pleasant and interesting to listen to his criticisms in his opening speech, first because there was so little criticism to be offered and second because his whole demeanour displayed good nature and a disposition to cooperate. So that I think things will go much better with everyone. It seems that from every quarter we hear that things will go smoothly. The eloquence and kindly disposition of the house leader of the opposition will inspire us all and will remind us of the old Conservative party, now dead. In the second place the government will feel much more at ease in proceeding to accomplish its wonderful work. In the third place, behind the scenes the Honourable Mr. Bracken will continue lavishly to hand out a brand new programme of social welfare every two or three days, for the benefit of posterity, in different colours and different points ranging from 16 to zero. And dominating the whole situation, almost throwing into the shade both men and things, the genius of the Prime Minister (Mr. Mackenzie King) will continue to guide our destinies and lead our nation out of the enormous difficulties engendered by the war. The wisdom of the Prime Minister is becoming more and more appreciated everywhere, and I think it only fair to say that it has been a blessing for our country to have had such a great and able man as Prime Minister to administer properly the affairs of the nation during this war.

No legislation is more anxiously awaited than that which will tend to make people happy after the war is over. It is indeed most interesting to hear the speculations of the people as to what will take place after the war. From what I hear I must come to the conclusion that there is a great deal of pessimism in the minds of the people, probably owing to the fact that the last war failed to bring the improvements we all expected.

Mr. Anthony Eden on September 26 of last year made the statement that the old world and the old system were dying even before the birth of nazism, and that no country will escape the revolutionary changes which are inevitably coming. When I hear public men say or when I read in newspapers that we are fighting the war for the sole purpose of preserving or assuring the survival of our way of life, I would smile if I did not feel most uneasy.

In this great and rich dominion, which God created for us that we might be reasonably prosperous and happy, thousands and thousands of people suffered bitterly in the last few years. They lived on government relief. Healthy and industrious men and women were not able to find work to earn their daily bread, while on the other hand a few were allowed to monopolize and to control too much of our national assets. I for one thought most sincerely that it was impossible to get money in sufficient quantities to give work and have our unemployed earn their living.

I shall not undertake to enumerate the grievances against what I might describe as the old order, because on December 2 of last year in the city of New York the Prime Minister (Mr. Mackenzie King) himself, after enumerating many of those grievances, pictured a future society from which monopolies, which always bring suffering and disaster in their wake, will be banished.

My friend the hon. member for Brant (Mr. Wood) who spoke well during the debate last week, made favourable comments on our ways of life. He pointed out as evidence that there was one car or truck for every seven persons in the country, that we had plenty of good roads, and that we had probably a million and a half telephones. That is all very well, and we should preserve those advantages. They are indispensable, and as evidence of their usefulness let me say that during the depression many of our Canadians were using their telephones to complain about the quality and quantity of relief they were getting, while others were using their motor cars to drive to town to collect the relief moneys allotted to them. The old order was surely a queer one.

In order to keep the enthusiasm and good will of the people let us not say that we are fighting the war to preserve our way of life. Let us say rather that we are fighting the war for better and more equitable ways of life. No doubt among our ways of life there were

good features. The Prime Minister, whose ability, wisdom and foresight are well known, is preparing legislation which will make this country one in which life will be worth living. Many people think the Prime Minister and the President of the United States working together will take the initiative and will elaborate plans which will make of the whole north American continent a land of plenty and happiness. It is this hope which will maintain our courage and give us strength to endure still greater sacrifices, although we seem to have gone to the limit.

On November 1 of last year the Chinese minister of foreign affairs, Mr. F. V. Soong, made this declaration in Washington:

> Canada is making a magnificent contribution which in proportion surpasses that of any other country.

May I add that this is done while order, harmony and unity are preserved in the country. On January 23, 1943, Mr. Walter Nash, Australia's representative in the United States, said:

> The immense war effort of Canada should confer upon her at the next peace conference a voice that should be heard with the greatest respect.

These compliments have reference to every one of our different spheres of war activity—army, munitions, regulations and agricultural organizations.

This leads me to the second point I had in mind, namely, agriculture. By way of criticism we hear now that the farmers are being asked to produce more and more, while farmers, farm help and farmers' sons are called in great numbers to the army. Let us look back and see what has happened in the last three or four years. From the beginning of the war, both in and out of the house, in the press and on public platforms, who was it that asked so loudly for the conscription of more and more men? It was the Conservative party. The government did not go as far as that party wanted. And yet those same people today are claiming there is a shortage of manpower on the farms. The government was right in proclaiming again and again that our war contribution had to be balanced and kept within reasonable bounds. It is evident that a population of 12,000,000 people which undertakes at least partly to arm, feed and clothe the large armies of Russia, China and England cannot adequately fulfil that immense task if people are taken from the munition factories and from the farms, where they are so urgently needed.

Mr. McSherry, editor of the *Family Herald and Weekly Star*, made this statement in March, 1942:

> The best way for farmers to serve Canada is to stay at home and cultivate their farms.

On January 30, 1942, the Minister of Agriculture (Mr. Gardiner) said—and as usual he was right:

> A farmer's son brought up on his father's farm, who always worked there with the hope of inheriting it, is more useful on the farm than anywhere else.

Here I pause to congratulate the Minister of Agriculture upon the most brilliant and interesting speech he made yesterday in the house. I believe he will go down in history as one of the greatest ministers of agriculture, if not the greatest this country has ever had. Canada owes an immense debt to the Minister of Agriculture for the services he has rendered and also for the life of his son who was a casualty last year. Although it is late, in the name of the farmers of my constituency and myself I should like to express to him and to his wife and family our most sincere sympathy.

It is not easy to replace farmers. They do a hard and difficult task. Women, students or persons from the city are not of much help to farmers. Every year Canada contracts to supply large quantities of agricultural products to Britain, and if too many men are drained from the farms we shall either have to fail in our engagements or submit to further rationing in Canada. Mr. Hoover has had considerable experience in connection with supplies in war time, having looked after the providing of supplies during the last war. On January 21 in New York he said:

> The burden of furnishing food supplies to the united nations now and to a starving world after the war rests largely upon the American and Canadian farmer.

On January 16 I read this sentence in the *Financial Post*:

> There is just one thing more important than bullets in this war and that is food.

Therefore let the government go on with its balanced war effort, because I am sure that as long as the agricultural interests of the farmers of Canada are in the hands of the Minister of Agriculture they will be safeguarded.

I come now to the third point which I wished to discuss briefly, namely, our price control laws. I believe Canada was the first country in the world to enact such price control laws. The consumers of this country have profited. Because of these laws we have been able to carry on the immense responsibilities of this war and pay the huge expenses without inflation. Without these laws prices would have gone up almost daily, and while wage increases would have come in succession, they would have always been behind the price increases.

Those who must live on fixed salaries would have been in a desperate situation. As opinions have only a relative value, I shall place on record certain figures relating to the prices of certain goods or articles of food during the first three years and a half of the first war and during the same period of this war.

First, I should like to point out that at the beginning of the last war the cost of living index was much lower than it was at the beginning of this war. At the beginning of the last war the cost of living index was 79·7, while in 1938, at the beginning of this war, it stood at 100·8. I would point out also that the increase in the cost of living during the first three and a half years of the first war was greater than it was during the same period of this war. The increase in the cost of living from 1914 to January, 1918, was 39·6 per cent, while during the first three years and a half of this war it was only 16·2 per cent. During this war the cost of living did not go up half as much as it did in the first war.

Mr. TUSTIN: Does that include the subsidy paid by the government?

Mr. BRUNELLE: There is no mention of it in the figures I got from the bureau of statistics. Our price control has kept prices down. For instance, in 1918 the price of bread was 7·6 cents per pound, whereas as in January, 1943, the price was 6·6 cents per pound. In 1918 the price of potatoes was 36·3 cents per peck, whereas in January, 1943, the price was 40·9 cents. In 1918 the price of milk was 11·9 cents per quart; in January, 1943, it was 10·3 cents per quart. In 1918 the price of flour was 6·5 cents per pound; it was 3·6 cents per pound in January, 1943. Sugar was 10·7 cents per pound in 1918; in January, 1943, it was 8·6 cents per pound.

The prices of feed for cattle are much lower to-day than they were in 1918. The price of bran, f.o.b. Toronto, was $35 per ton in 1918, whereas it was only $29 per ton in 1943. The price of shorts was $40 per ton as compared with $30 in January, 1943. Then in addition the freight assistance given by the government to-day would have to be deducted.

The price control board has done a great deal of good for the Canadian consumer. We must remember that an increase of one point in the cost of living index represents approximately $30,000,000 that must be paid by our consumers. From October 1, 1941, to November 1, 1943, the increase in the cost of living index was 2·7, which represented an outlay by our consumers of about $75,000,000. During the same period in the United States, when they had no ceiling, the cost of living went up eight points. Had it gone up as much in Canada our consumers would have had to pay at least another $160,000,000 for the goods which they bought.

We are fortunate to be living in Canada during this war. It is true that there are annoyances, there are worries, there are privations, and there are sacrifices. Our dollar-a-year men and our numerous controllers do not always make good company, but most of them are doing a good job. Let us take comfort in the fact that they are here only temporarily. On the one hand there has been no war profiteering, and on the other hand there has been plenty of money in circulation among our people. The government has not permitted politics to interfere in war matters. Some Conservatives have had some of the biggest war contracts, and others are holding some of the most important jobs. Since mistakes in administration are bound to occur I hope that our Conservative friends will be ready to take responsibility for their proper share.

The Toronto *Star* of December 2, 1942, after stating that our contribution is now known all over the world, said this—and it will be my conclusion:

> In Canada where the constant barrage of partisan criticism fooled some of the people some of the time, it is being generally acknowledged that the government has done a wonderful job.
>
> And it has done the job with an absence of scandals and an absence of millionaire-making which are not the least of its accomplishments.

Hon. L. S. ST. LAURENT (Minister of Justice): I did not intend to participate in this debate, and I do not intend to take part in the general debate on the address. But a few moments ago the hon. member for Beauharnois-Laprairie (Mr. Raymond), referring to orders in council for the dispatch of recruits beyond Canadian territory, asserted that under the terms thereof as they were drawn, such troops as had been so dispatched might now, without further action by the governor in council, be used anywhere in the world. I would deprecate any impression going abroad that this is the proper construction of these orders in council. I think it is sufficient to refer to the terms of the orders in council to see that they were passed for the purposes expressly stated in their terms.

The hon. member referred to the one numbered P.C. 11159, which was for the dispatch of certain units to Newfoundland, including Labrador. If the text of that order in council is looked at it will be seen that the men so dispatched are required by the terms of the order in council, or may be required by the

Minister of National Defence, under the terms of the order in council to perform while in Newfoundland, including Labrador, and nowhere else—

. . . such training, service or duty as may be ordered by any superior officer, in all respects as if the aforesaid training, service or duty in Newfoundland (including Labrador) was training, service or duty performed or ordered to be performed in Canada.

That is the purpose for which the order in council was passed. That is the authority which was given by His Excellency in Council to the Minister of National Defence: to require these men while in Newfoundland, including Labrador, to perform such training, service or duty as they might have been required to perform while in Canada.

It is true that the order in council then adds that the personnel so dispatched or who may at any time be so dispatched are "placed on active service beyond Canada for the defence thereof." That is merely a statement of fact. Newfoundland, including Labrador, is beyond Canada; the men who are being so dispatched to these points are required to perform service and duty there, and the order in council states that it is for the defence of Canada that they are so placed on active service beyond Canada. But I can assure my hon. friend that if the government ever wishes these men to perform service elsewhere there will be other orders in council adopted by his excellency to that end, even though what is to be done now is, as stated in the order in council, something "beyond Canada for the defence thereof."

Mr. J. S. ROY (Gaspe): I was very much amazed yesterday at the speech of the Minister of Agriculture (Mr. Gardiner), who made such an enthusiastic display of the good situation of agriculture that I was near to believing that everything was very well in the best of all worlds. In spite of his great optimism, I, being more realistic, still believe that the situation as far as agriculture is concerned is altogether out of balance, and that the whole economic situation is also so far out of balance as to border on anarchy.

The amendment to the amendment to the main motion reads:

That the motion be further amended by adding to the amendment the following words,—

"And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service."

Before making my remarks on the amendment to the amendment I should like to make a few observations with regard to what was said last evening by the hon. member for Richelieu-Verchères (Mr. Cardin). I agree with most of what he said, but I am inclined to wonder whether logically it is in accord with his attitude in the past. I have no doubt of his sincerity, but quite a few things make me worry a little.

For example, the hon. member said that there was a shortage of man-power for agriculture. He criticized the drafting of recruits; he criticized the Prime Minister (Mr. Mackenzie King) for what he has been doing; and he said—very truly, I think—that the situation was altogether out of balance and that we should have an investigation of the whole matter in order to make a new repartition of our man-power. With that I am in agreement, but it must not be forgotten that the situation which he is now criticizing could have been foreseen long before to-day. I recall the fact that something was attempted last year with a view of preventing this very situation. All hon. members must remember amendments which were made at that time with a view to exempting farmers' employees and many others, amendments made last year by the hon. member for Laval-Two Mountains (Mr. Lacombe) and myself, which amendments were not adopted, as hon. members know, and which were never supported by the hon. member for Richelieu-Verchères.

On February 19 of last year the following amendment was moved by the hon. member for Laval-Two Mountains:

That all the words after "this house regrets that Your Excellency's advisers" in the amendment, be deleted and the following substituted therefor:

(a) did not deem it proper to advise Your Excellency that the government should adhere to its commitments and the terms of its mandate against conscription—

That is one point which came in for severe criticism by the hon. member last night.

—for overseas service which it received from the people of Canada at the general elections held on March 26, 1940;

(b) that the farmers, farm employees, fishermen, fisheries employees and all persons engaged in industries connected with agriculture or with war industries, should be exempt from military service.

This amendment, which was in order, was put before the house and I see by *Hansard*, at page 722 of the session of 1942, that eleven members voted for it and 195 members against it, among whom I see the name of the hon. member for Richelieu-Verchères (Mr. Cardin). That was the time to oppose this law, a

measure which was calculated to throw out of balance the man-power of Canadian agriculture. The hon. member for Richelieu-Verchères voted against the amendment. In doing so, he voted against an amendment that opposed conscription for overseas, and to-day he thinks that the government is applying conscription for service beyond our boundaries, with the possibility that those draftees who to-day are sent outside our boundaries may also be sent anywhere overseas.

That is something I do not understand, but that is not all. It is all very well to oppose the state of affairs that exists to-day, but there are reasons why that state of affairs does exist. In 1940, when the national resources mobilization bill was introduced into the house, the hon. gentleman was a member of the government as Minister of Public Works. I opposed the bill, and I declared at the time that it was the bed in which conscription would be born. I believe I was right. That was the time to foresee what was coming.

We hear very often in this house—I have just heard it from the hon. member for Beauharnois-Laprairie (Mr. Raymond)—that the form of conscription we had in 1940, under the National Resources Mobilization Act, was the most hypocritical we have ever had. That could be seen at the time. But after it had been in operation for a year or so we had a plebiscite. What was the position of the hon. member with reference to that question of the plebiscite? He took part in the campaign. He declared in the house last year, when he left the cabinet, that he had gone into the province of Quebec, risking his life, and had fought to obtain an affirmative answer to the plebiscite. The object of that was to abandon all the promises that had been made in the past in the province of Quebec. If the answer had been yes, I wonder what the hon. gentleman would have done, and I do not think his attitude would have been the same. After separating himself from the Prime Minister and his cabinet last year, on that very question of the plebiscite, the hon. member, a few days later, voted for the budget, which budget involved the application of that conscription law. Ever since then Bill No. 80 has constituted conscription for service anywhere, and the hon. member supported a budget which was the synthesis of all those measures which he criticizes today. I cannot understand his attitude. As I said at the beginning of my remarks, I concur with him in the position he has taken, but I do not follow him in his illogicalness. The hon. member's position might be illustrated by an analogy. He has helped to buy the lumber to build a scaffold; in accepting our declaration of war he has voted for the money to buy the nails and to pay for the building of that scaffold—the scaffold, of course, is the National Resources Mobilization Act of 1940—he has taken part in engaging the executioner, namely, the plebiscite; he has helped to bring the condemned man on to the scaffold and to have the executioner put the rope round his neck—that was the budget of 1942—and when everything was ready, he drew back just a few paces and said, "I am opposed to your hanging this man".

I know the hon. member is sincere; he has too much of the old French-Canadian spirit in his soul to be otherwise. But if he wishes to be logical there is only one thing for him to do, namely, to quit the Liberal ranks. If he supports the government on the speeches from the throne, on its budgets, and on everything, I do not see what use there is in his criticizing the government in what it is doing. That is my opinion on that question.

Coming back to the amendment to the amendment, I believe there are reasons why our economic front has been thrown out of balance altogether, and I would offer a few comments on the causes of that situation. The amendment to the amendment which I read a few moments ago pretty well touches the sore when it says that we should conscript our financial institutions just as man-power has been conscripted. Though it may not be complete; though it may not be perfect—I am not quite in agreement with the first part of the amendment where it speaks of a total war effort, because I think there is exaggeration in that regard, and we have no right to ask for a total war effort which is already out of all proportion to realities—nevertheless I say that the last part of the amendment to the amendment does touch the sore. The situation with which we are confronted to-day, and which hon. members on all sides of the house are criticizing, seems to have been realized last year by the government. If we may judge by the letter of Mr. MacNamara which was read yesterday, according to the critics and everything that has been reported in the newspapers, it would appear that everyone realizes that the situation is quite acute, and I suggest that our economic structure is about to have an attack of lumbago, if I may put it in that way, unless we change our policy.

Last year the government was given warnings that this very situation would arise as a result of the policy which we were applying, but as usual the government, with these irresponsible commissions that are running the country outside this house, ignored those warnings.

Yes, Mr. Speaker, the government ignored all the warnings it received. We are really being governed by these boards and commissions through orders in council, instead of by parliament, which is the body best informed on conditions throughout the country; for every section of Canada is represented in this house by the most able men we have, and parliament is therefore the body best fitted to govern this country. But we are governed from outside this house by people who are not responsible to parliament, who have been placed at the head of all these boards and commissions, by the financiers of whom I shall speak later on. The government was warned last year not only by members of parliament but by ministers in the cabinet of what would happen if these commissions were allowed to continue to govern this country, but even the ministers of the cabinet who gave those warnings were not listened to if one may judge by the conditions which exist to-day. Last year the then Minister of National War Services, Mr. Thorson, said this, as reported at page 3412 of *Hansard* of June 17:

> Furthermore, our war industry programme contemplates and involves heavy man-power requirements. So does the programme for essential agricultural production. I shall not deal in detail with either of these programmes, except to say that the man-power necessary for their performance cannot be withdrawn from these essential purposes of war without hurting those purposes.
>
> It is the duty of the government to allocate man-power in accordance with the needs of the war purposes of Canada and the war objectives that I have mentioned.

That was said last year by Mr. Thorson when he was a member of the cabinet. Then on June 25 the Minister of Labour (Mr. Mitchell) said this, as reported at pages 3682 and 3683 of *Hansard:*

> I believe that steps will have to be taken in the very near future to see that the heavy industries of this country are provided with sufficient men so that we can produce the necessary supplies according to plan. I sometimes wonder whether we have not tried to do too much for a nation the size of ours.
>
> In recent weeks I have received many visits from industrialists who are anxious about the shortage of labour and its effect on war production.

That was said last year by a very capable minister. But his warning was not heeded by the commissions that I mentioned a moment ago. The Minister of Munitions and Supply (Mr. Howe) also said this, on June 16 of last year, as reported at page 3373 of *Hansard:*

> It follows therefore that if we are to continue our vast programme of war production and at the same time meet the requirements of the armed services, it is essential that we maintain a sane balance, and that we do not adopt, on emotional rather than on logical grounds, any policy which will unnecessarily upset that balance, and hinder one or other of the all-important phases of our war effort.

These were serious warnings given by ministers of the crown who were supposed to be well informed with regard to the actual situation. Other members of the house also gave similar warnings, but none was listened to. If we have reason to complain to-day of the serious shortage of man-power, one reason is that we have drafted too many men for the armed forces at the expense of industry and agriculture. Why is it that we have called so many men to the armed forces? Why is it that we have made other blunders, one of which I instantly recall, such as making a gift of one billion dollars to Great Britain as we did last year, a gift which, according to what the Minister of Finance (Mr. Ilsley) said a little while ago, will amount to almost one and a half billion dollars. I protested against that gift along with the hon. member for Témiscouata (Mr. Pouliot) and proposed that the money should be advanced in accordance with business practice, that we should lend the money to Great Britain and charge interest on it. But I was not listened to.

I have in my hand the *Financial Post,* of February 6, 1943, which contains an article headed "Will assign own surplus in future—Canada to deal direct with other nations rather than through Britain." The article goes on to say:

> Australia has been highly critical that while Canada supplied certain war material to the United Kingdom free of cost, Britain re-exported the goods for Australian use and charged the Australians in sterling. The British argument was that Australia had considerable sterling balances with which to meet the cost, but the deal rankled none the less. From now on, under its new allocation board, Canada wil make a deal directly with Australia.

That could have been done last year, but out of all the sacrifices which were made by Canadian citizens last year we made this gift of one billion dollars, and another country made money from it. We could have helped our allies just as well by dealing directly with them instead of passing this aid through another country. That was a blunder, and there have been many other blunders like that. The reason for these blunders being committed is this: If we have to protest more and more about the growing shortage of man-power; if we are asked to sell or lend or give so much more; if we are asked to draft men for the army, more than we can afford to do according to the size of our population, it is because we are governed by these financiers

who are also governing the commissions which are under their direction. We are being asked by them to draft more and more men for the army, and this means that they will get more orders for caps and boots and uniforms and equipment.

Meanwhile industry is asked to produce more and more, which means getting more contracts and making more money. In their blindness they have not seen that if we are to have a large army and if we are to produce a great deal, we must have man-power accordingly. We cannot get the men that we have just by a display of money; human capital is something that money cannot buy. We have not enough men for everything. As a result this finance which has no patriotism of any kind but only love of money will throw us so badly out of balance in everything, that soon we shall be getting that lumbago which I mentioned a moment ago, and as a consequence our war effort will be greatly injured. It is about time that some measures were taken to control the ambitions of those who are not more faithful to the true interests of our war effort and our country and to the principles we are defending against our enemies.

The way to correct the situation is to conscript finance entirely. If that were done, instead of making money out of the sacrifices of others, these people would be compelled to empty their pockets; they would become a great deal wiser, and their advice and management would be more pertinent. I am sure that is the way to cure this sore which is so much criticized.

Mr. JOSEPH H. LECLERC (Shefford) (Translation): Mr. Speaker, in the past, I have almost exclusively promoted the interests of the agricultural class, which, before the war, had been most affected by the depression. To-day, I believe the farmers enjoy a reasonable share of the national income. Unfortunately, they are now faced with a labour shortage, and I shall probably refer to this at a later date during this session.

At this time, I wish to deal with another class which well deserves our attention. I refer to the workers in the small industrial towns of the province of Quebec, and especially those of my own town, whose wages are frozen to the lowest level of any industrial province of this dominion. In September, 1941, the province of Quebec intended to enact new orders granting increases in basic wages. These orders had even appeared in the *Official Gazette* of the province. Unfortunately, the province of Quebec had granted a delay for the enforcement of the new scale of wages and this delay expired after the enactment of the federal order in council of November 15, 1941, freezing all wages and salaries. To-day, wage increases could be granted only provided the commission receive permission from the local war labour board, and even then, this permission would have to be approved by the national war labour board, since the increases would be of a collective rather than an individual character, and would conflict with order in council P.C. 59-63. I do not know whether these orders in council are legal. However, the provincial governments have not challenged them, because they were war measures of a temporary nature.

In normal times, labour legislation is a provincial matter and I must admit that, in my province, the wages were much too low compared to those of the other provinces. This fact is supported by the scale of wages as frozen for industrial firms in my province: 26 cents an hour for 60 per cent of the workers, 22 cents an hour for 25 per cent of the workers, and 17 cents an hour for 15 per cent of the workers. Furthermore, a special clause allows the employers to pay 10 per cent less to apprentices, in spite of the low level of wages I have just mentioned.

Several firms having failed to pay those salary rates, they were forced to reimburse $50,000, in 1942, to workers of my city. If I am not mistaken, any firm in my city getting war contracts must abide by federal enactments fixing wages in my province at 25 cents an hour for women and 35 cents an hour for men. But I am told that one firm which was given war contracts divided its plant in two with some canvas and operates under different names so as not to pay the same rate to all its employees. As I have shown, Mr. Speaker, it is evident that the wages paid in my province are ridiculously low, and firms which—like the one I have just mentioned—try, by dishonest means, to pay even lower rates are guilty of an offence which should be severely punished.

When employers making large profits do not pay their employees wages enabling them to give a decent living to their wives and children, those workers are reduced to economic slavery. If our region is poor that is due to lack of balance between the social condition of workers and that of the industrial lords. The capitalist system based on the pursuit of profits for the individual runs counter to fraternal equality which should be the lot of the people.

The freezing of salaries to the depression level, as decreed by the government in 1941, is unfair to many workers in my province.

During the depression, a great number of workers never succeeded in having their wages readjusted. I ask the government to allow my province to adjust salaries to the level obtaining in Ontario. The workers of my province are loyal to their country and they bear in silence with such conditions. The National Catholic unions would not for a moment sabotage the war effort of the government, as did recently steel and mine workers under the influence of international unions, when we saw the Minister of Labour (Mr. Mitchell) begging persons who are not Canadians to call off the strikes.

Can the government tell us what the situation would have been had our relations with the United States been less friendly than they are at the present time? It is fortunate these strikes did not happen in my own province, as my fellow citizens might have been branded as disloyal.

Mr. Speaker, we often see posters or cartoons in the press representing workers in Europe toiling as slaves under the nazi lash; but when one of these caricatures reaches the eye of a poor Canadian worker who is earning too little to afford his family decent lodging and livelihood how can we stimulate his patriotism and invite him to fight for his country in order to preserve his way of living?

In my province, everyone knows that, as a rule, our people do not set any ceiling to the number of children they will raise. They still have the courage to raise as many as Providence may decide to send. In many instances, we witness the sad spectacle of a mother being forced to work in a factory so as to make up for the inadequacy of her husband's pay, while she has to hire a young servant girl to look after her children. As an abominable consequence of such an economic set-up, the children have to leave school at an early age and look for work in the factory, accepting whatever wages are offered them. I have here the pay envelopes of a certain firm in Granby for the last three months of 1941. Here are some of the weekly salaries: $5.11, $6.27, $7.15, $7.58, $7.95, $7.40, $6.86, $7.42, $7.79, $8.19. The following are the salaries paid during another week: $5.68, $8, $9.23, $9.41, $9.04, $6.11, $8.25, $9.97, $8.25, $8.25, $8.48, $6.80. There was another person receiving the fabulous salary of $4.35 and $6.55.

The salaries I have just mentioned are paid by certain firms recently established in my own city; my fellow citizens have subscribed the capital with which they have built up their plants, and the city of Granby has accomplished a great deal of work for them free of charge while the construction of their plants was in progress. A fine reward to the people of Granby in return for the help these people have so generously given them. I think these firms have added a few cents a day to their salaries since that time. This class of employers whose ideas are still those of the eighteenth century, who regard their employees as slaves and, being masters in their own house, exploit their employees without the least concern for their social welfare, deserve our whole-hearted reprobation.

In this connection, may I be pemitted to quote *Relations* in a labour review:

> It is a sorrowful fact that the whole world is divided into two and that we should witness the deplorable class antagonism so energetically denounced by Leo XIII and Pius XI, a condition temporarily alleviated by the necessities of war, but threatening to reappear with accrued violence when economic difficulties will once again be at their height, perhaps not immediately after the war but certainly not very long after victory is won. On the one side we have a few *beati possidentes* holding dearly to their privileges; on the other, an innumerable army of proletarians who rely on the work of their hands as their sole means of livelihood. In words so well uttered that any attempt at commentary would be useless, the Archbishop of Canterbury offers a remedy, founded on the most genuine Christian spirit: "If each man made sure, before accepting the superflous, that every person has enough, there is no doubt that each and every one would not be wanting in anything." As said in *Quadragesimo Anno*, "the existence of an immense number of proletarians on the one side and of a small number of wealthy individuals on the other side, proves beyond all doubt that the wealth created in such abundance in our age of industrialization, is badly distributed.
>
> Such crying disparity, by which life is a continual feast for some and an almost unbearable load for others, arises from the very principle on which is based our economic life. It is founded entirely on the pursuit of profit. Every text-book inspired by the liberal school, —and what other books were ever put in the hands of our students?—has constantly taught us that the motive of all economic activity is profit. On profit is focused not only the management of particular enterprises, but the whole economic organization.

I should like now, Mr. Speaker, to quote figures showing the wages paid to men and women in the town of Granby, including the cost of living bonus.

There are in my home town some eighteen to twenty industrial establishments of various kinds. Here is a table which was prepared by the National Catholic syndicate of Granby.

In an establishment where a rather large number of workers are employed the average weekly rate, including the cost of living bonus, is $17.82; in another, it is $17.96; and in another, from $17 to $18. We have one where the average weekly rate is $20, including the

cost of living bonus; another where employees are paid at the rate of 20 cents per hour for 60 working hours a week; another where the average hourly rate is from 20 to 21 cents, and another—it deserves commendation,—is a small establishment where the basic wage is $25 a week. I must add in all fairness that wages are slightly higher in a few other establishments and I contend that with such wages as I have mentioned a workingman is not in a position to support his family decently.

I have to note with regret, Mr. Speaker, that the sickness and mortality rates in my province are higher than in any other province of this dominion. Such low wages as I have just mentioned are not without relation to this sad situation. I am glad that in the speech from the throne mention is made of social security legislation. In Canada federal legislation has already done a great deal towards providing for the welfare of the population. We have a plan of annuities, unemployment insurance, pensions for the aged, the blind and the returned soldiers, but as yet there has been no mention of a social security system on a national scale. I dare hope that in the study of these essential questions consideration will be given to providing uniformity of wages throughout Canada.

But, Mr. Speaker, as this legislation is not to be brought down immediately and following the statement of the right hon. Prime Minister (Mr. Mackenzie King) in reply to the hon. leader of the opposition (Mr. Graydon) that though wages have been stabilized in order to prevent inflation, it is always possible to make adjustments in cases where wages are deemed too low, I would ask that the government enquire into the wages paid in my province and that such adjustments be made as soon as possible. A large number of my fellow citizens suffer in silence and have to go without certain necessities of life. For what reason, may I ask, would not the same wages be paid in munition plants of my constituency as are paid in large plants such as Cherrier, Bouchard and others? All these plants belong to the government and for equality of risks there should be equality of pay.

To pay different rates to men and women for the same work seems to me another injustice.

I must say in fairness to the national unions of my city that, under wise guidance, they strive to settle their labour differences through peaceful means, and for that I congratulate them.

In conclusion, Mr. Speaker, I have certain suggestions to make to the government and to the Minister of Munitions (Mr. Howe). I am aware that the ministers are overworked and that, consequently, they cannot check all the expenditures incurred by their officials. As a member of this house I have submitted before that it would be advisable to consult members of parliament regarding the handling of government transactions in their respective districts. Once the war is over, the members will be held responsible for the actions of the government, and I for one do not want to be involved, in any way, in the doings of those who manage the war effort of the country. As the minister's assistants are not always familiar with local conditions, involuntary mistakes may sometimes show in their transactions.

On that point, Mr. Speaker, I wish to call to the attention of the government one transaction entered into last year in Granby.

In order to establish a munitions plant, a certain individual had acquired a fifty-acre farm, part of which was outside the town limits; he had paid $5,000 or $100 an acre for it. Out of the worst part of the farm he had sold some twenty acres for $8,000 a few months later, thus realizing quite a fair profit. According to a Granby newspaper, dated November 5, 1941, the owner of that farm had even offered part of the land free to establish an industrial plant. We have there a fine example of swindling and of the selfishness of wartime profiteering.

As I had nothing to do with this transaction and have in no way been consulted, I disclaim any responsibility in the matter and I do not want it to be said that, as a member, I took advantage of my position to work against the interest of my country. At a time when rich and poor alike are heavily taxed, and when the government is forced to collect in taxes 10, 15 and 20 cents a week from those who receive starvation wages like those I mentioned before, I claim that this type of transaction should not be tolerated. The government could easily have saved $5,000 on this transaction and it would not have been necessary then to collect a few cents from the poor, each week, for the national defence tax.

I want my fellow citizens to understand clearly that no criticism can be levelled at me, as I want to disclaim all responsibility for a transaction of which I had no knowledge.

On motion of Mr. Mitchell the debate was adjourned.

On motion of Mr. Crerar the house adjourned at 5.58 p.m.

Thursday, February 11, 1943

The house met at three o'clock.

GASOLINE

ANNOUNCEMENT OF RATIONING PLAN TO BECOME EFFECTIVE APRIL 1

Hon. C. D. HOWE (Minister of Munitions and Supply): Some days ago the leader of the opposition (Mr. Graydon) asked me to make a statement on gasoline rationing. I will do so now.

Since the early days of the war, the problem of obtaining a sufficient supply of petroleum products to maintain our transportation and other requirements has been perhaps the most serious with which we have been confronted. Production within Canada accounts for only about 17 per cent of our normal requirements. The balance must be transported long distances from sources of supply in other countries. A large proportion must be transported by ocean tankers.

Before the war our consumption of petroleum products was rising rapidly year by year, this being the result of increased use of gasoline for transportation, both commercial and by private automobile and for commercial and domestic heating. To this rapidly rising civilian consumption, the outbreak of war added the requirements of the army, navy and air force. I need not remind you of the vast fleet of motor transport required by the modern army or of the needs of our rapidly expanding navy and air force. You will fully understand that these have added enormously to our already high peace-time consumption.

Our pre-war imports of petroleum came in by a pipeline from the mid-continent fields to Sarnia and by a fleet of some twenty ocean tankers, all Canadian-owned or under Canadian charter. At the outbreak of war, we had large stocks of petroleum in Canada. Since then we have been doing everything possible to maintain these stocks, but I regret to say that they have been steadily depleted, until we are now at the point where we are forced to operate on a "hand to mouth" basis.

Early in 1941, the United States and Canada were called upon to furnish tankers to supplement supplies for the United Kingdom, where stocks had been reduced below the danger point. At that time it became obvious that Canada must curtail unnecessary use of gasoline and fuel oil. A public appeal was made for voluntary curtailment, which resulted in a very substantial saving, particularly in the use of gasoline for motor cars, and plans were laid for a system of coupon rationing. Early in 1942, it became obvious that rationing by coupon was necessary, and on April 1, the present system of rationing was instituted. We were pioneers in rationing by coupon on this continent, and while the system introduced at that time has proven to have inequalities and has not been free from abuses, it has been successful to the extent that consumption of motor gasoline for 1942 has been brought below the consumption figures for the year 1939.

At the same time a rigid policy of curtailment of the use of petroleum products for heating has been conducted. Before the autumn of 1942 steps had been taken to eliminate the use of oil for heating except for bona fide dwellings containing not more than two family apartments. The use of fuel oil for heating of all commercial and industrial buildings, apartment houses, schools, churches, hospitals and institutions, and production of steam and for certain other process work was prohibited. It is fortunate indeed that these prohibitions were strictly enforced at that time for, as a result of strict enforcements, we have since been able to take care of the requirements of our navy and essential requirements of war industry, and in addition supply home owners with fuel oil without recourse to rationing. It is hoped and expected that we will continue to do so during the balance of this heating season.

I regret to say that we must ration the use of petroleum products more drastically in the future. Submarine sinkings of ocean tankers has taken a terrible toll and the submarine menace has not been brought under control. Ocean tankers are still the favourite target of the enemy. Allied armies in Africa and in the Pacific theatres of war must be supplied with oil and gasoline and long lines of supply require larger numbers of tankers to perform the service.

In planning our rationing for the period beginning April 1, 1943, we must take these factors into account. The needs of the army, navy and air force must be met in full. The barely essential needs of industries and agriculture must be met. The supply situation makes it necessary to cut the allowance of many thousands of automobiles and to tighten the restrictions on commercial vehicles.

I will now state the gasoline rationing plan that will become effective on April 1, 1943. I may say that after the close of business at seven p.m. on March 31, no vendor of gasoline will be permitted to accept a coupon out of a 1942-43 book for a gasoline sale. The new plan has been devised out of the experience of rationing to date and is believed to be sufficiently elastic to meet any con-

tingency that may arise. Under the plan, there will be only two types of coupon books for the non-commercial automobile—the basic "AA" book, which will contain 40 coupons, and a "special" book, which will contain 60 coupons or such smaller number as may be authorized in a particular case. The new system will abolish the classification of passenger cars according to weight, thus ending the provision under which a higher allowance was granted for heavier and more costly automobiles.

Every holder of an automobile licence will be entitled to receive an "AA" ration book, which at the present value of a coupon—three gallons per unit—will provide 120 gallons for the year ending March 31, 1944.

The "special" allowance will be granted on the basis of proven vocational needs. Only those engaged in essential services and necessary cars for companies engaged in war industry will be eligible for a "special" coupon book. The number of coupons in the "special" book will correspond with the proven vocational need during the year ending March 31, 1944. Only one "speical" book or portion of a book will be issued at one time, thus enabling the case history of each owner of a "special" book to be kept under constant review. Each applicant for a "special" book will be dealt with according to his own vocational needs and the use of a common category for a particular profession or trade will be abolished.

Each owner of a licensed automobile will be entitled to an "AA" coupon book. Those granted one "special" book or part thereof will be in "A" category; those granted two "special" books will be in "B" category; those granted three "special" books will be in "C" category. After April 1, every truck and every car, whether commercial or otherwise, must carry on its windshield a sticker which is supplied with each ration book and which will indicate the category of the vehicle. Thus a man granted one "AA" book and two "special" books will carry an "AA" sticker and a "B" sticker on his windshield.

For commercial vehicles the new system, unlike that of last year, will provide for strict rationing of all vehicles including farm trucks. These will be divided into two classes —the first, "transit class" will cover ambulances, buses, taxis and "drive-yourself" cars; the second, "service class" will be subdivided into four categories: "general commercial", "limited commercial", "commercial motorcycle", and "other commercial". Under this rationing of commercial vehicles, the owner will have his allowance pared down to bare essential needs and will find it necessary to eliminate unnecessary trips, to drive slowly and to conserve gasoline for his legitimate purposes. Every commercial vehicle must also bear a windshield sticker indicating its category. Cars belonging to A.R.P. workers and employee drivers under the wartime industry transit plan will bear, respectively, either an "A.R.P." or a "W.I.T." sticker. Service station operators will be required to check the category of the ration book presented by the customer against the category of the car as indicated by the windshield sticker. The windshield sticker will also make it easier for enforcement officers to determine whether the car is being used for the purpose for which extra gasoline is issued.

The category for all non-commercial motorcycles will be known simply as "motorcycle", and will allow the owner a fixed ration of 16 units from April 1, 1943, to March 31, 1944. The "commercial motorcycle" category will allow perhaps less than, but no more than, 85 units for the year. Motorcycles will not bear windshield stickers, and the same ruling will apply to cars owned by tourists from outside Canada.

Under the new system, the foreign tourist ration will not be changed. Such a tourist is permitted four coupons for his car per year, or one coupon and a third for his motorcycle. At the present unit value, these allowances represent 12 gallons for a car, four for a motorcycle.

If he applies to a Canadian oil control office, the United States or foreign business man is permitted a gasoline allowance sufficient to cover any trips he finds it necessary to make in this country in connection with the war effort.

Advertisements will shortly be published setting out in detail the basis for rationing commercial vehicles. This form of rationing is too involved for presentation here, but I believe that the allowance for all types of commercial vehicles will be reasonably adequate for the legitimate purposes for which the vehicle is intended.

Regarding the issuance of an "AA" book to every licensed owner of an automobile, a question may be raised as to whether this is justified under present conditions. I believe that provision must be made for the emergent needs of car owners, and after much consideration it has been decided to enable every car owner to have an emergency supply of gasoline, and for this purpose the "AA" category has been established. Those granted an "AA" book only must understand that when the coupons are used, no further gasoline can be obtained until April 1, 1944, if

then. The owner of an "AA" book may use his gasoline as he wishes with that understanding.

In making this statement I am quite aware that owners of motor vehicles must look forward to much more restricted use of their vehicles than in the past. I can assure all hon. members that the new system of rationing represents a realistic view of the supply situation as we see it. We have made and will continue to make every effort to obtain additional supplies of petroleum products. To date we have been able to meet our objectives without undue hardship on any class of our population. I sincerely hope that we will be able to provide in the year 1943-44 sufficient petroleum products to enable us to carry out the rationing system that I have announced to-day. If we can do so, we in Canada should consider ourselves fortunate.

Mr. GRAYDON: May I ask the minister just one question? What happens when a farmer who has an ordinary motor car, which I presume would come within the class for which two ration books would be provided, an "AA" book and a special book, uses his car with the customary trailer? Large numbers of our farmers use trailers with their cars. Would the minister enlarge upon that? I think they ought to come within the commercial class which would be provided with a little more gasoline.

Mr. HOWE: The interpretation of the regulations is of course a matter for study by the oil controller, and I cannot answer that question. The farmer with a car will obtain an AA ration book; every car owner will have that, and if he can show a vocational necessity he will obtain an additional special book, one or more as the case may be. Of course he must convince the oil controller that he has a vocational necessity.

Mr. REID: How will this affect fishermen owning motor boats? I am not pleading for any special class, but nothing was said about them, and it is very necessary that they have gasoline in order to carry on their work.

Mr. HOWE: Without being fully advised, I believe no change is contemplated in the position of the fishermen.

Mr. GRAYDON: In respect to the non-commercial classification I assume consideration has been given to the necessity of war workers having sufficient gasoline to get to and from their places of employment.

Mr. HOWE: The war workers will be provided with sufficient gasoline.

Mr. COLDWELL: Is any special effort being made to obtain oil from the northern tar sands? I believe the statement was made in New York on Saturday that these undeveloped areas contained over two billion barrels of oil, and they could not understand why we were not developing them.

Mr. HOWE: The tar sands have been under extensive exploration and study during the past year, and at a favourable opportunity in the near future I should like to take some time in order to make a statement of the position there.

Mr. BLACKMORE: What steps are being taken to produce fuel alcohol in Canada, in view of the fact that we can produce potatoes abundantly, and also that such alcohol can be made from wheat?

Mr. HOWE: Very large quantities of alcohol are being manufactured and used, though I doubt if any is being used as fuel. I believe that alcohol as a fuel has rather limited applications. However we are making large quantities of alcohol for commercial purposes in connection with the war.

Mr. BLACKMORE: Is it not a fact that in some countries alcohol is used for fuel? If that is so why cannot some of it be so used in Canada?

Mr. BLACK (Cumberland): Will there be a uniform value for the coupons throughout Canada, in order to avoid discrimination against certain sections of the country? Is there any expectation that the number of gallons per coupon may be increased to the original number of five.

Mr. HOWE: I am afraid my hon. friend has not been watching the situation along the Atlantic seaboard from the state of Florida to the northern tip of Cape Breton Island; otherwise he would hardly suggest that there is discrimination against the eastern seaboard. As he knows, we now have a uniform value per coupon across Canada, but I cannot say what the future will bring.

Mr. HANSON (York-Sunbury): In the light of the information the minister has with regard to the submarine menace and its effect upon the tanker situation, would he give consideration to telling the house and the country exactly what the position is, in order to help the country understand the necessity for this restriction? I am not complaining at all. I have reason to believe that the situation is indeed very grave, but it would relieve the public mind if the minister would tell the country just what is the true position. I believe the country would be shocked if it could be made known.

Mr. HOWE: I cannot do that, of course, for military reasons. Whether the country would be pleased or shocked, I think the effect in the enemy countries would be exactly the opposite, so that I think it is better for all concerned that I should not do that.

Mr. HANSON (York-Sunbury): I do not believe the truth will hurt anybody.

Mr. MACKENZIE KING: Mr. Churchill made a statement this morning in the British house in reference to the submarine menace and matters relating thereto. I imagine that statement will go as far in giving information to the public as any statement that could be made in this house.

Mr. SENN: Has any consideration been given to a change in the hours during which gasoline may be purchased? A great many farmers work until seven o'clock at night and then go to town to get their supplies. Sometimes they are under a hardship because the gasoline stations are closed at seven o'clock and on Sunday, and they have no opportunity of purchasing what they require.

Mr. HOWE: I do not think any change in that regard is contemplated, but the farmer is granted a special privilege in that he may have gasoline on his farm.

Mr. SENN: Only if he has a truck.

Mr. HOWE: Last year I think some provision was also made for keeping open one gasoline station in a community, where there was any necessity for it. I know it is the intention of the controller to administer the regulations without causing undue hardship, and I am sure if a hardship develops he will be prepared to deal with it.

Mr. FRASER (Peterborough West): Is any provision being made by the government to reimburse garage owners for the financial loss they are suffering as a result of these regulations?

Mr. HOWE: No.

Mr. FRASER (Peterborough West): I know some garage men have had to go out of business already, and because of their age they have been unable to find work in munitions plants.

Mr. HAZEN: When the minister makes a statement on the tar sands will he also make a statement on the New Brunswick shales? I understood him to say last session that some investigations were being made into the shale situation there. Will he give us the results of those investigations?

[Mr. R. B. Hanson.]

Mr. HOWE: I shall be glad to include that, and the results of any other explorations we have been making.

Mr. ROY: Will the different controllers of the scheme have the power to grant more gasoline in special cases? There are certain sections of the country, like that part of my constituency between Matane and Gaspe, where there is no railroad transportation available. I should like to know if additional gasoline will be granted in special cases.

Mr. HOWE: Each owner of an automobile is entitled to present his case to the controller for requirements of gasoline for necessary or vocational purposes. It will all depend upon what the purpose is regarding travel between those two points. If a man is travelling for a purpose having to do with the earning of his livelihood, his need will be assessed and a proper ration will be given him, but once the ration is given it will not be changed.

HOUSE OF COMMONS

PRESS REPORT AS TO APPOINTMENT OF PARLIAMENTARY UNDER-SECRETARIES

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to direct an inquiry to the Prime Minister based upon a news item appearing in the Ottawa *Citizen* of this morning, as follows:

> Lionel Chevrier, Liberal M.P. for Stormont, was on the job yesterday as parliamentary secretary to Hon. C. D. Howe, Minister of Munitions and Supply, according to authoritative government sources. D. C. Abbott, Liberal M.P. for St. Antoine-Westmount, has also been appointed to a similar post with Hon. J. L. Ilsley, Minister of Finance. Both men have been familiarizing themselves with the various aspects of the work of these two departments.
>
> It is understood that Hon. Cyrus Macmillan, Liberal M.P. for Queens, P.E.I., is being appointed parliamentary secretary to Hon. C. G. Power, Minister of National Defence for Air. It is said that Mr. Macmillan's services were sought by Hon. Mr. Power.

On that point I congratulate the hon. member. Will the Prime Minister explain why these appointments were not announced to parliament before the new parliamentary secretaries entered upon their duties?—and of course the bill providing for the appointment of these secretaries has not yet been introduced into the house. I should like the Prime Minister to clarify the situation, so that we may understand how it happened that this news item appeared.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I could not begin to give my hon. friend the reasons for the news item having appeared as it did; on that I must say I have no information. With respect to why appointments have not been announced in the house, I would say that no appointments have been made, and therefore there was no announcement to make. May I add that as soon as appointments are made I shall see that they are immediately announced in the house. I believe it is true that one or two hon. members have been kind enough to assist certain of the ministers in some pressing matters in which they are at present engaged. At a later time I may have reason to express appreciation of that assistance. But I hope it will not be held that any hon. member of the house is performing a function he should not perform if during this war time he lends his services—

Mr. HOMUTH: Oh, now, now.

Mr. MACKENZIE KING: What is my hon. friend worrying about? I say I hope it will not in any way prejudice any hon. member or be held against him if he lends whatever assistance he is asked by a minister to lend to him at any time in connection with the discharge of his duties.

BUSINESS OF THE HOUSE

PROCEDURE IN QUESTIONS ASKED ON THE ORDERS OF THE DAY

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to the leader of the opposition that there is a rule under which it is sought to confine questions on the orders of the day as largely as possible to urgent matters. Questions which can be answered by notice on the order paper should be placed there. My hon. friend will not mind my saying that he himself sets an example to the rest of the house. Several times I have asked myself whether he has considered the effect of his asking me questions almost every day. I do not object to my hon. friend asking questions, but I do think a number of the questions which have been asked have not been so much for the purpose of having me give my hon. friend information as for some other purpose.

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE KING: I do not know why that should pain my hon. friends; it is a fact.

Mr. HOMUTH: It does not pain us, because we have to do it.

Mr. MACKENZIE KING: I am sure my hon. friend will not mind my mentioning that it has been the custom as long as I have been in the house for the leader of the opposition, when he intends to ask an important question on the orders of the day, to give notice if possible to the Prime Minister in advance. I have not thus far had from my hon. friend any notice of any question he has asked. I shall be happy to answer immediately any question I can, but I hope I shall not be expected to encounter a sort of catechism at the opening of the house each day.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, we might as well clarify this position once and for all. First of all, this is the first time I have heard the Prime Minister say that he wanted notice of any question he might be asked. That condition may have arisen partly because the facility with which he answers most questions completely disarmed me, and it did not seem to be necessary to send notice. I shall, however, be glad to give him due notice from now on, and that he has not received it previously is only an oversight. If it will help him in his onerous position in trying to make clearer the answers he gives, I am sure that it will be in the interests of the house and country to give such notice.

May I add, however, that as leader of the opposition I do not make any apology for being curious about some of the policies and actions of the government. The Prime Minister himself will understand that there are certain questions which we as members of the opposition demand to be made clear to the house and country. If we have transgressed from time to time, I am sure the Prime Minister will excuse me on the grounds of inexperience and, perhaps, youth. In any event I want to say at once to him and to the house that I am not putting questions for any ulterior design, but rather I am conscientiously trying, so far as it is within my power, to carry out what I believe to be my duty as leader of the opposition in the house.

More than that may I say that I do not think the Prime Minister has been overburdened with questions from any private member or from the leader of the opposition since the beginning of the session. I have been particularly careful on that point in the questions which I have asked. They have always been questions which I thought were in the national interest. So long as there are questions in the national interest, Mr. Speaker, which I as leader of the opposition believe should be put, then I am going to ask your indulgence and the indulgence of the house in directing

to the Prime Minister or to any member of the government any question which I think may fall within that category.

Mr. MACKENZIE KING: May I say a word further to my hon. friend, replying to the subject he has mentioned? My reason for asking to be furnished with a copy of a question in advance is not that I am in the least concerned about not being able to say something in reply, but that I would hope that the question asked would be really important enough to bring forth in reply information that is also important or of a pressing nature. I should like in replying to be in the position to give the house as full information as I may be able to on the question asked. That is why I desire to have notice where the matter is one of importance. I hope my hon. friend will not feel that he is restricted to giving notice at all times. Where there is an important question notice in advance will help me to give the house full information.

Some exception was taken to my saying that there might be some other motive than that of merely seeking information. If my hon. friend had wished to know whether any assistance had been furnished to ministers, that one question in itself would have sufficed without the newspaper article. The reading of the article was what caused me to think that there might be some other reason for the question in my hon. friend's mind than that merely of ascertaining if any appointments had been made.

My hon. friend has the privilege of asking me a great many questions. May I have the privilege of asking him one? I shall put it in the form of a notice, so that he will have plenty of time to answer it. I should like to ask on behalf of all hon. members of this house if he can inform this house how soon, if at all, the leader of the new Progressive Conservative party intends to seek a seat in this house. Does he intend to endeavour to get in before parliament is dissolved, or at what date is he likely to be here?

Mr. GRAYDON: Is that an invitation to the new leader of the Progressive Conservative party to run against my right hon. friend the Prime Minister in Prince Albert, and is that seat to be opened now?

Mr. MACKENZIE KING: Prince Albert has the best possible representation in this parliament.

Mr. COLDWELL: The Prime Minister asked a question of the leader of the opposition, and I should like to ask the Prime Minister a question arising out of the one he asked. Are we to understand from his statement that when this house rises it will be dissolved? I notice the word "dissolved" was used rather than "prorogued".

Mr. MACKENZIE KING: I used the word "dissolved" intentionally, but I was not saying whether this session would end with prorogation or with dissolution. My hon. friend will find that out in due time.

RATIONING

REFERENCE TO PRESS REPORT OF ADDRESS OF DONALD GORDON IN CHICAGO

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Following the discussion we have had, and since the Prime Minister and I have become much more intimate on the subject of asking questions, at the pain and the risk of receiving another little scolding I should like to ask another question. I shall not however, ask any more questions of the Prime Minister until I have given him due notice. Perhaps the Minister of Finance will be in a position to answer the question I have in mind. It arises from a Canadian press dispatch dated at Chicago, February 9, in these terms:

> Donald Gordon, chairman of the wartime prices and trade board, forecast indirectly in a speech here to-night the extension of coupon rationing to commodities not yet under control, and the introduction of a "point system" of rationing for some lines of goods.

Will the minister explain to the house why, when parliament is in session, such an important announcement, affecting every citizen in Canada, should be made by the chairman of a board, rather than by the appropriate minister in the house? I raise this point not as a matter of carping criticism, but as a matter of principle. I would caution the government that when parliament is in session we shall expect all announcements of the kind to be made in this house by the minister in charge of the department. Perhaps the minister would also say whether this statement of policy made by Mr. Gordon was at the minister's direction and with his consent and approval.

Hon. J. L. ILSLEY (Minister of Finance): Mr. Speaker, first of all one must determine whether Mr. Gordon made the statement. I gathered from the newspaper report to which reference was made by the leader of the opposition that Mr. Gordon had indirectly forecast something in a speech he had made.

Mr. HANSON (York-Sunbury): Obliquely.

Mr. ILSLEY: I believe "indirectly" was the word used. If it is a matter of a newspaper reporter making some deduction or drawing some inference from something Mr. Gordon said, then it would be entirely premature for us to discuss the matter on the basis of his having said it. I will see what was said on that occasion.

With regard to the announcement of policies by gentlemen in the position of Mr. Gordon, may I say that the practice is very clear and I believe has been maintained consistently by the government. I do not know of one occasion on which Mr. Gordon has made an announcement of government policy which had not already been made by a member of the government. I do not know of a single one. He is extremely careful in that regard. He knows very well the functions of a minister and the delimitations of those of a governmental official.

With regard to the question of speeches by administrative officials generally, may I point out that it is necessary for them to make some speeches. The public demand that they make some speeches in explanation of their regulations and orders. Those speeches are made to assist the public in understanding and carrying out such regulations and orders. But matters of government policy are announced by ministers themselves. I do not wish to discuss this matter at length. It would be easy to make a long speech on the subject, and this probably is not the proper time to do it. I could not make my point any clearer, however, than by making reference to two speeches made in the month of December last. At the beginning of that month the government embarked upon a new policy of stabilization of the cost of living index by subsidizing consumers in the purchase of certain commodities. It would have been improper for Mr. Gordon to make an announcement of that policy, because it was a distinct departure from earlier policy and could be made appropriately to the public only by a minister. On the other hand, when a little later in the month it became necessary to ration butter, it would have been, I suggest, equally improper or at least less appropriate for the minister to announce such rationing, because the wartime prices and trade board had already been vested expressly by order in council with the responsibility of deciding when it became necessary to ration certain commodities. They were given the power of rationing commodities, of seeing that there was fair distribution. That was the position with respect to sugar, tea and coffee, and it was true also of butter.

This does not mean that the wartime prices and trade board does not keep in touch with the government. I keep closely in touch with what they do, and I take responsibility for their actions. Announcements of new policy, or departures from policy, are for the minister, but announcements having to do with the carrying out of policies already decided upon by the minister and the government are for the heads of the various boards concerned.

PRODUCTION AND RESOURCES

PRESS REPORT AS TO SETTING UP IN WASHINGTON OF COMBINED COPPER COMMITTEE

On the orders of the day:

Mr. H. C. GREEN (Vancouver South): I should like to ask a question of the Minister of Munitions and Supply based upon a press dispatch from Washington which appeared in an Ottawa paper this morning. The dispatch states that there has been set up in Washington a combined copper committee upon which apparently the United Kingdom, the United States and Canada are to have representation. Could the minister give the house the composition of this committee and the purposes for which it has been set up?

Hon. C. D. HOWE (Minister of Munitions and Supply): My hon. friend sent across a note to say that he had given notice of this question, but I have not received the notice.

Mr. GREEN: I telephoned the minister's office about a quarter past two, and the question should have reached him before now.

Mr. HOWE: I will simply say that if the word "combined" before the words "copper committee" indicates that it will be a subcommittee of the combined production and resources board, then Canada will certainly be represented. At the moment I must say that I know nothing about this committee.

Mr. GREEN: May we have an answer to-morrow?

Mr. HOWE: I shall be glad to look into it.

Mr. SPEAKER: A good deal of latitude was given this afternoon in connection with the statement made by the Minister of Munitions and Supply (Mr. Howe) on gasoline rationing. It was a most important statement, and I allowed a number of questions to be asked which should properly have been placed on the order paper. But I wish hon. members would place upon the order paper any further questions on this matter.

ROYAL CANADIAN AIR FORCE

PAY AND ALLOWANCES OF AIR CREW PERSONNEL OVERSEAS

On the orders of the day:

Hon. H. A. BRUCE (Parkdale): I should like to ask a question of the Minister of National Defence for Air. I have not given the minister a notice of this question because I am well aware of the fact that he is so familiar with every detail of his department that notice would be quite unnecessary. Is it a fact that Canada is to meet the total pay and allowances of its own air crew personnel overseas? If so, will the minister correct the present anomalous situation and have all members of these air crews receive their commissions upon graduation?

Hon. C. G. POWER (Minister of National Defence for Air): That is a matter of policy, and I shall give my answer in due course.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Wednesday, February 10, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, first of all I should like to pay tribute to the mover (Mr. Harris) and the seconder (Mr. Halle) of the address in reply to the speech from the throne. It is well in this day and age that that task should have been undertaken by two members of the armed forces. While we may talk of sacrifices on the home front, while we may talk of hard work within the confines of this dominion, let us ever remember that when a man voluntarily puts on a uniform to defend freedom as we understand it, it is an indication that he is prepared to give his life if necessary so that freedom may live.

Since the house last met there has been a tremendous expansion in the duties and functions of the Department of Labour. This expansion has developed to an enormous degree during the past year. Many added responsibilities have been placed upon the administration of this department, functions of a kind and character which in the days of peace were far removed from the activities of the Department of Labour. We have had the Japanese question, we have had training in its various aspects, and we have had the regulations governing technical personnel. We have made arrangements with the universities to train students in specialized occupations in furtherance of our war effort. Activities having to do with social questions have received great impetus in the last twelve months, but in the time at my disposal, Mr. Speaker, I shall deal with only one or two major questions—wage stabilization and man-power.

Might I first make this observation. In the very nature of things when you get such a great expansion as we have had, the machinery is bound to creak occasionally. But I have always said to my own people that a problem with which you are faced can never be solved by making speeches. It has to be solved by administration, and it is far better to speak after accomplishment of the task than before the task is attempted; otherwise the achievements may not measure up to the speeches that have been made.

In the changed status of the labour department I welcome constructive criticism. Criticism is the very essence of democracy, but I hope that criticism by hon. members of this house and by the people of this country will be of a constructive nature, because the policies which we are carrying out affect the everyday life of men and women in all classes of society. As we move into what I might call this regimentation—and by regimentation I mean, of course, that which is necessary in time of war—it is only natural that there will be criticism by those who have been used to the utmost amount of freedom of certain consequences when things do not appear to be moving as smoothly as they should be. From many quarters directly and indirectly the government's war-time labour policy has been under attack. This attack, as the Prime Minister (Mr. Mackenzie King) so well said recently, stems from opposition to the government's wage control and price stabilization policy even by those who profess to agree that inflation must be avoided. These attacks and criticisms are nothing more than one of the incidental prices we have to pay for a policy which is fundamentally sound and which has commended itself to the people of Canada, and which in the short period of a little more than one year has, I say without equivocation, clearly justified itself.

May I say in reply to the hon. member—I forget his constituency just at the moment—who implied that because I was a trade unionist I was not a labour man, that I have spent all my life in the labour movement. I was fighting for social legislation when some people hardly knew that such a movement existed, and I have played some part

in the last thirty years in the establishment of what I consider some of the fundamental necessities in connection with social legislation for the working classes. I believe that the wage and price stabilization policy of the government is the greatest contribution that has been made since confederation to the benefit of the working classes of this country.

It is not my intention to burden the house with any repetition of explanations of the effects of inflation or of the influence of the price and wage stabilization policy in preventing inflation. No matter how thoroughly the government's policy may be grounded in economic theory, it rests also upon the bedrock of what seems to me to be plain everyday common sense. A series of increases in money wages would stimulate a series of further increases in prices and eventually lead to all the evil consequences of a runaway inflation. It is perhaps worth while to remind the house that the government did not rush into this policy of stabilization at a moment's notice. It was foreshadowed in June, 1940. A further step was taken in December, 1940, when P.C. 7440 became applicable to war industry. Again, in June, 1941 and in October, 1941, the plan was developed in more detail and took final form. The plan was carefully worked out and its adoption was an instance of courageous and sound government action. Criticism, however, is to be expected when you are dealing with such an exceedingly complex control affecting the lives of almost everybody in this dominion. After careful consideration the government decided that wages must not be allowed to decline, but on the other hand, steps must be taken to ensure that wages do not soar, because an unstable wage structure would render untenable a stabilized price level and would lead to inflation. Let us listen to what the Prime Minister of New Zealand had to say recently on the question of price control and wage stabilization. I quote:

> It is my plain duty to tell you to-night that social security in this wider sense of the term is in danger. It is not in danger because it is opposed by any large part of the community, for I think I can now say that social security has become a national policy. It is in danger because the impact of war has let loose forces which, if they are not firmly checked, will throw our economic system into disorder.
>
> It should be unnecessary for me to tell you that if social security is not built on a stable currency it is built on sand. If the wage-earner is not sure that his wages will buy approximately the same amount of goods a month or a year hence as they buy to-day, there is no real social security.

The Social Security Act and the minimum wage are only one side of social security in this country. The other side is the measures we have taken, particularly since the outbreak of war, to control the cost of living.

Let me remind you of some of those measures. In September, 1939, all prices were brought under control through the price tribunal. In September, 1941, 38 of the more important commodities entering into the cost of living were stabilized. Meat, bread, and butter, for instance, have not increased in price since the beginning of the war. But perhaps the most important factor in controlling our cost of living has been control of farm prices.

The government soon saw that these measures ought to be crystallized into a plan and in September, 1940, referred the whole matter to the most representative conference of economic interests ever held in this country. This economic stabilized conference unanimously urged the government:

> "To stabilize prices, wages and costs so that the cost of the war is not thrown unfairly on one group to the benefit of another."

The government made this proposal its policy and appointed a committee to carry on the work thus begun. The present stabilization plan has emerged from this committee's day-to-day grappling with the practical problems involved.

So far, the result of this work is one of which we can be proud. In no country now at war has there been less economic dislocation through changes in the value of money. But the government has for some months been anxiously aware that its control measures are no longer adequate. Pressure by economic interests for increases in the prices of their products is becoming more and more insistent. Hitherto manufacturers and traders have been absorbing much of the increase in their costs but their profit margins are narrowing and the process cannot go on much longer. Effective price control is becoming difficult;

One would almost fancy that this speech had been made in this House of Commons.

and already the phenomenon of a black market with all its demoralizing consequences has begun to appear.

That is in New Zealand. Further, Mr. Fraser said:

> You may be thinking, why should wages be stabilized? Isn't everybody in this?

Those who listened to Mr. Fraser's speech can imagine his making that observation.

> Yes, everybody is in this. Stabilization applies to all rates of remuneration including time and piece wages and overtime, allowances, fees, commissions, travelling expenses and directors' fees.

Mr. MACKENZIE KING: What is the date of that speech?

Mr. MITCHELL: December 15, 1942, a little over eight weeks ago. I thought I might bring that to the attention of the house because it indicates that it is not only on the north American continent that difficulties are arising in connection with these policies, and it also shows that all the democratic nations

engaged in this fight, in the English-speaking world, with the exception of Great Britain, think alike on this question. Some members of the house, I believe, will agree with me that that point of view expressed in the far-off dominion of New Zealand amply indicates some of the difficulties with which this government is confronted at the present time. I say sincerely that unless every class in the community rallies behind this stabilization of prices and wage control, I am fearful whether we shall be able to hold it.

After all, you cannot build a nation, a civilization or a political organization on unrest, and when the government of the country is striving in the manner in which it is striving to protect the wage standards that exist to-day, the wage standards of the working people of Canada, and I might add also to protect those in the income groups, that great defenceless body of Canadians who have no organization on one side or the other to protect them, these people are entitled to the support of all responsible men and women in the public life of the country.

In Canada we have provided machinery for the adjustment of existing wage inequities. The war labour boards have power, when wages are proven to be low in comparison with the wage rates generally prevailing for occupational classifications in a comparable locality, to have such wages raised to the prevailing level. Realizing that, in spite of price control, some continued increase in the cost of living might be unavoidable, provision was also made for the payment of a cost-of-living bonus if or when the cost-of-living index, prepared by the dominion bureau of statistics, showed an increase.

We are apt to quote what is called the basic rate of wages with no thought of the cost-of-living bonus. Let us take the railways for example. I take a rate of fifty cents by way of illustration. That is the basic rate, but in addition there is a nine cents an hour cost-of-living bonus. I suggest that when these things are placed before the public and it is pointed out that what is received by the individual is the basic rate of wages plus the cost-of-living bonus, a fairer picture is given than by simply implying that the basic rate is the only amount received and that no allowance has been made through this policy for the increase in the cost of living since the outbreak of the present war. It is being said on many sides that wages are frozen. Let me say without equivocation that wages are not frozen, because there is that bonus provision where the cost of living increases.

[Mr. Mitchell.]

In this complex situation the government, despite criticism of the administration, has accomplished a great deal in the correction of wage rate inequities, and to a much greater extent than is generally realized. Since the establishment of war labour boards a total of more than 18,000 cases have been dealt with. Of this number something over 14,000 have been authorized in full, approximately 2,600 in part, and approximately 1,550 have been denied. Of the cases authorized in full or in part, approximately 3,900 have been applications for the payment of cost-of-living bonus based on a rise in the adjusted cost-of-living index from a month prior to October, 1941.

These applications have involved an estimate of 190,000 employees and represent increased compensation to the amount of approximately $1,765,000 a month. Similarly, of the cases granted in full or in part, 8,500 have been applications for increased wages involving 385,000 employees and an estimated increase of $3,250,000 a month in the wages bill. These approved adjustments in wage rates and cost-of-living bonus represent increased compensation to the workers in industry of $60,000,000 a year and show that the government's wage control policy is not, as so many have claimed, a wage freezing policy.

I do not think that the path of the chairman of the national war labour board or the regional board or the members of the board is a bed of roses. When I indicate that 18,000 cases have been handled by these boards, and the number of cases that have been satisfactorily disposed of, this house and the country owe a debt of gratitude to the courage of the members of these boards, composed of representatives of employers and employee organizations. It does reflect the fact that when you get men of good will representing employers and employees, who can sit down together and adjudicate on the most difficult cases, dealing with the most difficult policies, a solution is possible provided there is the will to do it and an endeavour is made to assist the state in the grave emergency through which we are passing.

In this regard I would pay tribute to the provincial governments. As we all know, constitutionally wages and hours of labour come within the orbit, in peace time, of the provincial governments. In connection with the application of the wage stabilization policy, a minister of the crown in every case is the chairman of the regional war labour board and the assistance rendered by them

in my judgment reflects the best in public life. It shows also that in the deeper things of life there can be real cooperation between the provincial administrations and the federal government in the furtherance of the war effort.

Let us now get the results of this policy in dollars and cents to the people involved. In the six months before October, 1941, the cost of living, when the pressure of short supplies of labour and commodities was very much less than it has been recently, rose only about 7 per cent. In the fifteen months since October, 1941, it has risen only 1·6 per cent. To state the comparison in another form, at a comparable stage in the last war, when our resources were much less strained, the cost of living had risen 43·3 per cent as against 16·2 per cent up to date in this war. This represents an increase in the real purchasing power of money compared with the last war of a fraction over 27 per cent. I have often given this definition of money: Money is not money unless it is hard to get. The value of money depends on what you can buy with it. That this policy has resulted in benefit to the working people and to all classes of society is clearly indicated and can be proved by the fact that the purchasing power of money is 27 per cent greater than it was during the same period of the last war. It can hardly be questioned that the unrest and criticism which the policy is believed to have occasioned is much less than the unrest and criticism that would have resulted in the absence of any such policy, had the government stood idly by and permitted a further increase of 65 or 85 per cent in the cost of living with all the attendant injustices, and the certainty that these injustices would intensify with the passage of time. Such a rise in the cost of living would certainly not only injure the welfare of the wage-earning population of this dominion but would hamper our production programme by causing industrial unrest.

The wage policy, and the administration thereof, are easy to criticize, but let the critics beware that by their criticism they do not undermine the policy, and that in seeking to flee from the ills we know we do not find ourselves in the midst of much more serious trouble. Perhaps I might quote another opinion on this policy from our friends to the south. Hon. members may have read a news dispatch in the Montreal *Gazette* a day or two ago carrying a statement by Senator James Byrnes, the new economic stabilization director in the United States. I quote:

> The economic director announced official opposition to all basic wage increases, and at the same time pledged all his efforts to retain price levels at their present mark.

I should like in that connection to read another statement from New Zealand, made by D. G. Sullivan, a member of the government there. He said:

> We are now at the point when in bringing in an all-round policy of stabilization which, I repeat, is absolutely vital to-day, the stabilization of income cannot be balked by demands for concessions from any classes of the community. To peg everybody's income where it is might crystallize certain inequalities for the time being, but I would point out that if inflation were left to develop and run riot, the inequalities which would be created would be far more serious and far more unjust in their incidence upon the community. Thus, if stabilization brings about the fixing of wages or farm prices at their present levels, some sections of the community may feel that they are being made to contribute more towards stabilization than others. It may be only rough justice, but it will be far preferable to the complete injustice which inflation run amuck would bring about.

I thought I would dwell briefly on industrial relations. I need not comment further on the fact that the leader of the opposition (Mr. Graydon) took the opportunity to place on record in *Hansard* the recently adopted platform of his party. But I do welcome the chance to declare again that in substance the government welcomes the declaration of policy as to industrial relations. We are glad that they subscribe to the principles of collective bargaining, though there may be some question as to the method by which in the long run it can be made most effective. The position of the government is that the proper function of government is to clear the way for organized employers and employees to get together to engage in collective bargaining. A survey of the record will show that in the great majority of cases which have been taken to boards of conciliation in recent months about the right to bargain collectively through the trade unions the employers have accepted the recommendations of the boards. The figures show that trade union membership has increased more in the last two years than in any other period since the last war. The number increased from 365,000 in 1940 to nearly 462,000 in 1941. The increase in 1942 for the three major organizations was over 55,000, despite the wage policy which is alleged to have made trade union organization or collective bargaining almost impossible.

The conciliation service of the Department of Labour has been strengthened in the last

eighteen months almost out of recognition. For the manning of that conciliation service we have called some of the outstanding trade unionists of this country into the government service. In addition we have under order in council 4020 the power to appoint commissioners. I feel that notwithstanding that industrial unrest does present itself at some times in this country, the machinery developed in the last eighteen months has been of tremendous assistance in the ironing out of difficulties arising between employers and employees. In this regard also we have actively cooperated with the provinces. In Ontario the conciliation officers of the provincial and federal governments operate as one unit. We also have close cooperation and a working understanding with the conciliation service in the labour department of the province of Quebec. And from all the provinces we have received that same cooperation.

There is a great deal of talk about the number of strikes that have taken place. I think anyone who has had experience in industrial relations will agree that where you have a tremendous expansion of labour organization it is sometimes slowly and with difficulty that the kind of leadership is thrown up that is required in order to have a stable labour organization. The price we are paying at the moment in some respects represents growing pains of the labour organizations. But I would say this in all sincerity: At this period in the last war I was not in Canada; I was at the war. As a young man I would not like to have thought that when I and others were risking our lives that freedom might live, strikes were taking place in Canada that might endanger the lives of those with whom I was associated. I know that patience is strained at times, but I have always had it in the back of my mind since the outbreak of this war that we on the home front should show a degree of patience beyond that expected from the men in the front line trenches. I leave that thought with hon. members. The statement of the Minister of Munitions and Supply (Mr. Howe) indicates the necessity, I might say the supreme necessity, for continuous production in this country. Particularly is that so in connection with the production of ships. Nations have risen and fallen because of their power or lack of power to transport commodities across the ocean. It is the old tramp steamer, with its auxiliaries the aeroplane, the battleship, the cruiser and the destroyer, that make possible the fighting of a successful war; and I hope that in the weeks to come nothing will happen in this dominion that might or could hamper the production of ships, particularly the tankers which are so necessary at the present time.

In the nine months of last year, from April 1 to December 31, the conciliation service participated in over three hundred disputes and succeeded in the great majority of cases in either preventing threatened strikes or bringing about satisfactory settlements in strikes already called. In that regard, while we do not see a great deal of the work undertaken by the conciliation branch of the department, which goes on twenty-four hours a day, three hundred and sixty-five days a year, when disputes are successfully settled, I suppose it is only natural that we should see it blazoned across the newspapers when occasionally a dispute gets off the track and a strike is called.

I should like to bring to the attention of the house the number of man-days lost last year in connection with industrial disputes. During the calendar year 1942 the time lost by strikes and lockouts was 455,964 man-days. Serious as that is, however, its importance should not be over-exaggerated. In the comparable year of the last war, 1917, the time lost amounts to 1,123,515 man-days, or about two and a half times as much as in 1942. If allowance is made for the increase in the number of wage earners as compared with 1917, the time lost in that year can be conservatively estimated as being proportionately five times greater than that lost in 1942. The time lost in 1942 was about twenty per cent more than the annual average for the last ten-year period. In 1942, however, the number of industrial employees exceeded the annual average during that ten-year average by 47 per cent. In perspective, therefore, especially having reference to the total number employed in industry, the loss through strikes last year proved to be very much less than in any comparable period during the last war, and not substantially more than in any recent year. The figures further are considerably increased by the fact that two strikes caused about one-third of the total time lost in 1942. So that the total loss of 455,964 man-days which took place in 1942 represented 159 days per thousand of the wage-earning population, and we have this very interesting comparison, that in 1917, the corresponding year of the first great war, the time loss of 1,123,515 working days represented 638 days per thousand

of the wage-earning population, or more than four times the number per thousand of wage earners.

Recently I was in Great Britain, Mr. Speaker, and at this time I should like to pay a tribute to the people of those tight islands. I think any of us who have visited Great Britain recently have come away amazed at the spirit and fortitude of the British people. Of course it is often said that they are urged forward under the compelling force of the blitz and Dunkirk, but I think it goes further than that. It reflects in the deepest and truest sense the character of the British people, the character of the people who have given the world the greatest system of government, as we understand it, in the history of mankind. Those people are conscious of the fundamental issues involved in this great conflict. While I was in Manchester I thought I would take a walk early one morning and see the Free Trade hall, where so many historic political debates have taken place, debates which in some instances have changed the course of the history of mankind. But there was no Free Trade hall; it had disappeared. In spite of that, the spirit of the people of what we called in the old days the Manchester school is just as resolute and forceful as it was in the days of peace. And what impressed me perhaps most of all was the degree of cooperation between all classes of society. Of course they have that fringe which exists in every country, a fringe on the right and the left, whom no one can satisfy and who I guess never will be satisfied. But one saw the cooperation in industry; one saw the hours of work, the application of the industrial workers of Great Britain and particularly, may I say the part played by the women of Great Britain in this titanic conflict. When the story of this war is told the contribution made by the women of Great Britain in my judgment will stand out in bold relief and will ring down through the pages of history. They have undertaken work which I thought women would never undertake. They have entered into industries and avocations in which many of us had never dreamed of seeing women, and we must not forget that in many instances transportation is difficult, with great distances between the work and the home. Many of them work under artificial light, and except for their day off at the end of the week many never see the sun.

Then there is the food, which, while the supplies appear to be ample, I must say is pretty plain. I think the success of the rationing system in Great Britain has been due to the fact that everyone is treated alike. Strangely enough the Minister of Food, Lord Woolton, is one of the most popular members of the government, and I believe that popularity largely rests upon the fact that in the rationing of foodstuffs and other things necessary to the lives of the people of those islands there has been absolute equality of treatment, which is just as it should be. That was the view I took recently when there was a shortage of butter in Canada. I said, "Well, if there is no butter, let us all go without it, but everyone in this dominion should share fairly in what there is." As long as a policy of this kind is pursued we do not need to worry about the people of Canada on the food front. As long as, in the view of the government, regulation is necessary, if everyone is treated equally I am sure the Canadian people will measure up to their responsibilities and cooperate wholeheartedly in any policy we may think it necessary to launch.

Hon. W. E. ROWE (Dufferin-Simcoe): Mr. Speaker, I, too, must join those who have congratulated the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne, and agree, without too much repetition, with what previous speakers have said as to its being most fitting that men who are serving in our armed forces should be selected for that honourable task.

I have listened with interest to the Minister of Labour (Mr. Mitchell), realizing that he is struggling with a great problem. I could not help thinking, however, that while we may have little doubt as to his personal standing as a labour man in Canada, he seemed to be struggling on account of a lack of any national man-power plan or government policy. I listened as did other hon. members to his references respecting the value of the labourer's dollar. That is an important problem. He told us the number of man-hours lost by strikes in the past year. Again, however, he did not reveal any over-all, sound national man-power policy and, I regret to say, I saw in his remarks no hope of solution of that problem. I compliment him, however, upon his efforts, despite his handicap brought about by the confusion which has developed through a lack of policy on the part of the government.

Mr. MITCHELL: I meant to speak about man-power, but my time had expired.

Mr. ROWE: I am sorry the minister did not touch upon that problem. It would seem that other ministers can get overtime, and I should think that if the Minister of Labour were prepared to discuss a problem of such importance he would have given more enlightment upon it, had he been permitted somewhat longer time, than did the minister who was permitted overtime.

This is the fourth year of a world conflict, with all its bitter effects on the lives and hopes of our people. I am satisfied that the Minister of Labour has a common and honest purpose, along with every other hon. member. To those who have lost members of their families in the terrible struggle overseas I extend my deepest sympathy. For those families, members of which are still engaged in dangerous areas, we have the deepest respect.

Sometimes we hear it said that nothing matters now but victory. However, I think we might better use the expression, "nothing else matters as much as victory." After all, even in the speech from the throne now under debate we see other objectives placed before our people who are sorely wounded and tried, as the war grows in intensity. The effect of the speech from the throne is rather soothing. In glowing generalities the government expresses keen satisfaction in itself, promises to collect taxes more rapidly, to banish fear and want at an early date, and to pave our future way of life with a new form of social security. However, I am glad to observe a ray of greater hope for the victory which, of course, must be won before any such era of comfort, joy and social security can be expected or realized.

This afternoon I should like to confine my remarks to what I believe are three of the fundamental problems facing the country, and particularly the parliament now in session. First is man-power; second, production, and third, parliamentary control. I believe we are in agreement that a wise allocation of our human resources between our armed forces and our productive forces is vital to the success of our war effort, and to the defeat of the axis powers. Unfortunately no definite plan seems to have been followed vigorously.

On December 1, when it was announced that national selective service was to take over the full responsibility of allocating Canada's man-power and woman-power it was hoped that the problem would be met courageously with some sound action and some expression of a general over-all policy. Three months have passed, and yet we find no aggressive, centralized control. As evidenced this afternoon, such control is now even more conspicuously absent. Many surveys have been and are still being made. We are asked to fill out forms and give further information as to what we are doing; yet no one is told what he should do. Indeed, it is possible that if we continue to postpone much longer, the swift action of Britain, the United States and Russia may make it possible for us to begin demobilizing before we are fully mobilized. We have not been told how many should go to the fighting zones, nor have we been told how many should stay at home, how many are needed for reinforcements of the active forces in the fighting zones, or how many are needed to reinforce the soldiers at home.

Next in importance is the question of how many are needed in our essential industries. The failure to determine a plan has already meant a great reduction in our productive efficiency. It is estimated that 9,000 labourers left Canada to work in the north-eastern states during the bush season of 1941-42. I believe the Minister of Labour stated yesterday that not quite that many had received permits. But I venture to say that that many, or more, have gone. It amazes me to note that while Canadian companies could not broadcast an appeal for men in Canada, and could not meet the competitive wages of companies in the United States, United States companies were allowed to appeal for men by radio, and that only recently 500 more men received their permits from the department headed by the minister who has just taken his seat.

We are still short to-day in man-power. Many companies have closed down, and others have reduced their operations for lack of those very men who have gone to the United States. Many farms are not being cultivated, not only by reason of the number of boys who have volunteered to fight, but because under the haphazard man-power policy of the government it has, under its selective service operations, called men for home defences who were needed on the farms.

As has been said, nothing was done to prevent skilled men from volunteering. We see there again tragic evidence of the failure to offer an over-all sound policy. No doubt some men are needed at home; but it does appear to me that we must let our men who are in the fighting fronts know what they may expect by way of reinforcements. If action comes they should know whether they have men standing behind them. I sometimes wonder if that is why they have not seen action. Is it on account of this uncertainty in government policy, an uncertainty

which has seeped not only through our line of production but—yes, even to the front line itself?

Therefore I believe it is more important at the present time properly to allocate our armed forces than to add to them. I say this because I feel that we must consider the condition we may create by a policy of drift, and by establishing a larger army than we can maintain with the equipment produced behind the line. In this connection we must not be unmindful of what has been said about the collapse of France. We have heard it stated that one of the chief faults in her war strategy was that of sending, excitedly and spectacularly, to the Maginot line all her skilled men who might properly have been behind the lines carrying out processes of organization.

I realize that other countries have profited by observing mistakes that have been made. Mr. Hedley Williams, director of labour in the United Kingdom, when speaking in Washington not long ago, said that we must beware of calling too many skilled men, and he urged the United States not to make the same mistake which had been made in Great Britain at the first, namely, that of sending skilled labour to the front. He said:

> Britain did this at first, then had to send them back. There is no use of having a big army in the field, if there are not enough at home to keep it properly equipped.

I believe the war economy of Germany and Italy is feeling the effect of a similar mistake which was made there. As evidence of that, we observe that the other day an order was issued in Germany mobilizing immediately all men between the ages of seventeen and sixty-five years for industrial and agricultural purposes. In Italy, almost coincident with this—I do not suppose this left-handed warrior does much outside of what he is told to do—there was issued a similar order, but they cut off two years and provided that those between the ages of fifteen and sixty-five years would be mobilized immediately for either industrial or agricultural purposes.

If we are going to warrant the claim that we have a selective service policy then we must, without any further delay, declare what these priorities in man-power are. Unless this is more vigorously proceeded with, the present serious condition will not get better, and I am convinced that it will grow steadily worse, more confusing and prove more detrimental to an all-out war effort. We have made postponements and exemptions which were not warranted, and we have not made some that were warranted. I urge the Minister of Labour to give further consideration and direction to national selective service, so that the men who are exempted for necessary and essential purposes, whether it is on the farm or in the factory, may be given more permanency instead of having their exemptions granted from month to month and being called up in busy seasons or not knowing what to do in the following year, in the case of agriculture and other pursuits, until they receive another call. When this is repeated it makes additional work in the departments and creates confusion and uncertainty which retards production from reaching that efficient point which it should reach at this time.

I hope the government will more efficiently coordinate our war effort by a scientific and fearless allocation of man-power. That is what I had hoped the minister would have announced, but he has told us nothing about the order which we understood was to stand, namely, that selective service would have to do with the allocation of all man-power. The extent to which our superior man-power and our superior resources shall establish our future place and decide the extent of our national dignity and freedom is measured not only by the dauntless courage of our men on the front line but by our fearless direction behind the line. It seems to me that in this one great problem of man-power we have failed and failed dismally.

I realize that our production is great. We are no longer an infant nation; we have grown. I have been surprised at the comparisons which have been made between our production during the last great war and our production at the present time. But Canada today has fifty per cent more people than she had in the last great war. She has had the greatest industrial growth ever known since that time. She developed more in the ten years following the last great war than she had developed in any thirty years before; that is, as far as industrial expansion is concerned. It is fortunate that she had the diversified industries which she had because they have provided a fair foundation for the progress she has made since.

As far as production is concerned, I do not propose to deal with the generalities of production in the factory and in other lines that are essential. However I do wish to speak for a few moments about one vital requirement. I shall refer more specifically to our food requirements. For some years I have urged the government to establish a sound national policy for agriculture. As far back as the session of 1940-41 I endeavoured to have the government establish a national food board, and I suggested different ways in which it

might function. Now in 1943 I am alarmed, as I observe others in this house are alarmed and as it is noted in the press, when I hear that the food requirements for this year will be the greatest with which agriculture has been faced since confederation. I am glad that the government at long last seem to recognize the problem, but I regret that their most conspicuous plans for its solution seem to be only ceiling prices for the producer and ration cards for the consumer. With little evidence of any real policy in connection with agricultural production we have nothing more or less than the glib response of a rationing system. This may help to meet the crisis which has developed, to no small extent as a result of the absence of a sound agricultural policy.

Since the government have failed to appoint a food board; since they have failed to set out the functions of such a board, I suggest that at this late date they solve the problem by establishing a food ministry. This should be done in order to solve the problems which the government's lack of policy has placed before this country. Since I do not like to be critical without offering suggestions, I wish to offer some at this time. I have no apology to make for the criticism which I have levelled; I am only sorry that I have not more time in which to level more criticism. I should like to repeat briefly some of the functions which might be performed by this ministry, at least for the duration. I am not so sure that the bureaucratic control which we have set up is necessary even in time of war; I am not so sure that we need the restraints and limitations which have been placed upon many producers, but I do believe that for the duration such a ministry could carry out the following functions.

1. The division of this dominion into productive zones to encourage the production of those products for which each zone is best adapted.

2. Allocate to each zone annual production goals.

3. Assure to each zone adequate supplies of labour and machinery.

4. An immediate survey of requirements of men and machinery, including a study of conditions created during the past year that have closed many farm operations.

5. A study of prices, a research of farm costs and a revision of ceiling prices so that sufficient increase may be allowed to bring to the farm producer prices on a parity with other prices.

6. A study of farm labour prices so that it would be possible under selective service to move labour to this essential industry from non-essential industries.

7. It should be the responsibility of this food department to plan necessary reserves of finished canned and cured foodstuffs in order to make sure of the necessary surplus supplies to finish the war and help write the peace with attractive supplies for a hungry Europe.

It is now two years since I urged much more fully what I have ventured to repeat at this time. However, this problem has at last moved up to the front line of necessary war strategy. I believe the government have some good intentions—one could not listen to the several ministers without knowing that they had good intentions; I am not going to doubt their intentions—but I warn them of the danger of delay and postponement. It is needless to remind the house that the roads of Holland, Denmark, Belgium, France, Poland and other countries were paved with good intentions, but now those roads are strewn with hunger, despair and death. Those countries are calling to us to give them some assistance, and we should benefit from the haphazard management that has been so prevalent.

We are told by the Minister of Agriculture (Mr. Gardiner) that we are producing a greater tonnage of agricultural products. One need not challenge that statement any more than one need challenge the statement that we are producing more iron and steel than we ever did. However, it does not prove that we have any master-plan of handling our human and material resources, because we have now eleven millions of people whereas we had only seven millions in the last war. Nor does it swell our chests with much pride when we know that Great Britain, with almost three times as many per capita of her man-power in active service, has doubled her agricultural production since 1939.

May I now deal briefly with the third fundamental challenge which I mentioned at the outset, namely, the challenge to parliamentary control. What is victory? Is it only the killing of Japs and Germans and Italians on the battlefield? Is it not also the prevention of the nazi and fascist methods which they represent and seek to impose upon us? This is no idle dreaming of those living in the quiet tranquillity of the home front; it has been declared many times to be the objective by our leaders at the battle-front. Not long ago that great British

fighter, General Alexander, when he was promoted to his present responsible command, inspired his fighting men to greater efforts by stating:

> We are fighting to preserve freedom of speech, freedom of worship and freedom of individual enterprise.

While these gallant men face death to preserve these freedoms for us overseas, are we to surrender parliamentary control as the chief bulwark of these freedoms at home?

I realize that war must be waged by a strong central control. It is, indeed, an executive function more than a legislative function. I am not questioning the necessity of having boards of control and administrators established. However, I am not unmindful of the tendency toward a bureaucratic form of government through the delegation of unnecessary powers to these boards and commissions. The fathers of confederation wisely separated the constitutional powers of the legislative, executive and judicial bodies. The huge bureaucracy that now prevails was growing slowly but steadily before the war. It has rapidly grown during the war and now threatens our democracy itself. If this trend is not soon checked, it will constitute a real and easy stepping-stone for a state socialism which will clumsily mock the very totalitarian doctrines which our enemies seek to impose upon us.

To-day little concern seems to be aroused over the delegation of our legislative or executive control. With reckless disregard of the people's representatives in parliament, policies are set by order in council, while boards of control make the laws—modernly called regulations—for the enforcement of those policies. It appears now that we have almost a secret merger between legislative and executive control which hands on by order in council strange and undebated plans for a controller to put into swift effect.

We closed the third session of our nineteenth parliament of Canada just the day before this session opened, and on that day the government tabled 340 orders in council which were supposed to have been passed between July 1, 1942, and December 1, 1942. We find that over sixty of them were passed while parliament was sitting. It seems that parliamentary control is only a complimentary phrase which is used to appease the concern of those of us who are so old-fashioned as to believe that we represent the people in a free parliamentary system.

Expert economic controllers write the policy, and a weak and wobbly executive makes it an order in council. Following that, in the early hours of the next morning, from a government-controlled radio or a watchful press, members of parliament and millions of taxpayers learn with alarm of the silent arrival of a new order born out of the darkness of the night before.

We have in Canada so-called controllers who are actually disciples of a new regimentation. These so-called social planners have avowed plans to make a new world order. They may to some extent satisfy the socialistic party to my left through their avowed plans to make out of this world crisis a new social order. May I urge this government, however, to beware of this tendency which threatens the liberty of the subject and its blood-brother, the freedom of enterprise which has made this country great.

If we are to preserve for our boys, who we hope may return, the freedoms for which they believe they fight, we must prevent any unnecessary extension of authority to those who have had long-nurtured objectives of untried social plans to replace the freedom of enterprise which has given our young country her growth and our people an unsurpassed standard of living.

I notice that the Prime Minister is out of the house at the moment, and therefore I will ask the Minister of Agriculture who I presume speaks for the government because he is the only minister over there, can he assure the house and the country that the war regulations which are now being abused by controllers for peace-time objectives will cease when this war is over? Silence, I assume, gives consent.

Mr. GARDINER: It is stated in the War Measures Act. The hon. member has read it.

Mr. ROWE: The minister asks us to assume that these regulations will disappear with the War Measures Act. But I would urge the government to beware of the development which a rather weak executive seems to be promoting by this system of controller management in this country.

In a book written by Lord Hewart I find this:

> Of all methods of administration that is worst, is that whereby real powers are in the hands of one set of persons while public responsibility belongs to another set of persons. It is a method, as all experience shows, well-calculated to encourage the performance of acts which either set of persons if they had both the responsibility and the power, would be astute to avoid.

The Prime Minister surely recognizes this principle unless he has forgotten his speech at Newmarket on March 17, 1919, when he said:

> The war has been a great problem and it is a question whether we are not, under a stress of mind, permitting things to be shoved through

by a group of men who have it in their minds that so long as they are united under a particular name they can do what they please in matters of legislation.

Further in the same speech he emphasized "getting back to government for the people by the people." Again in the same speech the Prime Minister said:

Our government to-day is composed of a group of men of one type of mind that believes in administration through orders in council rather than administration through the people's representatives in parliament.

What a difference just a few years make in the life of the most expert politician in Canada's history! We have never seen the power of the executive so much abused by order in council as it has been in the last year or more by this government under the guise of war necessity. I do not want to be too critical, but I do urge this government to take cognizance of where we are heading and to realize that this sort of thing cannot go on. The government cannot continue to ignore the responsibility of parliament and maintain the proper place of the executive any more than we can expect to maintain the free and democratic way of government by having matters settled in the evening by orders in council that are never brought into daylight before parliament. I may offer a few suggestions in this regard as well. First, I would urge the government to take greater care in delegating powers to these new-born controls and commissions, and, second, I suggest that we should have from time to time a judicial review of all controllers' decisions. In conclusion, I would ask the government to remember that parliamentary control is, after all, one of the basic features of our democratic way of life.

Let us meet emergencies by necessary controls, but avoid usurping war-time regulations to usher in peace-time new orders, foreign to that for which our boys believe they fight.

Let us therefore, fearlessly face these challenges of this tragic period by coordinating the full striking force of our superior man-power and excellent resources through a freer but more vigorous parliamentary control.

Mr. JEAN FRANÇOIS POULIOT (Témiscouata): I do not intend to speak at great length, but first of all I wish to reply to something said by a distinguished press columnist of this city a few days ago by quoting what he wrote last year. A few days ago, on February 10, the *Citizen*, commenting upon the marvellous speech delivered by the hon. member for Richelieu-Vercheres (Mr. Cardin), said:

For several of his chief isolationist points, only one man pounded his desk—Jean François Pouliot, who still sits beside him next to the cabinet benches.

[Mr. Rowe.]

Of course I was delighted to applaud the hon. gentleman when he spoke so well, but he never said anything that was of an isolationist nature. In the *Citizen* of May 13, 1942, I see that the same gentleman wrote as follows:

A German submarine sunk a freighter in the St. Lawrence, in the river, not way down in the gulf. Forty-four survivors were brought ashore. The submarine sank the ship, apparently without loss of life, but happily it didn't take a shot at any of the shining marks that line the shore. It was below Quebec The place is not stated but doubtless, somewhere between Témiscouata and Gaspe. The war, thus, is right opposite the front door of some of the members of parliament who are more or less conspicuous. There is nothing to show that the destructive enemy craft was put out of business. Probably it is lurking about. The circumstance is illuminating and suggestive.

The enemy was at the door.

There are no members of this house who object to the help that is being given by Canada to Great Britain or to any of the allied countries. But that is not the point. We want to have this country defended. We have no defence at the present time, and conditions are so bad that in my district the men in the reserve army have not been paid since August last. Imagine the encouragement! They receive only sixty cents a day, and they have not been paid since last August. I brought the matter to the authorities—Mr. Speaker, I would ask the former leader of the opposition (Mr. Hanson) to keep quiet. I will not listen to any interruptions. I had enough trouble when he was leader of the opposition without having him start again when there is another gentleman occupying that seat.

Mr. HANSON (York-Sunbury): On a question of privilege, I do not intend—

Mr. POULIOT: Then let him sit down. I will be rough.

The ACTING SPEAKER (Mr. McCann): Order.

Mr. POULIOT: I have been disturbed enough by him in former days and I will not stand for it now.

Mr. HANSON (York-Sunbury): On a question of privilege, I made no observation—

Mr. POULIOT: He groaned.

Mr. HANSON (York-Sunbury): —but I did make a remark in an undertone. If I had done a great deal worse than that it would have been appropriate, but all I was doing was making a remark in a low undertone.

Mr. POULIOT: He is wasting my time. He has no reason to do that.

Mr. HANSON (York-Sunbury): I do not intend to have the hon. member for Témiscouata abuse me or make derogatory remarks about me and I ask that they be withdrawn. I would ask Your Honour so to rule.

Mr. POULIOT: Well, that having been said, I will come to the great tribute that was paid by the Prime Minister (Mr. Mackenzie King) to the former leader of the opposition. I wish the hon. member for York-Sunbury a long life. I hope he will live to be a centenarian, but when he dies I hope he will put a clause in his will that *Hansard* containing the remarks of the Prime Minister about him be put in his coffin. Such things must be kept even in the other world. I know that several supporters of the government were very jealous when they either heard those remarks or read them.

Now, speaking of the present, I see the hon. member for Peel (Mr. Graydon) with his smiling face. From the time Mr. Bennett was leader of the opposition I have not seen any smile on the face of any leader of the opposition, and it is comforting for me to see a good-natured gentleman occupying such a high office. He knows that I mean what I say, as I mean everything I say, and it is refreshing to see him there. I am fully in accord with the great tribute that has been paid to him by the Prime Minister and all members of the house.

I wish also to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address. One of them, the seconder, I know very well, and I know that both are fine soldiers. They spoke very well and deserve congratulations upon their speeches.

There is a most important matter that has been talked about by the leader of the opposition—the present one, who is a very bright man—and also by some other members on this side of the house and even on the other side. The leader of the opposition spoke first of the setting up of committees at an early stage of the session. He mentioned that six standing committees did not meet at all during the last session, which is true. He referred particularly to the public accounts committee. But his predecessor never made any request for it to meet. That is the reason why we had no public accounts committee. The reason is that the hon. gentleman's predecessor never asked for it. Moreover, I was the one that had to fight to have an improvement in the public accounts. It was the duty of the hon. gentleman's predecessor to do that, but he forgot to do it. Therefore I had to do it myself, and I had the support of my good friend the hon. member for Davenport (Mr. MacNicol). *Hansard* records it. Does the leader of the opposition know nothing about it? Perhaps this is why he was praised so highly by the Prime Minister.

The public accounts committee did not meet during the last ten years.

Mr. MACKENZIE (Vancouver Centre): Yes; the Bren gun inquiry.

Mr. POULIOT: Was it the public accounts committee? Well, it brought in no report, and therefore all the sittings were of no use.

Then my friend the present leader of the opposition said that some early consideration should also be given to reviewing and modernizing our parliamentary procedure. How? The hon. gentleman is too familiar with the rules of the house and British parliamentary practice to make such a suggestion. Why should we modernize British parliamentary life that has existed for centuries and is in such a good state of health at Westminster, and here also when Mr. Speaker is in the chair?

The Prime Minister said:

> It is the present view of the administration that this is not the best time to have a committee consider the rules of the house.

I fully agree with the Prime Minister. If my hon. friend looks at the record he will see that on May 21, 1940, the Prime Minister moved the appointment of a select committee to consider with Mr. Speaker the procedure of this house with a view to a more expeditious dispatch of public business.

The hon. member for Danforth (Mr. Harris) and the member for Temiscouata respectively made suggestions as to the withdrawal of that motion, and it was withdrawn. The answer given by the Prime Minister to the leader of the opposition on January 29 last is logical, and consistent with the withdrawal of his motion of three years ago.

Sir, I have given—or rather lent—to you a complete collection of the standing orders of each legislative assembly of the British empire. It was the only complete collection of the kind in Canada. In Ottawa I went for it myself to the library of parliament. They did not have it, and then I had to complete it by writing to the clerks of the different bodies. I lent it to you about three years ago, and I am sure you have been interested in it because you are still studying it in your den. I once went to Longmans, Green and Company, a firm of publishers in London, to submit to them a compilation of all those standing orders, based on those of Australia that number 410. There I met a very bright man who reminded me of the present leader of the opposition. He was so bright he could even end my phrases; I had only to say a few words and he could end my statement; a very

bright gentleman. I submitted my plan to him. I thought a composite picture of the parliamentary procedure in the British empire might be of interest. He said, "Leave it to me for a day or two and I will tell you about it." When I returned he said it would be impossible to do it, except with the support of a foundation, because nobody reads the rules.

In one of the halls of Westminster, at a meeting presided over by Lord Simon, then Sir John Simon, there was present a gentleman from New Zealand who said this about standing orders:

> I may be wrong, but I do not think parliamentary institutions to-day depend at all upon standing orders. I could conceive of parliament being conducted without any standing orders at all. I do not say it is better to do without standing orders, but I could conceive of that. Speakers give rulings, and also fresh occasions arise when new rulings are required guided by precedent, and so there may be built up a series of rulings such as built up our common law to-day.

Some people are under the impression that parliament is the building we are in. It is not that. These are the houses of parliament, the buildings of parliament, but the building is not parliament. Parliament is the meeting together of men who act in conformity with the British practice to decide the affairs of the country when they are duly elected for that purpose. Whether we as a legislative body met at the auditorium or in this building we would be the parliament of Canada just the same; we would be the House of Commons of Canada, and the Senate would be the same also. We are the parliament; it is not the building. But there is much confusion about it. Some people may think that we are true to the parliament at Westminster and its traditions because you, Mr. Speaker, sit in a chair that is a replica of that which adorns the House of Commons at Westminster. You know, sir, that that chair is a symbol, and if one goes behind it he sees an inscription stating that it is a replica of the Speaker's chair in the House of Commons at Westminster and was given in 1921 "as a fitting symbol of the great parliamentary tradition which binds together the free nations of the British commonwealth." It bears the signatures of no less persons than Lord Birkenhead, the Lord Chancellor, and Mr. Speaker Lowther of the British House of Commons.

If I look at the chair in which our distinguished clerk sits, there is a plate on the back which states that it belonged to Sir John G. Bourinot, K.C.M.G., Clerk of the House of Commons from 1880 to 1903, and was presented to the house by his son, Arthur S. Bourinot.

[Mr. Pouliot.]

Therefore, sir, it is not the building; it is not the furniture that we see here, even if it has an historic interest, that makes parliament. It is not even the rules of the house. It is the practice that has been followed for centuries at Westminster, the practice which enables Winston Churchill and all other leaders of the British empire to say that in this war the army is defending parliamentary freedom. Therefore, sir, we shall respect that spirit; we shall abide by that, and we shall remain true to the British parliamentary practice as my friend, the hon. member for Richelieu-Vercheres (Mr. Cardin) said so aptly and pointedly the other day.

A moment ago I was repeating what I have said many times before, namely, that as a private member of parliament I feel safe and secure when you, Mr. Speaker, are in the chair. You know what your functions are in this house. You know very well that we are all equal and that in this house even the Prime Minister sits as a private member, as only the first among equals. But I have to complain bitterly about an encroachment upon our freedom of speech which took place several times last year, not when you were in the chair, but when we were in committee of the whole. I do not have in my hand the heavy volume of *Hansard* reporting the dialogue, but I have a copy of it, which I shall read:

> On the title:
> The Chairman: Shall the title carry?
> Mr. Pouliot: No, Mr. Chairman.
> The Chairman: Carried.
> Title agreed to.
> The Chairman: Shall I report the bill?
> Mr. Pouliot: No, sir.
> The Chairman: Those in favour will kindly say "aye".
> Some hon. Members: Aye.
> The Chairman: Those opposed will kindly say "nay".
> Some hon. Members: Nay.
> The Chairman: In my opinion the "ayes" have it.
> Mr. Pouliot: This is a most unusual procedure.
> The Chairman: Not at all.
> Mr. Pouliot: It is worse than closure, because with closure you can at least speak for twenty minutes.
> The Chairman: In my opinion the "ayes" have it.
> Mr. Lacombe: On section 3, Mr Chairman—
> The Chairman: Section 3 is carried.
> Mr. Lacombe: Section 3 is not carried.
> The Chairman: I am sorry, but it is carried.
> Mr. Lacombe: It is not carried.
> The Chairman: It has been carried.
> Bill reported.

This is an outrage on parliament; this cannot be tolerated. I said once that the greatest reproach to parliament is the fact that the supreme and only rule here is the will of

the government. That is bad. I am very sorry that the gentleman who was then Chairman has been rewarded with a promotion to the other place; it means that our gain is their loss.

I now come to another matter concerning the rights of parliament. Why did not the leader of the opposition (Mr. Graydon) protest, as against an encroachment on the privileges of the hon. members of this house, when he was informed by the press that a board composed of outsiders was to be substituted for the members of parliament in making a study of civil service matters? It is the duty of the members of the House of Commons to put their noses into that bureaucracy which has been denounced so eloquently by so many hon. members opposite, including the hon. member for Dufferin-Simcoe (Mr. Rowe). But no one said a word about that board.

Let me show what ignorance or disregard for the rules may bring about. For a time, when the Right Hon. Arthur Meighen was leader of the opposition, he was represented in this house by the hon. member for York-Sunbury (Mr. Hanson), and I take this opportunity to tell the present leader of the opposition never to pay any attention to any advice given to him by that hon. gentleman. At any rate, during that period many suggestions were advanced from the other side for a union government. The then acting leader of the opposition was only acting, acting on behalf of his mentor; but this is something worth saying, even if I cannot say anything else, and even though my time should be up. I hold in my hands the *Votes and Proceedings* of February 1, containing the amendment moved by the leader of the opposition and the subamendment moved by the hon. gentleman who leads the Cooperative Commonwealth Federation group. Are they two or one? They are two in one. When the vote is called it will be exceedingly amusing to discover that it will be impossible for you, Mr. Speaker, to call two divisions. You will have to call only one, because the subamendment moved by the Cooperative Commonwealth Federation group does not subtract from the amendment moved by the leader of the opposition; it is in addition to it. Therefore all the leader of the Cooperative Commonwealth Federation group wants is what the leader of the opposition asked for, plus a little more. This means that probably there will be a union between the official opposition and the Cooperative Commonwealth Federation group. It means that in the first debate of the session, when the parties have to take their stand, they say, "We think alike, and we are a little more cocky." It will be amusing to see the Cooperative Commonwealth Federation group voting with the official Progressive Tory opposition, and will be very amusing to see my hon. friend the leader of the opposition, his antediluvian predecessor and all others, vote for the following subamendment, for it is in the light of this situation that the subamendment must be read:

> And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service.

Therefore, all those good Tories will vote for the mobilization of wealth. Oh, that is most amusing. But I wonder if the house will permit the leader of the Cooperative Commonwealth Federation party (Mr. Coldwell) to amend again the subamendment. Otherwise hon. members who will witness that solemnity will never regret it.

I have many other remarks to make, but I shall have to summarize my position with respect to the Liberal party. I am most fortunate in having as desk-mate a very dear friend—the best desk-mate in the whole house. I am fortunate, too, in being next to the former Minister of Public Works and Transport (Mr. Cardin), who, in years of service, is dean of the house. I have been a Liberal; I am a Liberal, and I will always remain a Liberal. I did not change at all. I have never changed. Therefore why should I change my seat? Perhaps I should use the words of Disraeli, when he was blamed by Sir Robert Peel for some criticism of a budget and said. "I have been elected to sit here; I sit here; that is all."

If I did not get all I asked for, at least there has been some improvement in the last report of the auditor general. It took a long time, but I gained something. We say that if the hon. member for Richelieu-Verchères had not acted as he did; if Liberal members who gave a solemn warning to the government last year had not done so; if the hon. member for Gaspe (Mr. Roy)—and a very excellent member he is—and the very brilliant new member for Charlevoix-Saguenay (Mr. Dorion) did not think as they do, and as they did, it would be much worse now than it actually is.

My idea of national selective service is that each man shall serve his country during the war to the best of his ability and in that field in which he can render the best service. I am proud of my fellow citizens. I believe there is no better man in the world than a Canadian. I do not see why the Minister

of Labour (Mr. Mitchell) has imported Alexander Gunn, a man who knew nothing about Canadian affairs, to make reports on the transfer of what he, Mr. Gunn, thought to be a non-essential industry into what he, Mr. Gunn, thought to be an essential industry. I do not agree. Moreover, if national selective service is to be applied successfully, this can be done only by a man who has, first, enough authority; second, enough information; and, third, enough freedom of action to decide where the draftees shall be directed. Therefore, sir, it is absurd to think of a national selective service which would work successfully when we know that for the most part they are acting on the requisitions of the brass-hats who parade the streets in uniform, and who have never been in any theatre of war.

The national selective service should consider the case of each individual, not only from the individualistic point of view, but from the point of view of the service which each individual can best render the state. That is why I have not been impressed by the instructions sent out by Mr. MacNamara to the chairmen of the boards. Why am I not impressed? For the very good reason that it is only a palliative, that it will not improve the conditions of agriculture, because it does not touch those deserving farmers who are needed in the fields but who are kept by force in the army.

I have in my hand *Hansard* of July 13, 1942, in which the Minister of National Defence (Mr. Ralston) is reported as having said that it would be hard to let soldiers or draftees go to any civilian occupations. That is the way it is done. Unless the national selective service has authority not only over the draftees who have not had their training, but also over those draftees who did not enlist voluntarily, but were farmers or railway workers or lumbermen, the national selective service will never work successfully. I am not a labour man, but my contact with the farmers, with railway men, lumbermen and other labour men, has proven to me that there is the sore spot. Unless it is remedied at once, as has been pointed out by the premier and minister of agriculture in Quebec, by the minister of agriculture in British Columbia and by the minister of agriculture in Ontario, and as said by Mr. Hepburn himself at Hamilton, we shall face a famine or a state of hunger in this land of plenty.

How can we be called isolationists when we are willing to help the allies throughout the world? We are doing so. The whole country is doing so, magnificently. We have tried to help the soldiers. And I will tell you more than that. I hear some people complaining about the province of Quebec. When they complain, do they take into account the number of men and women in my province who are working in war industries and in other industries connected with the war effort? Do they consider the number of fine boys who have enlisted—over 2,000 of them from my constituency — in the three branches of the service? They deserve a tribute, and we must help them. We must look after them, and try to improve their condition of living and of health.

What has been done with regard to venereal disease in the army? In the United States many of the papers refer quite frequently to this plague. I have a copy of *PM* which refers to what is being done in connection with syphilis and gonorrhoea in the United States. Last year that country, under President Roosevelt, that great citizen whom we all admire, spent $8,000,000 to prevent these diseases; this year they are spending $15,000,000. What are we doing? Last year Canada spent only $50,000, and $165,000 for contraceptives to be given to the army.

I hate to say that, but it is the truth. It is a scandal. Our boys should be protected against those who have these diseases. Our boys should be looked after. When a French-speaking boy is placed among English-speaking soldiers, quite often he is miserable because he cannot speak that language. Such boys should be looked after. I believe that good food is bought, but is it well prepared? Are they well looked after? That is a great concern in many homes.

In conclusion, I have only one word to say. I have spoken at some length about the rules of the house because that is an important matter. The day we do not have free speech in this house, that day we might just as well stop and close up parliament. We are not here to create trouble for the government or to show any rancour in connection with any minister. That is much beneath us. We are here to serve our country to the best of our ability and to see that this country is not disrupted when peace comes. What kind of peace shall we have after the war? The aftermath of the war will be just what the present is. If we have no order now, what order can we expect to have after the war? When a member of parliament makes a recommendation to the government in that connection he should be listened to; the government should take note of what is said.

Mr. HANSON (York-Sunbury): Mr. Speaker, on a question of privilege, a few moments ago when Your Honour was momentarily absent from the chamber the hon.

member for Temiscouata (Mr. Pouliot) used with respect to myself certain language which, to say the least, was abusive, if not insulting. At the time I raised a question of privilege and asked that the statement be withdrawn and expunged from the record, but the hon. gentleman who was temporarily in the Chair did not see fit to deal with the incident. I am asking if Your Honour will be good enough to get the record of *Hansard* over the dinner recess and read for yourself what was said, and that what I requested should be done. I ask Your Honour to give a proper ruling because I have no intention of sitting in this house and being abused by the hon. member for Temiscouata.

Mr. POULIOT: Mr. Speaker, I deny flatly what has been said. I never abused the hon. member. He suffers from the mania of persecution.

Mr. SPEAKER: I shall look at *Hansard* over the dinner recess.

Mr. A. M. NICHOLSON (Mackenzie): Mr. Speaker, in rising at this time to support the amendment and the amendment to the amendment, may I say that any citizen in Canada cannot fail to be proud of the part that we are playing in the present crisis. Like the hon. member for Davenport (Mr. MacNicol) I have had the good fortune to be able to travel a good deal during the recess. I should like to pause at this stage to thank the hon. member for the valuable public service he performs each year by travelling extensively and then giving the house and the country the benefit of his observations. I appreciate particularly the reference he made yesterday to the Saskatchewan river and hope that some day a government of this country will carry into effect the constructive proposals made by the hon. member.

I visited all the provinces of Canada during the recess and was able to acquire first-hand information regarding our achievements in many fields of activity. The hon. members who moved and seconded the motion told us of the achievements of the army. The comments which have been made in the house indicate that these expressions have been valued by all hon. members. I have seen the development which has taken place across the country in our air force, and I have never ceased marvelling that a country with such a small population should in such a short time have been able to build up these training centres and train so many of our young men and our young women. While I was in Charlottetown I visited the home of an instructor in the air force, and while looking through his wife's scrap book I came across a citation which he treated in a most casual way. It read as follows:

> Promotion to the rank of pilot officer came to Flight Sergeant Mullen soon after the award of the D.F.M., the citation for which said: "Since September, 1941, Flight Sergeant Mullen has completed over 30 operational flights of which 25 have been completed at night. Disregarding danger he has pressed home his attacks against enemy ships at mast head height in face of heavy anti-aircraft fire from the vessels and shore batteries. The success he has achieved has been gained by his undaunted keenness."

Here was a young lad just out of his teens when he joined the air force, who had been a clerk in a bank in a small western town but who had trained himself in a short time to perform this spectacular work, yet was still alive to have me read about it in his presence. I mention this incident because it is merely one of many that could be recorded of the heroism of our young men who have done such remarkable work.

Likewise the achievements of the navy must bring pride to the minister and to all those from coast to coast who have contributed to its success. At an eastern port I found myself in conversation with a very young master of a boat. When I remarked on his youth he replied that he was much older than he seemed to be, that he would soon be twenty-five. When we think of young men who, until a few years ago, had never seen a body of water larger than a slough and realize that they are now sailing the seven seas and keeping open our channels of communication, surely we must take pride in the Canadian navy.

I visited a number of munition industries, and here again the accomplishments in production will provide a most interesting chapter in Canada's war history. At one large factory I saw PBY's being made. When you stop to reflect that the cost of the labour and material going into one of these machines is greater than the value of the automobiles owned by all the members of this house you get some idea of the work that is being undertaken to carry out our commitments.

While our achievements have been worth while, the question we should ask is not, what have we done but rather, have we done our best? When we compare our effort with what our allies in Great Britain and Russia and China have been doing we cannot be satisfied with Canadian accomplishments to date, and therefore when the leader of the opposition (Mr. Graydon) moved his amendment regretting that his excellency's advisers had failed to provide an adequate plan for the effective use of Canadian man-power and woman-power I think he was dealing with something that

is quite fundamental. Even though we have been at war for over three years, we still have not a comprehensive plan which will permit every person in this country to make his maximum contribution to the war effort and permit every industry to be employed in the manufacture of goods essential for our war needs and civilian consumption. We have large numbers of men in the army, in the air force, in the navy and in war industries. I am not saying that we have too many in any of these services, but I am saying that we have not yet had a comprehensive plan showing how many a nation of eleven millions can have in the army, the navy, the air force and munitions industries and at the same time have produced on the farms, the forests and the mines all those commodities which are equally necessary in carrying the war to a successful conclusion. Consequently I think that even at this very late date the government should announce a complete over-all plan which will make clear how many men we can afford to have in these important services.

The amendment makes reference to the failure of the government to evolve a satisfactory labour policy. I shall not deal with that because my colleagues can deal with it more adequately than I can. I merely want to say that as I have travelled and spoken to people in industry I have been unable to find that spirit of enthusiasm for the Minister of Labour (Mr. Mitchell) that I have found for the work of the Ministers of National Defence.

Paragraph (c) of the amendment deplores the failure of the government:

> To provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

We in this group have insisted ever since the war started that the production of food is a war industry. The time will come when large supplies of food will be a very important weapon in winning friends for us among the peoples of the occupied countries. The time will also come when, if present policies are not changed, shortages of essential foods in Canada and among our allies will have a serious effect upon our own morale and upon theirs. It has been necessary to ration butter, and I am not complaining about the amount of butter that is allowed. I understand that the men of the armed forces are to have less meat in the future, and I assume that the Canadian people could consume less meat without any serious effects upon our health; but if the situation grows as much worse in the next year as it has done in the last, we shall be confronted with serious domestic problems. It does not matter where you go in Canada, whether you speak to a farmer in Prince Edward Island or in British Columbia, you will hear dissatisfaction expressed with the agricultural policy carried out by this government. Recently I received a marked copy of the *Prairie Messenger*, of Muenster, Saskatchewan. It is a Catholic family paper published by the Fathers of St. Peter's at Muenster. This paper could not be accused of trying to embarrass the federal administration. In a leading editorial dealing with the farm labour shortage it quotes the statement made by former President Hoover of the United States on January 21 of this year:

> We place agriculture in the first rank of the war effort alongside tanks and planes . . . the fate of the war may depend upon the farmer. . . . The place of the capable farmer is the farm if he is to contribute his maximum to the war effort.

The editorial goes on to refer to the resignation of R. H. Milliken, K.C., who was appointed special agricultural representative of the national war services board at Regina. After being in office for only two months, he threw up his hands in despair. In one week he had a thousand requests for help, indicating the wide dissatisfaction with this government's policy in Saskatchewan. The speech made by the hon. member for The Battlefords (Mr. Gregory) the other evening and speeches made by members on the government side of the house indicate that the criticisms of the government's agricultural policy are not limited to opponents of the administration.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. SPEAKER: During the dinner hour I have read over the speech of the hon. member for Temiscouata (Mr. Pouliot), and particularly those passages against which the hon. member for York-Sunbury (Mr. Hanson) protested. The hon. member for Témiscouata spoke as follows:

> Mr. Speaker, I would ask the former leader of the opposition (Mr. Hanson) to keep quiet. I will not listen to any interruptions. I had enough trouble when he was leader of the opposition without having him start again when there is another gentleman occupying that seat.
>
> Mr. Hanson (York-Sunbury): On a question of privilege, I do not intend—
>
> Mr. Pouliot: Then let him sit down. I will be rough.
>
> The acting Speaker (Mr. McCann): Order.

Mr. Pouliot: I have been disturbed enough by him in former days and I will not stand for it now.

Mr. Hanson (York-Sunbury): On a question of privilege, I made no observation—

Mr. Pouliot: He groaned.

Mr. Hanson (York-Sunbury): —but I did make a remark in an undertone. If I had done a great deal worse than that it would have been appropriate, but all I was doing was making a remark in a low undertone.

Mr. Pouliot: He is wasting my time. He has no reason to do that.

Mr. Hanson (York-Sunbury): I do not intend to have the hon. member for Temiscouata abuse me or make derogatory remarks about me and I ask that that be withdrawn. I would ask Your Honour so to rule.

Mr. Pouliot: Well, that having been said, I will come to the great tribute that was paid by the Prime Minister (Mr. Mackenzie King) to the former leader of the opposition. I wish the hon. member for York-Sunbury a long life. I hope he will live to be a centenarian, but when he dies I hope he will put a clause in his will that *Hansard* containing the remarks of the Prime Minister about him be put in his coffin. Such things must be kept even in the other world. I know that several supporters of the government were very jealous when they either heard those remarks or read them.

In the next reference to the incident the hon. member for Témiscouata said:

Let me show what ignorance or disregard for the rules may bring about. For a time, when the Right Hon. Arthur Meighen was leader of the opposition, he was represented in this house by the hon. member for York-Sunbury (Mr. Hanson), and I take this opportunity to tell the present leader of the opposition never to pay any attention to any advice given to him by that hon. gentleman.

The hon. member for Témiscouata said further:

It will be amusing to see the Cooperative Commonwealth Federation group voting with the official Progressive Tory opposition, and it will be very amusing to see my hon. friend the leader of the opposition, his antediluvian predecessor and all others, vote for the following subamendment, for it is in the light of this situation that the subamendment must be read.

I was absent from the Chair for ten minutes during which this incident occurred and therefore I cannot deal with the attitude or the demeanour of the speaker, which may have accentuated and made his remarks offensive to the hon. member for York-Sunbury. I wish to protect as jealously as I can the right of every hon. member from insult and therefore have scrupulously examined and have read every sentence uttered by the hon. member for Témiscouata, referring to the hon. member for York-Sunbury. I must say that from the printed record, apart altogether from the question of taste, of which every hon. member must be his own judge, there is nothing said by the hon. member for Témiscouata which I could consider unparliamentary.

Mr. NICHOLSON: Very early in the present war the Prime Minister (Mr. Mackenzie King) outlined a policy which, for this country, was quite revolutionary, when he suggested that whatever might be physically possible would be made financially possible. That policy was repeated by the present Minister of National Defence (Mr. Ralston) when he was Minister of Finance, and the present Minister of Finance (Mr. Ilsley) has also indicated it as his policy. It seems to me that, as far as the Department of National Defence and the Department of Munitions and Supply are concerned, this policy has been carried out, but as far as the Department of Agriculture is concerned it would appear that we are proceeding on the assumption that what is physically possible is not to be made financially possible. Members who have spoken in the house, from all the provinces of Canada, have repeatedly expressed the opinion that our farmers are not receiving a fair share of the national income. I was interested in hearing the Minister of Agriculture (Mr. Gardiner) the other day. I recall that when he spoke in 1940, after his return from the old country, he made a prophecy which would leave us at the end of 1945 with a shortage of fifty million bushels of wheat. The minister has not been using statistics extensively since then, but on Tuesday last he did give us some figures to create the impression that, after all, the farmers of the country are not in a very bad position. I have before me the most recent statistics with regard to prices and price indices for December, 1942, and I find that if we take 1926 as the base, at the end of December, 1942, farm commodities are still at 87 per cent of what they were in 1926, and if we assume that there were fair prices in that year, farm commodities are still below what a fair price should be. It is true that prices for animal products are up at 117, but let me remind the house that a year ago, at the end of December, animal products stood at 100 and field products at 59, the average being 74·6, and in December, 1940, field products stood at 52 and animal products at 91, the total being 67·1.

The farmers of Canada do not desire from this government or the people of Great Britain prices out of line with those of other commodities, but they are asking for a fair share of the national income. When the victory loan campaign was organized about a year ago the Minister of Finance asked the people of Saskatchewan to raise $8,000,000 as their part of that national effort, and at the same time he asked the residents of Toronto to raise $180,000,000; or, on a per capita basis,

he wanted $10 per person from the citizens of Saskatchewan, and $273 per person from the residents of Toronto. That wide divergence gives some indication of the low standards of living that have been forced on a large section of Canada.

I can understand that the members of the cabinet have to meet in council and decide how our national income is to be used, and I know the Ministers of National Defence and the Minister of Munitions and Supply are able to go to council and tell of pressing needs. It would seem to me that when the Minister of Munitions and Supply wants $20,000,000 to build a new factory, there is no question about a price ceiling or what will happen as a result of giving more wages to more people. When the Minister of National Defence, or the Minister of National Defence for Naval Services, or the Minister of National Defence for Air wants any large amount of money, it seems that these sums are available. Although the Minister of Agriculture does not represent such a spectacular group, he does represent over 700,000 families across the dominion. I wish that the Minister of Agriculture would enter the council and put up as good a fight for those he should represent as the other members apparently do.

Grant Dexter, writing in the Winnipeg *Free Press* on February 5, gave an outline showing why there is a good deal of dissatisfaction with the government's man-power policy. He records the fate of every hundred calls sent out by the national selective service board. Apparently eleven of those to whom notices were sent never received them. Twenty-eight of those who did receive them paid no attention to the calls. Fifty-nine turned up for medical inspection, and of those fifty-nine, twenty-five were placed in category "A"; sixteen received postponements, nine for agriculture and seven for industry; fourteen reported to military camps, of whom three were later sent home, leaving eleven available for home defence. The complaints that have been coming from all parts of Saskatchewan indicate that there is a great deal of dissatisfaction with the government's handling of the man-power situation, particularly as it affects agriculture.

I must press on to the amendment moved by the leader of this group (Mr. Coldwell):

> . . . we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service.

I am sorry I have not time to develop this very important clause fully. I shall have to confine my remarks to a single industry which I think should be mobilized at the earliest possible date. I am very glad that the hon. member for Wellington North (Mr. Blair) has achieved a good deal of publicity in Ontario by advocating what the members of our group advocate, namely, that the government should immediately take over the brewing industry as a war industry. Possibly hon members will be surprised to hear this industry mentioned as an essential war industry. I have received a marked copy of the *Evening-Times-Globe,* of Saint John, New Brunswick, dated February 8, containing a report of a speech made in that city by the Rev. Doctor J. R. Mutchmor of the board of evangelism and social service of the United church of Canada, in which speech he stated that he was not opposed to the shipment of beer to the British forces in Africa. I should like to state again that I am not opposed to the men of his majesty's army having available to them beer and other liquors when and where they want them. But I do think that the policy of shipping this material and of deciding how much should be made available should be decided by the responsible members of this government. The press report reads in part as follows:

> . . . I am unalterably opposed to the wasteful use of shipping space for the transportation of upper Canadian beer.
>
> Doctor Mutchmor stated that, "the federal Minister of Trade and Commerce says the British war department has ordered the beer. I claim that it is a manipulation and duplicity; that by having it ordered by Whitehall it is chargeable to Britain's credit fund in Canada; it classifies beer as a tool of war, making possible a ninety-nine per cent rebate in customs and excise taxes to brewers on all supplies, such as bottles, brought in from the United States, and enables brewers to charge depreciation and partly escape excess profits taxes."
>
> Dr. Mutchmor declared that "it is a brewers' racket."
>
> He said that "as far as can be determined the monthly shipments from November 1941 onward have been at the rate of from 600,000 to 800,000 dozen bottles per month."
>
> "From a conservative estimate it appears that the total quantity of Canadian beer exported to British forces in the Middle East and Egypt has been an amount sufficient to fill a train of box cars 250 to 300 miles long."

I ask hon. members to picture a railway train with an engine in the city of Quebec and its caboose in Ottawa and the entire train, extending from this city to the ancient capital, filled with cases of beer en route to the middle east; or to think of a train coming from the west with its engine in Ontario and its caboose in Saskatchewan, and every mile of the mainline of the Canadian Pacific railway filled with box cars loaded to capacity

with beer en route to the middle east. We heard the Minister of Munitions and Supply state this afternoon that submarine losses have been alarming. Apparently, however, we have been able to find space for these very large shipments.

Doctor Mutchmor went on to state that his information is that there is plenty of beer in South Africa, and that beer for the troops could have been supplied from South Africa with a saving of fourteen thousand miles of carriage. He also said that the beer would have been available in Great Britain.

Mr. MacKINNON (Edmonton West): Pardon me; I think the hon. member just made the statement that Canada found space for this beer. That is not correct.

Mr. NICHOLSON: Well, my information is that the beer went from Canada, and I have in my hand a statement of Doctor Mutchmor's to the effect that he had two long interviews with the minister who has just interrupted me, and that the minister did not deny that to date sufficient Canadian beer has been sent to the British forces in the middle east to fill a freight train over three hundred miles long, and Doctor Mutchmor asked three questions to which so far there has been no reply:

1. If beer must be had from North America, why not ship it from New Orleans, 3,000 miles closer than Toronto to Egypt and the near east?

2. Why not ship it from Britain, where there is ample beer as reported in the London *Economist* August 22, 1942, issue?

3. Better still, why not ship it from South Africa, 14,000 miles closer to Egypt and the middle east than Canadian shipping points mentioned? The London *Times* of September 25, page nine, reports one South African brewery with a net annual surplus for dividends of more than $1,500,000. This brewery has doubled its bottle-making plant at Talana. There are ample supplies of beer and bottles in South Africa.

I think the minister should take time during the present debate to make some reply to these questions which Doctor Mutchmor has asked.

When I discussed this important question on June 1 last, I made mention of the fact that E. P. Taylor, president of Canadian Breweries, Limited, had been for a considerable time a member of the British supply council. The paper published by Mr. E. P. Taylor, the *New World,* carried a picture of Sir Arthur Salter, Morris Wilson, E. P. Taylor and Mr. Jean Monnet, and in a statement, he said:

Whether it is an apple or a flying fortress, the British supply organizations endeavour to get these goods to the places most in need of assistance.

My information is that at a time when the beer made by Mr. Taylor's own company was on its way to the middle east, Mr. Taylor was a dollar-a-year man, or at the time this picture was taken he was in the United States as a member of the British supply council. I submit that for the sake of the morale of this country, if the limited space that is available is to be used for the shipment of beer to the middle east, the decision as to how much, if any, should not be made by anyone who is interested in the brewing business. Hon. members who have travelled in this province of Ontario will have been struck by the miles and miles of box cars of what I assume are essential war materials held up all along the way.

Now, Mr. Speaker, I must press on to another very important subject that I think has not received sufficient consideration up to the present. I refer to our post-war plans. There are too many people who say we have not the time or the energy now to give any thought to the sort of world we shall have after this war. Our failure to clarify in our own minds the sort of society we want is having a detrimental effect on our war effort. Hon. members who heard the New Zealand minister to Washington, Hon. Walter Nash, who was the first minister of finance in the New Zealand labour government, were greatly taken with his story of what they have done in New Zealand. Mr. Nash directly tied up their social security legislation and their conduct of the war. He told us that they have been able to give more to the old people, more to the little children and better medical services to their citizens. He went on to say that no country in the world enjoys a standard of living as high as that of New Zealand, and that his people were fighting to preserve and maintain that standard, that they were determined that when this war was over, no one who had put on a uniform for his country would be worse off, that no one who remained at home would be better off, and that no corporation or individual would be permitted to profiteer. I believe that if this government would declare a policy of that sort, and really carry it out, we would be able to develop a great deal more enthusiasm among our people. Now is the time to make clear to those who are risking their very lives that, when the war is over, we shall do in peace time what we have done in war time, namely, carry out the policy that whatever is physically possible will be made financially possible.

During the course of this debate the leader of this group suggested that we should declare now our intention to spend at least $2,500,000,000 during each of the first two years following the war. Well, we have been

voting billions for so long that we probably have not taken time to visualize what we could do with those billions in peace time. I have prepared a little table showing what might be done. This is not an outline of what the Cooperative Commonwealth Federation will do; it is a calculation I have made, using figures taken from the *Canada Year Book*, to demonstrate what we could do with just half the annual amount suggested by the hon. member for Rosetown-Biggar (Mr. Coldwell). I have selected what I think all members of this house will agree are socially desirable objectives. The table is as follows:

Estimated Costs of Some Social Services in Canada for One Year

	No. affected (see *Canada Year Book 1942*)	Amount per unit per year	Estimated annual expenditure in millions
Old age pensions	186,834	$ 900 00	168·1
Pensions for the blind	6,208	900 00	5·5
Pensions to ex-servicemen	97,145	900 00	87·4
Mothers' allowances			
Children	66,952	300 00	20
Every baby	244,316	100 00	24·4
Education			
Pupils enrolled in ordinary and technical day schools	2,110,055	100 00	211
University students	49,356	500 00	24·7
Hospitals			
Bed capacity—public and private	62,964	1,000 00	62·9
Medical care			
Total population	11,505,898	10 00	115
Dental care			
Total population	11,505,898	5 00	57·5
Farmers	734,000	300 00	220
Houses	100,000	2,500 00	250
			1,246·5

All the items I have outlined could be undertaken in any year at a cost of $1,246,500,000, or $3,500,000 less than half the amount the leader of this group suggested should be spent in a year's time. Some day the government of this country will have to decide whether we wish to balance our production and our consumption with a large army of unemployed, with slums, poverty and malnutrition, or with full employment, with our people working, with our industries producing at capacity and with the raw materials of the dominion being used in the interest of the people.

But some may say that will mean socialism. Well, people are not as badly frightened these days at the mention of socialism as they were some years ago. Before this session opened I was in the city of Montreal when the Prime Minister of this country and Mrs. Roosevelt took part in a very impressive meeting to raise money for the Union of Soviet Socialist Republics. Many of us were at the Capitol theatre here in Ottawa on Sunday, and were impressed by those pictures which portrayed the remarkable heroism of the people of Russia who are fighting to preserve our freedom. His Excellency the Governor General stood while the national anthem of Russia was being played. People now are coming to understand that those who are socialists do not want to divide everything once and for all. The wealth of the world is something that cannot be divided now and left that way. The wealth of the world is being produced and created every second, every minute. The socialist wants every individual to have the right to work, and everyone who does work to have a fair share of the wealth which is created as a result of their cooperative work.

We realize now that we are living in a cooperative world. Those of us who have been travelling during this severe winter have come to realize how dependent we are upon those section men on the railways who go out when it is twenty, thirty and forty below zero and keep the tracks in order. We have sympathized with the members of the train crews who have been compelled to go out in bitter cold weather to attend to hot-boxes. We consider that, when victory has been achieved, we must continue what we are doing now; that is, we must proceed on the assumption that the resources of this country should be used for an all-out war effort and must be used in the post-war period to give our people a total democracy. One of the best

books I have read in the last year is "Last Train From Berlin", by Howard Smith, who was one of the reporters remaining in Berlin until a year ago last December. Smith gives an encouraging picture of recent developments in Germany. In one of his concluding chapters he suggests that if we want to win friends in the occupied countries; if we want to undermine Hitler, the democratic nations should immediately make some declaration of the sort of world they plan. Too many have said, "Wait until the war is over before considering the pattern of our future society". We of this group have felt that now is the time to declare our plan for the post-war period, in order that we may get the best out of the armed forces, those on our farms and in our industries.

Mrs. CORA T. CASSELMAN (Edmonton East): Mr. Speaker, may I, too, congratulate the mover (Mr. Harris) and the seconder (Mr. Halle) of the address in reply to the speech from the throne upon the excellence of their speeches? I should like also to express my deep appreciation of the men and women in our armed forces who are fighting for us at the present time. These members in uniform keep the armed forces vividly in our minds.

Many of the speeches following those of the mover and the seconder were of a very high order, reflecting much constructive thinking. It was a great privilege to hear the Prime Minister (Mr. Mackenzie King) setting out the policy of the Canadian government and people at this time. It was a privilege too, to hear the other leaders in the house, who are in the front rank of our legislators. Many hon. members from the west have set out our industrial and agricultural problems. I would mention particularly the hon. members for Medicine Hat (Mr. Gershaw), Swift Current (Mr. Graham) and Moose Jaw (Mr. Ross) who have put before the house some of the things for which the people in the west are asking.

Of course the main business this year is the waging of the war, the raising and maintaining of our men and women in uniform, and supplying them with suitable armaments and foodstuffs. This is the problem which must come before anything else. We must bend our energies individually and collectively toward victory. Some hon. members have mentioned that a land army of women might be formed to help produce more foodstuffs. That may be a good idea. I am wondering if the present employment services could recruit women for work on the land. They know the local needs. Moreover, seasons vary from time to time, and the length of time the women would be needed on the farms would also vary. I believe these employment services should work in close cooperation with provincial departments of agriculture, just as in the past few years the federal government has worked along that line in its effort to supply extra labour on farms. If women are asked to do the work, I know they will do it 100 per cent; because everything they have been asked to do, whether volunteer or paid service, they have attempted to do to the best of their ability. There can be no doubt about that.

I was glad to note that there is hope for some comprehensive scheme of social security and health insurance this session. There are many gaps in our present social insurance I should like to see filled in. I believe it was wise to refer the matter to a committee of the house rather than to bring down legislation at the beginning of the session, because the subject bristles with problems which will have to be met and solved before any system covering all of Canada can be accepted.

The question as to whether this is the time to proceed with such measures is one of importance. However, if we are to have measures ready for the post-war period we shall have to think of them now. At any rate, if we can arrange for some comprehensive system of social security, it shows how we mean to use victory.

We need organization for this task, and I believe the Rowell-Sirois commission of a few years ago showed how a scheme might be evolved. The dominion-provincial conference of January, 1941, failed to make use of that material. However, it is still there for study. I believe we all remember how guilty we felt during those dreadful years of the depression, when methods for the solution of the problem of massed unemployment proved unsuccessful Every humanitarian instinct now calls for some preparation for social security in the post-war period. Every national instinct calls for it, for Canada, like the other nations, needs men and women well nourished in body, mind and spirit. Those depression years cost us a great deal not only in human suffering but also in hard cash. I say that because attempts were made by every public body and by individuals, through taxation, to meet the difficulties.

For instance, at page 15 of book 2 the Rowell-Sirois report states:

> In 1937 the total expenditures of all governments in Canada on social welfare, exclusive of education and war pensions and after-care exceeded $250,000,000. This was more than one-quarter of the total expenditures of all governments, dominion, provincial and municipal, on current account.

Two hundred and fifty million dollars—and was it enough? Did it do any lasting good either to the recipients of the relief, to the tax-payers or to the country? It seems to me that this is where our forethought might be used at this time, namely, in working out a comprehensive system of social security to try to prevent mass unemployment and a repetition of those dreadful years in the thirties.

The Beveridge report has given a new impetus to the consideration of these matters. It provides benefits for men, women and children, in practically all the untoward circumstances of life, at a flat rate of assistance, with a flat contribution. The United States social security act of 1935, which was amended a few years later, provides assistance on a percentage basis. Canada will have to consider which system it wishes to accept, and which one would be more suitable. It may be a matter of compromise, because conditions in Canada differ considerably from east to west.

These two reports, then—the Rowell-Sirois report, chapter 2 of book 2, and the Beveridge report, part 6—set out the background of social services, the why and the wherefore. They are well worth studying.

Let me read to the house briefly from the Beveridge report at page 163:

> Income security, which is all that can be given by social insurance, is so inadequate a provision for human happiness, that to put it forward by itself as a sole or principal measure of reconstruction hardly seems worth doing. It should be accompanied by an announced determination to use the powers of the state to whatever extent may prove necessary to insure for all, not indeed absolute continuity of work, but a reasonable chance of productive employment.

That is a broad principle, and it seems to me that this government has been trying to do that, through some of the committees it has set up. In the early months of the war the cabinet committee on reconstruction and rehabilitation was formed, then the committee headed by Doctor James, and the excellent subcommittees were headed by most able men. Last year's parliamentary committee on reconstruction and rehabilitation will, I believe, be reconstituted this year. It has considered the broad principles of productive employment, and has gone into plans which will aid in preventing mass unemployment of the kind we had during the depression years. They are urging every government, municipal and provincial, and every industry to do what can be done to prepare to change from war production to peace-time production.

What the people want is a chance to work. What shall we do when our present customer who takes all our output, who is insatiable in his demands, who destroys everything he gets—what shall we do when war no longer buys our products? That is a question which will have to be answered. As was pointed out this afternoon in the excellent address of the Minister of Labour (Mr. Mitchell), that is something which has been in the minds of the cabinet. In carrying out their policy of wage and price ceilings they have had in mind to keep the value of money on a level keel. That is one of the broad principles which will have to be considered in order to prevent unemployment and to secure a livelihood for all. These committees will have an answer, and I hope they give the right answer, as to what our post-war production will go into, what projects and what development of our natural resources will be carried out.

Then again the Beveridge report in pages 154 to 158, has something interesting to say about children's allowances. Here the report discusses the background of the allowances given to children. This is something that I have felt and urged should be incorporated in our unemployment insurance and in the benefits given to returned men. The size of the family should be taken into consideration when allowances are given. There are many who find that the everyday expenses of the larger family run into a great deal more money than those of the smaller family. Every mother who has planned for the table knows that.

To a large extent the state has taken over the primary education of children, and it seems to me that we ought to go a step further and do more for the physical well-being of the children of our land. We should look after their health. This might be done through health insurance, and also through housing conditions so that there will be the type of environment from which good citizenship comes. The dependents' allowance board is working along these lines. It will be remembered that in the beginning provision was made for only two children. I believe it was the intention not to enlist men with larger families, but this principle has been gradually broadened and now the size of the allowance is according to the need of the family.

Last fall dependents' boards of trustees were set up to look into special cases that needed assistance. This was an excellent arrangement. These local advisory boards know the needs of the district. If this legislation is administered with sympathy and forethought, the extra expenses of the soldiers' families will be met. But as in other boards,

if the personnel is not sufficiently intelligent and interested, the work will be unsatisfactory. Any legislation is ineffective if those who administer it are not intelligently anxious to make it work. This is something we might consider in connection with some of our present-day boards. If those who hear the appeals are not unduly biased, either in favour of the one who makes the appeal or in favour of the taxpayer who foots the bill, then these dependents' boards of trustees should work well. These dependents do not ask for charity; they are claiming only what is their right—consideration for special needs. There would be fewer worries for those whose burdens no legislation can lighten if these boards worked sympathetically.

Another interesting point in the Beveridge report is the fact that he differentiates between the earned pay of the individual and the rate of benefit. It seems to me that the argument in favour of that is quite sound. He would not have the rate of pay such that there is no margin between what a man may earn and what he would get if he were idle. He puts no premium on idleness or laziness, which is often involved in such schemes. He provides a subsistence level, which to me seems quite low, but above that the individual is encouraged to save and to get more if possible for his other wants. I think most people will approve that principle. There are no people more indignant at the malingerers who draw pay without working than the workers themselves.

At page 166 of the report, Sir William Beveridge goes into the question of the standard of living. One paragraph reads as follows:

> The social surveys showed not only what was the standard of living available to the community just before the war but also that it had risen rapidly in the past thirty or forty years. The recent London and York surveys were designed to provide comparisons with earlier studies. They yielded unquestionable proof of large and general progress. When the New Survey of London Life and Labour was made in 1929, the average workman in London could buy a third more of articles of consumption in return for labour of an hour's less duration per day than he could buy forty years before at the time of Charles Booth's original survey. The standard of living available to the work people of York in 1936 may be put over all at about 30 per cent higher than it was in 1899. This improvement of economic condition was reflected in improvement of physical conditions. In London, the crude death-rate fell from 18·6 per thousand in 1900 to 11·4 in 1935 and the infant mortality rate fell from 159 to 58 per thousand. In York the infant mortality rate fell from 161 per thousand in 1899 to 55 in 1936; in the same period nearly two inches was added to the height of school children and nearly five pounds to their weight. Growing prosperity and improving health are facts established for these towns not as general impressions but by scientific impartial investigations. What has been shown for these towns in detail applies to the country generally. The real wages of labour, what the wage-earner could buy with his earnings just before the present war, were in general about one-third higher than in 1900 for an hour less of work each day. What the wage-earner could buy when earning had been interrupted by sickness, accident or unemployment or had been ended by old age, had increased in even larger proportion, though still inadequately, by development of social insurance and allied services.

That period covered years of peace and years of war, years of prosperity and years of depression—1900-1936. It will be noticed that he states that the real wages had risen. There are some articles in the Toronto *Saturday Night* of January 9 and February 6 by Don Stairs dealing with this same question in the United States. He draws his information from such high sources as the *Annalist,* of July 26, 1935, and bases his conclusions on figures from the United States bureau of census, bureau of public roads and the United States department of agriculture, showing that the standard of living had risen in the United States. I tried to get comparable figures from our own bureau of statistics, but could find no comprehensive overall statement. I did, however, find this, that the wage rate in Canada in 1925 was 98·8, and the cost of living, 120·6; that is, the cost of living in 1925 was away above the wage rate. But in 1941 the wage rate was 118·9, and the cost of living, 111·7; that is, the cost of living was lower than the wage rate, which means that the worker could buy more with his money than he could previously. The Minister of Labour (Mr. Mitchell) in his address this afternoon touched upon that and pointed out that the wage earner could buy twenty-seven per cent more with his wages to-day than he could in the years of the first great war. So that there has been an increase in the standard of living in the intervening years, and yet it has not been enough. There are still gaps. There are still a number of people who are living below the subsistence level, and I hope they will be covered by this new security legislation toward which we are moving.

I have touched on a few points on the Beveridge report, Mr. Speaker, because it seems to me that the better informed we are on the problems and difficulties which may arise even in the committee, the more likely are we to be able to overcome these difficulties.

(Translation) Mr. Speaker, I know that many difficulties of a constitutional and financial character crop up in connection with the drawing up of a social security plan, in view of the size and political structure of our country.

Our way of life is not the same in the east as in the west; and the difference is even greater as between the various provinces, but we are united in our common resolve to reach a common aim, which is to achieve security and material prosperity for all our citizens.

From the Atlantic to the Pacific, we are all Canadians and moreover we are Canadians first and axious to see our noble country freed forever from the fear of destitution while enjoying that freedom for which our armed forces are now fighting.

(Text) If we are going to arrive at a comprehensive over-all system of social security, there will have to be some give-and-take across Canada, because the problem bristles with difficulties and it will not be easy to arrive at a solution. When the United States passed their act in 1935, which was amended later, they set up fifty-one different systems of social security, and the present chairman of their social security board is now advocating that they have a more uniform system. I refer hon. members to the *Labor Information Bulletin* of last October and the *American Labor Legislation Review,* where similar views are expressed. Mr. Altmeyer, chairman of the social security board of the United States, said in a broadcast on the American Forum of the Air, on January 17 of this year:

> While I believe responsibility for the establishment and maintenance of a unified comprehensive system of social insurance should be centralized in the federal government, I believe that the actual administration of the system should be highly decentralized, with representative advisory committees and appeal councils in several states.

So that we have before us their experience to help us in setting up and administering our act.

I live in Alberta, and I know the mountains of Alberta. I know the mountain peaks are what we see, but we cannot see the depressions between those mountains. We in the democratic countries have pretty well arrived in our own minds at what the peaks of civilization and of freedom should be. But in between there are those depths which we want to fill, so as to make our civilization of as high an order as we can make it. We must also remember this, that no one country can do it alone. Think of the countries now under the nazi heel, of Norway, tolerant, democratic, freedom-loving Norway, which stood in the very forefront of civilization; and think of Norway now in these last few years! We cannot do it alone, for any progress we might make in our own country could be swept aside by another holocaust of war. We must also think of how these things will be affected by the new international order that will be set up at the end of this war and in which Canada must play its part, because only under a stable international order could we count on having the time to work out our own progress and be assured that what we do is going to endure.

Mr. D. G. ROSS (St. Paul's): Mr. Speaker, my first words must be those of congratulation to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address. It was most appropriate that two members of the armed forces should have been chosen for that honour.

My next thought is to congratulate my new leader in the House of Commons, the leader of the opposition (Mr. Graydon), upon the splendid manner in which he discharged his onerous duty of replying on the address. I should also like to express my appreciation of the conscientious manner in which the hon. member for York-Sunbury (Mr. Hanson) carried on as leader of the opposition in spite of great difficulties, and of the high plane on which he conducted debate in this house and always endeavoured to raise its level.

Coming to the speech from the throne, I am sure that we were all inspired by the meeting of President Roosevelt and Prime Minister Churchill at Casablanca, and now we know the result of their conference. One wonders where Mr. Churchill will be next. He is the dynamic spirit that has carried the allies through their struggles. I should like also to say a word in appreciation to the British people and our allies the United States, the Russians, the Chinese and all the smaller nations, for what they have done towards victory. It seems that now we are on the way to victory.

This afternoon the Minister of Labour (Mr. Mitchell) made a few remarks on which I would comment briefly. He pointed out that last year only 1,200,000 man hours were lost. I would ask him how many man hours have been lost this year, since the beginning of the year, through strikes. I estimate that we have lost already, in the steel strike alone, 1,200,000 man hours which should not have been lost, because there should not have been a strike. The trouble had been coming for such a long time that it should have been avoided if the government had taken courageous action in that regard.

My house leader has set out in a splendid manner the platform of the Progressive Conservative party as laid down in the convention at Winnipeg. I would remind the house that our party had a convention in 1927 at Winnipeg. There a platform was laid down which was progressive, and our party carried that platform into effect during their term of office. I might recite a few of the progressive features. There was the Natural Products Marketing Act, the Farmers' Creditors Arrangement Act, the Bank of Canada Act, the Dominion Trade and Industry Commission Act, the Canadian Farm Loan Act extensions, the Canadian Fishermen's Loan Act, the Prairie Farm Rehabilitation Act, the Act to Provide for Minimum Wages, the Act to Provide for Limitation of Hours for Work and a Weekly Day of Rest, the Dominion Housing Act, the Act to Provide for an Economic Council, and the Employment and Social Insurance Act.

It is true that some of this legislation was declared and improperly declared invalid, but there is no doubt that enabling legislation could have been obtained from the provinces in order to validate a good deal of it. The Liberal party and the government, however, with their laissez-faire method, did not raise a finger toward that end. The Employment and Social Security Act went a good deal farther than the Unemployment Insurance Act of to-day, and some of the ideas contained in that act are only now embodied in the speech from the throne.

I mention these things only to show the sincerity of our party, who have a habit of keeping their promises. May I point out that the word "Progressive" is not new in our party. In 1854 Sir John A. Macdonald, writing to Captain Strachan in the city of Toronto, said that he hoped the Conservative party would be broad enough to embrace all progressive Conservatives. Since confederation, practically all social legislation and great reforms have been put into effect or instigated by our party. As my leader pointed out, a part of our policy to-day has been embodied in the speech from the throne. It was amusing to hear the Prime Minister say the other day in the house that it has taken our party twenty-five years to catch up with his party, when last year, in the House of Commons, the hon. member for Richelieu-Vercheres (Mr. Cardin) said to his own party and to the government that this government never did anything unless it was forced to do so by the Conservative opposition.

The Liberal government has never given leadership; it has always followed with a policy of laissez-faire. In that regard I would say a few words about the laissez-faire attitude of the Liberal party and the Liberal government with respect to old age pensions. I do not think anyone will disagree with me, or contradict me, when I say that Canada has treated in a disgraceful manner her old people who have passed their useful age. When one considers that they have been good citizens all their lives; when one considers that they have probably raised a family and, through no fault of their own, have been unable to provide for their old age and are now in the evening of life, it seems to me it is the right of these people to have some provision made for them. And what do they get? A dollar a day is the maximum they can obtain under the old age pension scheme, or $240 a year, and if they have more than $300, including pension, the pension is reduced, making a total of $300. It is a terrible thing for old people to have to live on a dollar a day or less, but not a finger is raised by the government to remedy this situation. Not only that, but if they happen to have a boy in the armed forces from whom they are getting a dependent's allowance, the old age pension is reduced by that amount, and all for the sake of a few paltry dollars.

It would take a long time to get legislation through the House of Commons to take care of this situation, and I say that the government ought to do it at the present time. It can be done under the War Measures Act. We should have some form of compulsory contributory old age pension scheme to which every one should contribute, from the dustman to the highest in the country, and everyone should accept the pension. Moreover, fancy having a means test for these old people and the investigation they have to face! It is degrading, and some remedy should be provided immediately. It took this opposition a long time to get the government to put into force some remedy for the condition of the widows and some benefits for the dependents of soldiers, and I suppose it will take a long time to get this put into effect.

With regard to the man-power problem, is man-power being used to the best advantage? In 1940 we had national registration, and as far as I know the only thing it has been used for has been call-ups. That registration would have been of great use if the questions asked had been more carefully thought out. "Can you milk a cow?" was one. Were they going to put all the people who could milk a cow into one category? The only thing that has been milked is the public; they have been milked for the cost of the plebiscite and of the national registration to the tune of some two and a half million dollars.

The government as far as its man-power policy is concerned is, after two years, back just where it was before. Some time ago they made a start; they got Mr. Little here, and what happened? He was forced to resign. Why? On account of lack of cooperation by the government. There was no man-power policy until he came. He established a good policy, but he was so trammelled and worried by the government that he was just forced out. The government did not have courage to back up the man they put in. We now have a new man, and I suppose there will be another policy.

The other day we received a copy of a letter—it was called an interpretative letter—sent out, I take it, for the guidance of the judges who were to judge what was to be done. The letter says that the agricultural worker is, of course, free to volunteer for active service. It goes on to say:

> It is the intention of the regulations that agricultural workers are to be retained in agricultural employment as far as practical through the national selective service (civilian) regulations. To the extent that their services can be spared from the farms during the "off-crop" season they are to be encouraged to take temporary seasonal employment in lumbering and logging, forestry, fishing, coal and base metal mining.

Why are they allowed to go only into the primary industries? Some of them live near other industries which at times need casual help during the off season on the farms. Do they have to go away from their homes in order to go into these industries? Some of these farmers have a trade; can they not work at their trade? Then again, why should they be allowed to volunteer for active service if they are essential to an agricultural job? To my mind, the outstanding factor in determining whether or not they should volunteer is the essentiality of the man to the job, not whether it is an essential job. If they are essential to the job they should not be allowed to volunteer. On the other hand, some recognition of this should be given to them so that there would be no stigma on their name after the war for not having enlisted for active service. The same thing applies in other industries.

I should like to cite a case; no doubt there are many others. A young man, married, was sent over to England in 1940; he was one of several others specially picked. They were chemists and were sent over by the government of Canada to learn a specialized industry which was to start up in Canada. They came back and were placed in jobs. One man was placed in charge of a very special job. But he was unhappy in his job. He was an essential man in the industry, but he was unhappy because his friends had enlisted in the army. For that reason and as a duty he volunteered for the army. He was afraid that after the war there would be a stigma on his name because he had not served overseas. That man is not doing the job in the army as he could do a job in essential industry in Canada at the present time. There should be some way of preventing such things as that. There are many square pegs in round holes, men who have been taken from industry and agriculture and put into the army. Something should be done to take care of that situation. Unless something is done, agriculture will in very truth become what the Prime Minister called it in his radio address, namely a war casualty. Just think of the Prime Minister of Canada calling agriculture a war casualty!

The government have fooled around with this man-power business long enough; they should get busy and lay down some policy. Labour in many instances is not being economically or efficiently employed. At times men in factories are working only half-time, although they are at the factory all the time. The employers are wondering how to keep them busy while certain changes are being made. I know it is hard to get men back if they are laid off; but we do not want to lay them off; there should be some system, some pooling arrangement whereby those men could be placed on some other job where they could be useful in the meantime. Some planning ought to be done in that regard.

Our young men have responded nobly to the call of duty. I just want to remind hon. members of the situation a few years ago when some of the finest young men in Canada, called transient unemployed, were riding the rods during the depression trying to find work, but nothing was done for them. In fact, one hon. gentleman in this house, who was sitting on the other side at that time, spoke of them in not very nice terms, calling them spineless, pap-fed saps. What are those spineless pap-fed saps doing now? They are in the army, the navy, the air force, fighting the battles of our country in spite of the way in which they were treated during the depression. We must never let such a situation occur again in this country.

I have before me some figures with regard to the call-up. Under the National Resources Mobilization Act the army asked for 150,309 home defence conscripts covering the call-up operations for 1941-42. There were 750,611 notices sent out, of which 87,465 were not delivered. This left 663,146, out of which

number there were 216,791 from whom nothing was heard. They either had enlisted or died or been killed or dodged the draft. This left 446,355. Of these, 189,491 were in category A, leaving 256,864. Of these 120,610 obtained postponement, and I do not know what happened to the remaining 136,254.

These figures are interesting, but they do not jibe with the next figures. Notices to report for military service were then sent to 173,525 men; why, I do not know. Of these notices, 9,345 were not delivered, leaving 164,180. Of these, 32,826 vanished, I do not know where, leaving 131,354 to report at the training centres. Of these, 23,676 were found unfit, so that in all the army got 107,678 instead of the 150,309 they wanted. Mr. Grant Dexter summed it up in the *Free Press* in this way: Out of every 100 notices there were 11 not delivered, 28 never heard from, 59 turned up for medical inspection, 28 in category A, 16 postponements—9 agriculture and 7 industry—and 14 reported to camp. Three were unfit, and the army got 11 out of 100.

If that is not muddling along, I do not know what is. Why should we have such a ridiculous situation? Why should we send out 750,000 notices and find that 216,790 were never heard from, with apparently no one knowing where they are? If we do not know where they are, why not? But while this call-up was going on, there were thousands of other young men—good men, too—who volunteered for service anywhere in the world. Some of these men were vitally needed for our home production, in coal mines, toolmaking, as scientists and so on. Many of these men were essential to industry. There is a waste of effort; there is a lack of planning all the way through. Here are the three branches competing among themselves for men, with no cooperation whatever. The armed forces, industry and agriculture all want men, and they are given no direction at all.

I have in my hand a copy of a memorandum prepared at the beginning fo the war by General McNaughton concerning the supply of skilled men and tradsemen to the armed forces and to industry, from which I should like to read one paragraph.

> Under a system of voluntary service in the armed forces there is a probability, having regard to the character of the Canadian people, that many men with the highest qualifications of all sorts will seek active service. The problem of ensuring that industry is not deprived unduly of the skilled engineers, mechanics, etc., on whom the rapid expansion of production depends by reason of their enlistment in or appointment to commissions in the armed forces, is thus prevented.
>
> Some trades are vital, others are less important, and others again can be dispensed with under conditions of national emergency; hence a list of "reserved occupations" is needed.
>
> Some industries are important to or for the production of munitions; others for the maintenance of vital services to the civil community; others again which are active in peace are of little importance in war. In consequence, a list of "essential industries" is required.

Where is the list of essential industries? Has it ever been prepared? General McNaughton says what I have also mentioned previously:

> . . . having regard to the character of the Canadian people, that many men with the highest qualifications of all sorts will seek active service.

Many have done so, and many of them should be in essential industries in Canada. This memorandum goes on to point out how this question of national selective service should be worked out. Have these suggestions ever been followed by the Department of Labour? Judging by the results, I would say they never have.

That is all I have to say with regard to the man-power muddle, and now I should like to say just a few words with regard to the work of this session of parliament. We in this house have been accused of wasting time and of repetition, and of neglect in passing the estimates. I think last year it was said that we passed $36,000,000 through the house in thirty-six minutes. I would say that this is not the fault of the opposition; it is the fault of the government of the day. At the present time there is no proposed legislation on the order paper outside the $1,000 million resolution. Why should the proposed legislation not be there, so that members of the house may study it and become familiar with it, in order that they may know what they are talking about when it comes up? We shall have the war appropriation bills in a short time; and if we do as we did last year, almost every hon. member will want to speak half a dozen times or more on the same thing. Why could we not have the war appropriation bill set out in some orderly fashion, something like the estimates, so that the discussion might be carried on in an orderly way? By that means a great deal of repetition would be avoided. If we have a reasonable breakdown of the expenditures, which we are entitled to; if we are shown how the money was expended by the various departments, a great deal of the time of the house will be saved and we shall have the whole story.

Much more information should be given this house. We want to know what is going

on. But when we ask for information it is always the same old story; we are told that it is not in the public interest, or that it will give information to the enemy. Well, I have before me a report to the 78th congress of the United States on lease-lend operations, published by Edward R. Stettinius, Junior, lease-lend administrator of the United States. I will not take time to read it all, but there are one or two paragraphs which may be of interest. He mentions some planes, some medium tanks, some anti-tank guns and so on sent to Egypt and then, in connection with the north African campaign, goes on to say that Great Britain provided two-thirds of the warships and transports employed in the original landing operation. Does that give information to the enemy? The report states:

> Sixty per cent of the ground forces were American and the air forces were equally divided. Of the landing craft employed most were American-built. Some had been lend-leased to Britain and were manned by British crews. United States fighter squadrons, on the other hand, flew 160 Spitfires provided by Great Britain under reciprocal aid.

Then it goes on to say:

> Supplies lend-leased by Britain to our armed forces included such items as 100 miles of portable air-field runways, more than half a million anti-tank mines and grenades, 130 reconnaissance boats, four complete 1,000-bed field hospitals, and medical supplies for 100,000 men.

It tells also, by tables, where these articles went. Then again at page 50 there is further information about the material supplied. Does it give information to the enemy? Or is it "not in the public interest"? It is certainly in the public interest. The public are paying the shot, and the public are entitled to know what they are getting for their money. That is what I think about the matter. There is no reason in the world why we should not have much fuller information before the House of Commons. We are always told it is "not in the public interest".

Moreover, too many statutes are altered by order in council when the house is in session. There is no reason in the world why a report should not be made to the house. After all, we are responsible for the discussion of the rights and wrongs arising when the laws are made. Then, too many regulations are put through without reference to the House of Commons, but while it is in session.

Not only that, but we are supposed to come here and sit for six or seven months, as we did last year, when, I suggest, it would have been far better if we had come for a month, returned home for a month, come back for another month, and then returned home. When we did arrive, much of the work was not ready for us. Had we had an opportunity to return to our homes, we might have discussed some of the measures in our constituencies.

Then, I have in mind the question of the rationing of butter. We were told by the administrator that there was no chance of butter rationing; yet, two months later, butter is rationed. Had the House of Commons been sitting, the administrator would have had the advice of the members, coming as they do from various parts of the country—members who know what they are talking about. Greater information would have been available, and the whole matter would not have been left to the administrator. There are many other matters which might be discussed by members of the house, either in the house or in committee, before regulations are put into effect.

After all, members of the House of Commons are responsible to the people, while the administrators are not. If more opportunity were given to members to discuss matters in the house we might go a long way toward getting rid of much of the dissatisfaction and discontent that exist. Parliament in Canada must be kept supreme. We do not want dictatorship, although we have almost a dictatorship now. We are not consulted about most action taken.

I now come to the matter of questions asked on the orders of the day. This afternoon the Prime Minister (Mr. Mackenzie King) undertook to lecture my leader when he asked questions. Is there any reason why we should not follow the practice in the British House of Commons, and have a question hour? Could we not have a similar period? We may put questions on the order paper, and the answers will appear in *Hansard* or in *Votes and Proceedings*. On a great many occasions questions of great importance are answered very briefly, or by indicating that an order for return will be tabled. Perhaps the lapse of time between the appearance of the question on the order paper and the tabling of the order for return may have the effect of losing any advantage there may be in the answer given.

After all, members of the House of Commons are entitled to know what is happening, and the only way whereby they can get information is by asking questions across the floor of the house. There are just as good reasons why hon. members should receive verbal answers to questions as there are against the reading of speeches. There is no reason why we could not have a question hour during which time public matters could be discussed across the floor of the house.

Our first concern to-day must be for our own self-preservation, the winning of the war. Coupled with that aim is our obligation to see to it that those nations of Europe which are now occupied are freed. It is our obligation to see to it that there is a return of rule and order in the world. In that connection we are anxious to know something about our armed forces. Are our armed forces as efficient as they could be? Have we sufficient reinforcements? What about our auxiliary services? Are those in command of our armed forces the very best we can obtain? We as members of the House of Commons want to know this. Are our weapons the best? Is our equipment the best available, and in sufficient quantities?

We hear rumours and criticisms, and we are entitled to know the truth. No doubt, a little later in the session an opportunity will be given for the discussion of these matters. However, we want these questions answered more fully, and we do not want to hear that it is "not in the public interest" to answer them, or that by answering we would be "giving information to the enemy." The war is not yet won. Probably we are on the top of the hill, and the strength of the allies is probably equal to that of the axis powers. We must not be turned aside from complete and ultimate victory by any premature proposals of peace. Let us not be led astray by any such proposals. Victory and lasting peace can come only when the axis powers are swept from the seas, from the skies and from the territories they now occupy.

The war is our first concern, but we must not overlook the post-war period. Free enterprise must formulate plans against mass deprivation of work. Actual plans must be laid and ready. We cannot allow our forces to be discharged until there is work for them to do; we cannot permit dismissal of those who are now working in munitions factories until they are supplied with other jobs—even if we have to throw into the lake the munitions they may have to make.

Free enterprise must plan. Unless we put our economic and industrial house in order, constructively, the demagogues and the rascals will step in; they will take over and move in. Every crackpot with a promise of $50 every fish day, every scoundrel with hate for humanity in his heart, will try to wrest power for himself and his faction. They will make their appeals to the war weary, the dispirited, the hungry and the jobless. They will offer them pie in the sky, but quick, in exchange for their liberty and dignity. They will promise them jobs from a fuehrer and regular train service of a Duce if the workers will but surrender their freedom and independence. Reason and common sense will go by the board, and the process of evolution which has brought our nation to relative well-being will be wiped away.

Mr. J. A. MARSHALL (Camrose): Mr. Speaker, before I proceed to a discussion of some of the questions referred to in the speech from the throne I desire to pay a tribute, not only on my own behalf but on behalf of the members of my group, to those gallant and heroic men who took part in the battle of Dieppe. Dieppe is one more glorious page in history written by Canadians, and it will ever rank in importance with those memorable battles which were fought and won by Canadians in the last war, the Somme, Ypres, Vimy Ridge, Passchendaele and Mons.

In the southern part of my constituency there is a thriving and prosperous town called Stettler. From this town and the adjacent countryside have gone forth many men and women to serve their country in every branch of the armed services. They are giving of their best in every theatre of war where Canadians are found to-day. Some of the men enlisted in the Calgary tank corps, but little did they realize that at some future date they would play a part in what may be looked upon as one of the most important engagements fought thus far in this war.

I recall how the people of that district received the first intimation that their sons had taken part in the Dieppe raid. I recall, too, quite vividly the day when the telegrams were coming in almost hourly, announcing the fate of some of these men on the blood-stained sands of that French shore. Men and women of that district went about their daily tasks dreading what the hour or day might bring forth. When the roll call was finally completed it was discovered that that district had, through its sons, played a leading part in the Dieppe raid. Some of them made the supreme sacrifice and others are languishing to-day in German prison camps.

I read with great care the tribute which the Prime Minister (Mr. Mackenzie King) paid in his speech to the men at Dieppe. It was a wonderful tribute, couched in masterly English as only a master of English could do. He spoke of their resource, their ingenuity, their bravery, their valour and their heroism. All these words struck a sympathetic chord in my own heart as no doubt they did in the heart of every hon. member of this house. But I

must confess that I was deeply disappointed at the manner in which he closed his eulogy. While I am precluded from quoting the words he used because they were used in this debate in which we are now engaged, I shall endeavour to give their essence as best I can.

He said that he hoped that word would go out to the living among their numbers that the House of Commons, whatever difference there may be in its parties, was one in its thought for them and its determination to see that everything that was in its power to do would be done to help and support them. Such an indefinite promise as that will, I think, bring cold comfort to many aching hearts. Surely the Prime Minister of this country could be more definite and more specific when making a promise to these men. Never in the history of this country was there given to any man a greater opportunity to assure, not only the dependents of these men who gave their lives, but all men and all women who are fighting the battles of their country in all the armed forces that no matter what might happen to them, Canada would deal fairly with their dependents.

It is tragic to think that such an opportunity should be allowed to go unaccepted. As I contemplate the conditions which are likely to prevail in this country at the close of the present war, unless we change the system under which we are operating, I wonder what will be the fate of these men and these women and their dependents. Would it be too much to ask the Prime Minister not only to pledge himself as leader of the government but also to pledge his party and to pledge parliament and the Canadian people that the wives and the children, the fathers and the mothers of these men shall never know the meaning of the term "economic insecurity."

Rumours fly thick and fast that we are approaching a general election, and I suggest to the Prime Minister that he take unto himself and his party another plank, one which we have had in our platform ever since the war commenced, one which we still have there and one in which we still believe. It is this: "Economic security, with individual freedom for every Canadian citizen." I do not think that is incompatible with anything in the Liberal platform.

I should like to deal now with three important questions which are to be found in the speech from the throne, and in dealing with them I shall reverse the order in which they are to be found in *Hansard*. Those three questions are (1) the parliamentary assistants to be appointed to assist cabinet ministers whose duties have become particularly onerous because of commitments of war; (2) redistribution of representation in the House of Commons, and (3) social security measures for the whole of Canada.

Dealing with the first one, I am not convinced that any good purpose will be served by the appointment of secretaries to ministers of the crown. I realize, of course, that there are some ministers who perhaps would find themselves displaced by their secretaries within a very short time. There are in the cabinet to-day men who might be stunted or stultified by their secretaries. But I cannot find any man, or any woman for that matter, who would be able to fill the shoes of the Minister of Munitions and Supply (Mr. Howe). I think anybody would have difficulty in acting as understudy to the Minister of National Defence (Mr. Ralston), or to the Minister of National Defence for Air (Mr. Power); and although I do not agree entirely with the methods adopted by the Minister of Finance (Mr. Ilsley), or the manner in which the Minister of Agriculture (Mr. Gardiner) deals with the problems of the farmers, I believe that the efforts of these men would be in some way constrained by the appointment of secretaries to them. We have been at war for three and a half years now, and if those departments which have to deal directly with the prosecution of the war have not yet been so organized as to give the ministers a great deal more freedom than they had at the beginning, then there must be something radically wrong. I find myself admiring particularly the Minister of Munitions and Supply, and wondering, as Oliver Goldsmith said of the Village Schoolmaster, how "one small head could carry all he knew." It would be a calamity if anyone were to try to act as understudy in the House of Commons to a man of that calibre.

I come now to the second question—and I can touch on these questions only briefly and superficially—redistribution of the representation in the House of Commons. Gerrymandering has been the sport of the major political parties ever since confederation, and I am quite satisfied that this practice will not be eliminated when redistribution of the present representation comes up in the house for final approval. I believe that the whole question which underlies the representation of the people of Canada in the Canadian House of Commons should be thoroughly gone into. Redistribution of representation has been the subject before a special committee in the British House of Commons, the Vivian committee I believe, and that committee has submitted its report to the British house. I have

not seen a copy of the report, I have not read it, but I think it would bear careful study by the committee which the Prime Minister expects to set up at this session.

The war to some extent has caused a shift in the population of this country. Some parts of the west have been badly depopulated; people have moved from that section of the country to more highly industrialized centres in eastern Canada. That is a war problem. It will remedy itself, I believe, at the close of hostilities, if not before hostilities end. For that reason I think this question of redistribution should be shelved for the duration of the war.

I come now to the most important question of all, that of social security measures. Here in this field of human activity and endeavour we find a welter of confusion—plans, plans and more plans. More plans have been advanced by different individuals and different organizations than a dog has fleas. When I spoke in this house last session I tried to emphasize one particular fact. I make no apology for bringing it up again at this session because it is very important. Plans presuppose objectives, and these objectives, so far as I am aware, have not yet been positively defined. Preachers, teachers, newspaper correspondents, university professors, orthodox economists and politicians have hinted at the shape of things to come. I have tried to crystallize in my own way the various ideas which these individuals have expressed from time to time. Here are the things which I think these learned gentlemen would like to impose upon us: (1) A return to the gold standard; (2) The establishment of an international police force; and (3) The complete destruction of British idealism, individualism and initiative, and the substitution of state autocracy.

I will admit that some planning is necessary; but as Major-General J. F. Fuller once said, "A planned world is a damned world, because, unlike the machine, man was not created on a drawing board." Since the war began we have set up controllers to control almost every commodity in Canada, and now we find it necessary to set up a controller to control the controllers. Likewise, in due process of time, I believe we shall have to set up a planner to plan the planners.

Already we have three committees operating in Canada, one under the chairmanship of Doctor Cyril James. They have taken a lot of time and spent a lot of money, and thus far we know little of what they have done. There is also the house committee set up last session which will be reconstituted this session. They have done little or nothing, and now we find there is a committee of the cabinet.

I believe there are plans in existence today in Canada. When the time comes, these plans will be brought forward; but the blueprints from which the plans have been taken will be kept a closely guarded secret. I am suggesting that there are two probable sources from which these blue-prints (upon which the plans will be based) will emanate—one, from the blue-prints which have been made by the bank for international settlements. This may sound rather strange to many, but if hon. members want confirmation of this they will readily get it in the last report which was issued by this pro-axis and mysterious organization presided over by an American, the shares of which are controlled to a large extent by the axis powers. There is ample evidence that these blue-prints are at present in existence.

I wish now to make passing reference to the proposals of Sir William Beveridge. They are causing a vast amount of excitement, and enthusiasm as well, in the minds of the people.

> You cannot hope to bribe or twist,
> Thank God, the British Economist.
> But seeing what the man will do,
> Unbribed there's no occasion to.

What is one nation's Beveridge may be another nation's headache.

Who is this man Beveridge? It is necessary to know something about the man before one can appreciate, or otherwise, his proposals. "By their fruits ye shall know them". In January there appeared in the Edmonton *Bulletin* a long article dealing with the past history of this gentleman. It is not my intention to read it at length, but I want to read just a few lines:

> He has been a one-man economic reformer in Britain since long before the war.

And here is the significant part:

> He has had an important hand in every major piece of social legislation in the last forty years.

Social legislation which has caused grinding and punitive taxation, social legislation which has produced labour queues, the means test, idleness, want, disease, ignorance and squalor. Then again, to round out the picture, this man has long been closely associated with the London School of Economics. To some of us this fact has special significance. Professor J. H. Morgan, K.C., writing in the *Quarterly Review* for the year 1929 on the life of Lord Haldane said:

> When I once asked Lord Haldane why he persuaded his friend Sir Ernest Cassel to settle by will large sums on the London School of Economics, he replied "our object is to make this institution a place to raise and train the bureaucracy of the future socialist state".

Anyone who wishes to check me up will find the statement on pages 187-8. I commend that quotation to the earnest contemplation of hon. members of this house.

Three facts should be kept in mind in connection with this statement: (1) Lord Haldane said that Germany was his spiritual home; (2) Sir Ernest Cassel was the *alter ego* of Jacob Schiff of Kuhn, Loeb and Company of New York; (3) There is ample circumstantial evidence that this company, Kuhn, Loeb and Company of New York, financed Hitler during his rise to power and his subsequent operations. In these days of war and social upheaval we should be very careful of our approach to these post-war problems. Some people tell us that we should forget the past misdeeds of our public men, that the book should be closed and that we should open a new one. That, I contend, is wrong, because it is only by studying the mistakes of the past that we can go forward safely in the future. Certain individuals in this country and Great Britain have brought the British empire to the verge of destruction. Sir William Beveridge is one of them. I hope the day will come when these men, no matter who or where they are, will be ferreted out and will meet their just rewards.

Whatever the merits or demerits of the proposals of Sir William Beveridge may be—I am not discussing the proposals at the present time—there is no doubt in my mind that he has been responsible, indirectly perhaps, for many of the ills which have afflicted the people of Great Britain.

I want to make just two observations in connection with these proposals. First, there is no want in a workhouse or a gaol. Second, this plan is a plan for a servile state.

My time is almost exhausted. My constituency is an agricultural one, with problems which are common to all parts of Canada. I hope to discuss these problems at the proper time later in the session. I should like also to have had time to discuss the problems of the small businessmen, who are the backbone of our communities, the treatment that is being meted out to them at the present time and how they face disaster. Time, however, will not permit.

May I say, in closing, that I do not like the trend in this country toward centralization of power. I believe it was that trend which brought Germany to the point where she is to-day. I believe that unless some radical changes are made, they will at some future time mean the destruction of our own country. We should take heed now before it is too late.

[Mr. Marshall.]

Mr. W. H. MILLS (Elgin): Mr. Speaker, I hope I may add something to this debate that will be of assistance to the government, and not just repeat what has been said already. I believe our Prime Minister (Mr. Mackenzie King) and the members of his cabinet should have the cooperation of every member of this house in these trying times. There never was a period when a government had greater responsibility than is the situation at present, when it must bring in legislation that will bring about the greatest possible war effort, so that this conflict may be brought to a successful conclusion; for, if it is not, nothing matters. We must win this war, and that should be the first thought in the mind of each hon. member. We should forget politics; we should stop trying to play for a better position and put forth every effort toward winning the war.

I wish to direct my few remarks this evening to a subject which for some time past has had a great deal of publicity. I refer to the distribution of beef to civilians and to the armed forces, and the sale of beef cattle. In the present Minister of Agriculture (Mr. Gardiner) I think we have one of the best ministers this country has ever had. Perhaps he has not been praised by all farmers from one end of the country to the other, but he has had a heavy role to play, and I think he has done more to be of assistance to the farmers of Canada than any of his predecessors. He is administering the one department of government that gives us legislation to control prices, the greatest legislation ever placed on our statute books. If this legislation had to be scrapped, however, I should be perfectly content to let everything stand as it is, for, while I believe that prices were frozen when prices of agricultural products had not reached equality with other prices, adjustments have been made from time to time so that there are few complaints to-day. I believe that further adjustments can be made and that everything will be satisfactory.

I should like to add a word of praise for the Minister of Finance (Mr. Ilsley) who has as great a role to play as any man in this government. I think he will go down in history as the greatest Minister of Finance this country has ever had.

In the Ottawa *Evening Citizen* of Monday last I noticed four articles dealing with the beef situation. Up to that time I had no intention of taking part in this debate, for I believe it should be brought to a speedy conclusion so that we may get on with more

important business. I was, however, compelled to clip these articles. One was an editorial which states:

Packing company officials were reported the other day as suspecting that a black market in beef was being operated in the Ottawa district. Whether this is true or not, it is something to be guarded against if United States experience is to be avoided.

Washington is alarmed at the growth of the meat black market. According to *Time* price administration officials guess that 20 per cent of all live stock slaughtered in the country is going to black-marketers. In New York city alone, illegal meat sales total about $2,500,000 weekly. Cleveland reports that 40 per cent of its meat supply was being side-tracked to the black market.

It should be the firm resolve of meat purchasers as well as responsible government officials that no such situation shall develop in Canada. It would lead to chaos in the marketing of meat and to higher prices everywhere. It could lead to unwholesome meat being sold.

The "black market" process by which meat reaches retail stores is that wherein persons looking for quick profits offer farmers a higher price than the present ceiling on wholesale prices. The meat is killed and is then brought to the towns and cities. The retailers, harried by meat-hungry customers, buy the meat at higher prices and sell at an appropriate figure. And meat-hungry customers do not argue much over ceilings.

It is a difficult problem to deal with this traffic. Coffee and tea are easy. But meat is produced on thousands of farms and is slaughtered in hundreds of big and little abattoirs. The meat may be excellent, even inspected. But the price will be high. People should remember that there is a meat shortage and that the black market only makes the problem worse.

Another article, which I will not take time to read, states that an increase in price is to come into effect to-day, while still another article suggests that rationing of beef may commence about March 1. For the benefit of those who may not know a great deal about the slaughtering of beef cattle I should like to give an illustration, taking a 1,000-pound steer at ten cents a pound live weight. This would cost $100. A good average beef animal as sold on the market to-day will dress about 55 pounds to the hundred, some a little more and some a little less. At 17¾ cents a pound, which was the price when I made up this calculation, 550 pounds of beef would bring $97.65, and the extra 50 cents a hundred now being allowed would bring up that total to about $100. At the price of 17¾ cents, however, you would have to get $2.35 out of the hide to pay for the live animal. But instead of costing 10 cents it is costing up to 12 cents, so that at the ceiling price there will be a loss of $22.35 on every beef animal killed.

In Tuesday's *Globe and Mail* I noticed a report of the Toronto cattle market, in which it was shown that cattle were selling at from 11 to 12 cents a pound. I believe yesterday there were 55 steers sold in Toronto, according to the market report, at 12·25 cents a pound. So that at these prices, I am asking if there is anyone within my hearing who believes that these beef animals are not sold on a black market? What is the use of our kidding ourselves that we have not a black market right here in Ontario? There can be no doubt about that. My opinion is—and I do not know—that the government is perhaps subsidizing the abattoirs and that the private butchers are selling their beef at more money. There is no question about that; there is no other way to figure it.

What has made the handling of the cattle situation so unsatisfactory has been the frequent change in policy in the last year. The marketing of cattle, and the general beef situation are much different from the pork situation. At the outset of the war the Minister of Agriculture was able to go to England and negotiate a market for our bacon. As a result, there has been an increased demand. He has been able to tell the farmers what was wanted, and that we have an increased market. As far as I know, I have had no complaints whatsoever respecting the bacon and hog markets. But in the west end of my riding I have many beef cattle feeders, and I must say that at least for the last nine months the situation has been most unsatisfactory. This condition I believe arose from the fact that originally the outlet for our surplus beef cattle had been in the United States. That is the market the Prime Minister was able to negotiate within a very few weeks after his election in 1935. We have shipped to that market ever since quarterly quotas amounting to about 200,000 head. As I see it, the feeders had that to contend with. They did not wish to be cut off from that market. An attempt was made to buy our cattle, and to pay us a price equal to the United States price. That did not prove satisfactory. I might say I had a feeder say to me a short time ago, "Do you not think that our market ought to come equal to the United States market?" I said, "No; if it did it would blow the lid off the whole price control, and we would have things as they are in the United States." We do not want prices to go to the point they have reached there.

Perhaps I might explain by saying that I have a brother in Portland, Oregon. I hear from him frequently, and when he writes he usually encloses advertisements from local newspapers. Reading those advertisements, I see that a boy in that city driving a butcher wagon, a bread wagon or a laundry wagon

gets $50 a week. If the young men in their early teens in Canada were getting that much money we might be able to get more for our beef cattle—but it would do us no good. If there were no price control the hardware merchants would not know what to ask for manufactured products they have on their shelves. They would not know what replacement values would be.

Last summer cattle prices went up as high as 13½ cents a pound. I do not think that was a good thing; it would have been better had they not reached that height. With that in view, however, the greater number of our feeders bought their cattle last summer at prices which do not permit their selling them on to-day's market, because if we had to stick to the ceiling to-day, the price to the farmer would not be over 9½ cents a pound.

I was in western Canada last fall when word came through to the effect that no more cattle were to be shipped to the United States market. One buyer at Maple Creek had orders next morning to cancel thirteen cars of feed. I had purchased my cattle. They were loaded next day and shipped here. I imagine there never was a time that they could have been bought any cheaper, because there was a heavy demand to keep cattle in the west, there being no other outlet for grain. Cattle offered about the only way in which they could turn their grain into cash.

To satisfy the beef-cattle man in Canada I recommend that the price of dressed beef should be placed at 22 cents a pound.

Mr. GARDINER: That is for carcases.

Mr. MILLS: Yes, carcases. Those cattle would net the feeder about 12 cents a pound. That would satisfy feeders and, considering the prices they paid for their stockers last fall, they need that encouragement. If we take the minister's statement of yesterday to the effect that it takes eight pounds of grain to make one pound of beef, we find that it bears out my contention, because certainly grain is worth at least a cent and a half a pound. This would mean that it would take 12 cents worth of grain to make one pound of beef, to say nothing about the roughage and the labour required to take care of the cattle.

If this were done there would be orderly marketing. We see reports in the press that there are not as many cattle in the country. I know that many feeders are not feeding their cattle as heavily as they might, hoping to carry them along so as to get the high prices next spring. But have we any assurance that if too many cattle reach the market next spring we shall receive the ceiling? One article in a newspaper states that it will reach a high figure on May 27, and that then the market will fluctuate according to supply and demand.

I visited my home over the last week-end, and while there I went to stables within ten miles of home, each with approximately forty highly finished cattle. They would average from 1,400 to 1,600 pounds. The owners would like to sell, but one man paid 10¾ cents a pound for his replacement cattle last fall and the other man paid about 11 cents a pound, and they do not feel like accepting 11·99 cents a pound. Twelve cents a pound would satisfy them. Those cattle would be out of the way, and they would be filling in to-day, when there is a shortage. They would not be coming on the market at a time when there is supposed to be a high price. There is a chance that next spring we may not be getting more than 10 cents a pound for our cattle, if too many reach the market. That may be the condition, unless the government steps in and exports to the other side—and I should hope that that would happen. I hope we shall never see cattle cheaper than they are to-day. If it were possible to get 12 cents a pound for finished cattle, I venture to say that there are ten carloads in the west end of the county of Elgin which would go to market next week.

I should like to say a word about farm help. Members of the opposition have been saying a good deal about farm help and have criticized what has been done, but they offer no solution. When I was going home last week-end I saw carloads, almost train-loads of soldiers. When I got to London, four carloads of soldiers changed there to take the electric cars to St. Thomas. Every one of those men looked as though he would make a good farm labourer. When so many men are taken out of industry, when they no longer play a part in this country's production programme, there is bound to be a shortage. When they come directly from the farm, it affects farm help.

I should like to say a word also about the treatment the farmers in military district No. 1, which is western Ontario, have received. They have been given every consideration, and no one could be more considerate than Mr. W. A. Martin who is administering that district. I do not know of any young farmer from my county who is in uniform to-day and who should be back on the farm. Last year we had considerable assistance from volunteers and students from the city. Near me was a home fitted up where girls from Alma college changed about all summer. They were of great assistance. We also had a good deal of help with our sugar beets from people

who came out to volunteer. I should like to have seen some city fellows hoeing sugar beets. I never was very lazy myself, but I think I am too long in the back because I never was able to boast about the sugar beets that I could hoe. I know of one girl who came out to help, and she told of others who were rushing by her and who seemed to be able to hoe a lot. She tried to do a good job, and she was able to get to the end of the row by night. They were being paid so much a row, but she never asked for any pay, saying that she was just getting the experience.

There is another recommendation I should like to make, but I do not know whether it can be carried out. I think every farm hand, every man who has worked in agriculture, who is in the armed forces on Canadian soil should, if he so requests, be granted a postponement for next summer in order to return home to assist with the work on the farm. A man who has always worked on the farm, who has grown up on the farm, is worth considerably more than inexperienced help. I know of some men who have been in the army for some time. I am thinking of one boy in particular who, I know, would like to come out for the summer.

I was greatly pleased, when the hon. member for Trinity (Mr. Roebuck) was speaking, to hear the Minister of Pensions and National Health (Mr. Mackenzie) announce that provision was being made for the widows of war veterans. This is very worthy, but it should have been done long ago. Many soldiers have died, and many more will die from the effects of service in the last war. At times it is hard to make the board believe, or they will not acknowledge that a death is directly attributable to war service. If a man is not getting a pension of fifty per cent or over, there is nothing for his widow. I know of widows who have worn themselves out in taking care of their husbands before they died. Many of these women are in the sixties; they are not able to get out and earn a living, and they are too young to obtain an old age pension. Again let me say that I am glad to hear that something is going to be done for them.

I have nothing further to say except that I hope something will be done to satisfy the cattlemen of this country. The only thing that will satisfy them is to have the ceiling price put up so that they can get 12 cents a pound for their fat steers delivered at the station.

On motion of Mr. MacInnis the debate was adjourned.

On motion of Mr. Gardiner the house adjourned at 10.50 p.m.

Friday, February 12, 1943

The house met at three o'clock.

CITY OF OTTAWA AGREEMENT

AUTHORIZATION OF PAYMENT OF $100,000 FOR THE YEAR ENDING JULY 1, 1943

Hon. ALPHONSE FOURNIER (Minister of Public Works) moved that the house go into committee at the next sitting to consider the following resolution:

Resolved, that it is expedient to introduce a measure to authorize the Minister of Public Works on behalf of His Majesty to enter into an agreement to pay to the corporation of the city of Ottawa the sum of $100,000 for the year ending July 1, 1943.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

UNITED NATIONS MUTUAL AID

PROVISION FOR APPROPRIATION OF $1,000,000,000 FOR PRODUCTION AND TRANSFER OF WAR SUPPLIES

Hon. J. L. ILSLEY (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution:

Resolved, that it is expedient to introduce a measure to provide:

1. That sums not exceeding one thousand million dollars ($1,000,000,000) be granted to His Majesty for the purpose of making war supplies available to any of the united nations.

2. That the governor in council may determine the terms and conditions upon which such war supplies are made available to any of the united nations and may require in certain cases payment or repayment in kind or property or reciprocal action or provision of supplies or other direct or indirect benefit as may be deemed appropriate.

3. That there be established a Canadian war supplies allocation board to carry out the purpose of this resolution, and that such board be authorized to employ officers, clerks and other employees necessary for the proper conduct of the business of the board.

4. That the governor in council may be empowered to raise by way of loan under the provisions of the Consolidated Revenue and Audit Act, 1931, such sum or sums of money not exceeding in the whole the sum of one thousand million dollars ($1,000,000,000) as may be required for the purpose of defraying the expenditures herein mentioned and for purchasing or otherwise acquiring or procuring war supplies in Canada, the principal and interest of any such loan to be a charge upon and payable out of the consolidated revenue fund.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Mr. GRAYDON: May I ask the Minister of Finance at this time to make a statement to the house concerning this resolution?

Mr. ILSLEY: This is not the stage.

Mr. HANSON (York-Sunbury): This is a very important resolution. It introduces an entirely new principle. At the very earliest opportunity the house and the country should be informed as to what the government's proposals are with respect to this whole question. If the minister is not in a position to make a statement to-day then he ought to say when he will be in a position to do so, so that hon. members can intelligently understand and discuss the resolution. It should be done at the earliest possible day, before the resolution proceeds very far, certainly before it gets into the committee stage.

Mr. ILSLEY: If the hon. gentleman will read the remarks I made last Monday he will find there the fullest possible explanation of this resolution and of the bill to be based on it. I made a carefully prepared statement with regard to our policy of mutual aid. This is the resolution on which the war appropriation mutual aid bill is to be based. I could not make a fuller initial statement than I made then. But when the resolution is reached I will make another one.

Mr. HANSON (York-Sunbury): That is good enough.

Motion agreed to.

BUSINESS OF THE HOUSE

SUSPENSION OF DEBATE ON ADDRESS ON MONDAY, FEBRUARY 15, TO PROCEED WITH SUPPLEMENTARY WAR APPROPRIATION BILL

On the orders of the day:

Right Hon. W. L. MACKENZIE KING Prime Minister): Hon. members will have observed from yesterday's *Votes and Proceedings* that the Minister of Finance has given notice that on Monday next he will propose in committee of the whole a resolution with respect to the 1942 Supplementary War Appropriation bill, to provide certain sums of money for the purpose of security and defence. The minister will explain to the house the urgency with respect to this matter. If in the light of that explanation hon. members would give their consent, I would then ask the house to entertain a motion to change the order of proceedings for Monday next so as to permit this resolution to be the first item of business to be called on the orders of the day.

Hon. R. B. HANSON (York-Sunbury): In case that consent is given, may I ask the Prime Minister how far he proposes to carry the legislation on Monday? I ask that for personal reasons. I had anticipated taking part in the debate on the address on Tuesday, and I could not do that on a later day, before the vote.

Mr. MACKENZIE KING: Perhaps I had better allow the Minister of Finance to state the urgency of the matter first, and then I can if necessary make a reply to my hon. friend.

Hon. J. L. ILSLEY (Minister of Finance): Mr. Speaker, this is the supplementary war appropriation for the current fiscal year, estimated as carefully as that can be done. I tried very hard to find ways and means of deferring the introduction of the resolution and the bill based upon it until after the debate on the address had been concluded, but the situation is so urgent that I dare not do that. About the fifteenth of the month, which is next Monday, there will be exceptionally heavy demands on the treasury, and the comptroller of the treasury advises me that we may be out of money, we may reach the limits of our existing appropriations, about Monday or Tuesday. If that is so and no other provision is made, bills presented to the government for payment, and which should be paid, will have to go unpaid. Some of those bills are of a very urgent character, notably those relating to dependents' allowances.

I have communicated with the leaders of the various parties and groups in the house requesting their cooperation in expediting this supplementary appropriation, giving the assurance that everything which could be discussed on this measure may be discussed on the main war appropriation which will be introduced next week, upon the conclusion of the present debate. I hope that without too much discussion the house on Monday afternoon will adopt this resolution and pass the bill through all stages. It will have to be done by waiving the rules, just as is done every year in the case of interim supply. I do not see that anyone will be placed at a disadvantage if this is done, and I think it should be done in view of the urgency of the situation. It may be that some hon. members will wish to draw the discussion out, but I hope not. The other house is assembling on

Tuesday, and I am most anxious to get money with which to meet the government's obligations.

I think that is about all I have to say about the matter. It is urgent need that has moved us to propose this extraordinary procedure of breaking into the present debate, but it was suggested by others in the house a few days ago, and I cannot see any objection to it.

Mr. GORDON GRAYDON (Leader of the Opposition): I think the Minister of Finance will find us very ready to meet the wishes of the government in this instance. The sum of $858,000,000 of course is a very large amount, in addition to that estimated in connection with the original war appropriation.

Mr. ILSLEY: In addition to what was voted.

Mr. GRAYDON: Yes. In view of the urgency of the matter this party is anxious to facilitate the voting of this money just as much as it possibly can. I think the minister may rest assured that as far as we are concerned any remarks we have to make will be curtailed to the minimum, so that we may assist the government in this matter.

Mr. MACKENZIE KING: I wish to thank my hon. friend the leader of the opposition for the very helpful cooperation which he has just extended, and which I gather is extended in equal measure by the leaders of other groups in the house. Perhaps the question of the hon. member for York-Sunbury (Mr. Hanson) has been answered by the statement made by the Minister of Finance; therefore with the permission of the house I would move:

That the debate on the address in reply to the speech from the throne be suspended on Monday the 15th of February instant, in order that the house may proceed forthwith with the resolution and bill to provide for granting to his majesty aid for national defence and security.

Motion agreed to.

CANADIAN NAVY

ARTICLE IN "BOATING" MAGAZINE BY COMMANDER A. D. MACLEAN (RETIRED)

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Minister of National Defence for Naval Services if he is yet in a position to make a statement to the house with respect to the charges made by Andrew D. Maclean, a retired commander of the Royal Canadian Naval Volunteer Reserve, which appeared in the last issue of *Boating*. This matter was before the house some time ago, when the minister was away. Is he now in a position to make a statement. or when may we expect one?

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): My hon. friend sent me notice of this question a few moments ago. As he knows, the charges made by Andrew D. Maclean cover a very wide field indeed. It has been necessary to go through a number of files and generally to secure information from a number of sources in order to prepare a complete answer but I hope to have the information available and to give it to the house early next week.

LABOUR CONDITIONS

LAY-OFFS AT CALGARY OGDEN SHOPS

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I wish to direct a question to the Minister of Munitions and Supply, of which I have given him notice. I have received a telegram from Calgary asking me to inquire what steps are being taken to secure employment for fifty men now laid off and one hundred and fifty men previously laid off from the munitions department at the Ogden shops in Calgary.

Hon. C. D. HOWE (Minister of Munitions and Supply): I received a similar telegram this morning, which came to my attention only a few moments ago. I believe a complete memorandum in this connection is on its way to me, but as yet I have not received it. The information I have at the moment is that both lay-offs are incidental to a change-over in the type of production. The plant was engaged on an order for the British navy. That order has been completed, and for some time the plant has been retooling to take on another order in connection with a similar gun of larger calibre. I feel sure that both lay-offs are temporary, and that the men will be reemployed. I am not sure whether selective service has been advised; I think probably not, as it is hoped that the men will be available when the work is resumed. But I may add that Ogden shops now have in hand the largest volume of business that they have had at any stage during the war, and I think the men will be reemployed at the same plant.

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, when I spoke in the debate on the address I referred to the fact that at the Ogden shops men had been laid off. The minister says now that the Ogden shops have ample work and a new contract with which to carry on. I must point out that when I was

there, just before coming to Ottawa for the session, that was not so. Was the minister informed about it—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order; the minister has made his statement.

NATIONAL WAR LABOUR BOARD

FURTHER STATEMENT RESPECTING REORGANIZATION AND CHANGES IN PERSONNEL

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on February 3 I advised the house the government had been fortunate enough to secure the services of Mr. Justice McTague, of the appeal court of Ontario, as chairman of the national war labour board. In making that announcement I pointed out that in connection with Mr. Justice McTague's acceptance of the position there would have to be a reorganization of the board in fundamental particulars, and that later the house would be given further information on that point.

I am now in a position to give the house full information with regard to changes being made consequent upon Mr. Justice McTague's acceptance of the position, and also for other reasons. In order that hon. members may understand the nature and full significance of the changes I shall first of all outline to the house the membership and functions of the board as originally constituted.

As hon. members are aware the national war labour board was appointed on October 24, 1941. At that time its membership was that of a chairman, a vice-chairman, five gentlemen representing employers and five representing employees. When originally formed the chairman was the present Minister of Labour, Mr. Humphrey Mitchell. When the board was formed Mr. Mitchell was neither a member of the house nor a minister of the crown. Upon Mr. Mitchell's becoming a minister of the crown he continued to perform the duties of chairman of the board, largely because of the special knowledge he had of its proceedings, and also because he believed it his duty to hold the position at least so long as he was able to help carry out the duties of the board along with the other duties attached to his new position. However the minister found, as everyone would expect, that with the heavy duties resting upon him in the Department of Labour it would be impossible for him to continue as chairman of the board. Some time ago he advised me to that effect, and in consequence of the minister's representations the government has made certain changes. Mr. Mitchell's retirement from the chairmanship of the board left the vacancy which has since been filled by Mr. Justice McTague's acceptance of the position.

During Mr. Mitchell's association with the board the deputy minister of labour, Doctor Bryce Stewart, for a time acted as vice-chairman. When Doctor Stewart retired his position was occupied by Mr. MacNamara, the present Deputy Minister of Labour.

The gentlemen representing the employers were Mr. A. Deschamps, president of the Builders Exchange, Montreal; Mr. George Hodge, manager, department of personnel, Canadian Pacific Railways; Mr. G. Jackson, of Sentinel Securities of Canada Limited, Toronto; Mr. J. H. Stovel, vice-president and general manager of Dome Mines, South Porcupine, and Mr. H. Taylor of the Canadian National Carbon Company, Limited, Toronto.

The five gentlemen representing the employees were Mr. John A. Bell, general chairman of the Order of Railroad Telegraphers, Toronto; Mr. William Dunn, financial secretary-treasurer of Toronto district Labour Council; Mr. J. A. McClelland of the International Association of Machinists, of Valois, Quebec; Mr. A. R. Mosher, president of the Canadian Congress of Labour, Ottawa and Mr. Gerard Picard, general secretary of the Confederation of Catholic Workers of Canada, Quebec.

Hon. members will see that this was a board of twelve. As a matter of fact in the actual functioning of the board the work, in the main, was carried on by an executive committee. That executive was composed of the chairman, the vice-chairman, one representative of the employers and one representative of the employees. The representative of the employers on the executive was Mr. George Hodge, and the representative of the employees was Mr. McClelland. The gentlemen constituting the executive carried on as I have said the major part of the work of the board. The entire membership was convened fortnightly, on an average, and on those occasions matters of concern to the board as a whole were presented and dealt with.

One will observe that in the original establishment of the board emphasis was placed particularly upon its representative character. An effort was made to secure a board which would be representative alike of employers and employees. An equal emphasis, however, was not placed upon the judicial character of the board. I do not mean to say that

the board was expected to do other than discharge its duties in accordance with the principles of justice. In its actual procedure, however, there was no jurisprudence governing its proceedings. One case would be dealt with, then another and another, in the order in which they were presented without any necessary relationship as to the principles governing in decisions. The point I wish to make clear is that the board was not regarded like a court of justice in which principles are laid down which should govern generally.

Mr. Justice McTague has emphasized the fact that it would be helpful in the avoidance and settlement of industrial disputes, and in dealing with industrial relations generally if the national war labour board could partake more of the nature of an industrial court. He feels that the members of the board should be fewer in number, in order that they might, sitting together continuously, gradually build up a jurisprudence which would govern in labour matters.

The government, after giving careful consideration to Mr. Justice McTague's representations, have come wholly to agree with the view he has expressed. The national war labour board, as it will now be constituted, will therefore be more in the nature of an industrial court. It will be limited in its membership, but care will be taken to see that it will also maintain its representative character. It is not intended that any member of the existing board shall be dropped by the new organization that is to be formed, although a number of the members of the old board instead of continuing as members of the new board will constitute hereafter members of a national war labour committee to consult with and advise the presently constituted board. It will be seen that so far as the change in the position of these members is concerned, it is more in the nature of a change in terminology than in function or practice. The past experience of all these members of the old board is being thereby retained in connection with the operations of the new board.

The Minister of Labour, as I have pointed out, has resigned from the board; and for reasons closely connected with the urgency of the matters with which he has to deal in his department, the deputy minister will not be a member of the new organization. The new board will be composed of three members—Mr. Justice McTague, and two gentlemen who have had exceptional experience in dealing with problems of industrial relations. One of those gentlemen will be representative of employers, and the other of employees. These gentlemen are, first, Senator J. J. Bench, K.C., who for some years past, as hon. members are probably aware, has enjoyed retainers as an experienced labour relations counsel from a number of large industrial concerns, and has had wide experience in matters pertaining to industrial relations. When Senator Bench serves he will of course, as a member of the senate, serve without extra remuneration. The fact that he is a member of parliament should not, I think, at this time of war, in any way prejudice his position on the board. In that particular his position would be no different from that occupied by the Minister of Labour, who was chairman of the board and at the same time was a member of the House of Commons and a minister of the crown. Senator Bench is being selected because of his special knowledge of industrial matters, and also because of the success he has had in dealing with industrial controversies arising between employers and employees.

The third member of the board will be Mr. J. L. Cohen, K.C. As hon. members probably know, Mr. Cohen is an experienced labour counsel with outstanding abilities. He has acted as the representative of labour organizations on many conciliation boards and has been retained widely by labour organizations because of his exceptional knowledge of industrial questions.

I wish to stress the point that each of these gentlemen has knowledge not second I believe to that possessed by any other persons in this country, either on the side of capital or on the side of labour interests, in dealing with problems of industrial relations. They with Mr. Justice McTague have been selected with regard solely to the qualities they bring to their new duties. These three gentlemen will constitute the board which will, as I have said, be in the nature of an industrial court.

There will be associated with the board in the intimate relationship of expert technical advisers the two gentlemen who, along with the minister, were members of the executive committee of the board as it hitherto existed. I refer to Mr. George Hodge, who represented the employers and Mr. McClelland, who represented the employees. The other members of the present board will, as I have said, be an advisory and consultative committee and will be brought together in the new organization in a manner very similar to that in which they were brought into conference under the former organization.

I should like to express to those who have been members of the national war labour board the appreciation of the government, and

in this I think I may say the appreciation of the country for the splendid services which they have rendered to this country in the time in which they have served. The board, up to the present, has in many respects been functioning so quietly that I am sure the public are scarcely aware of the extent of the services its members have rendered. As the Minister of Labour mentioned yesterday, some 750 cases in all came before the board in the time it was carrying on and almost without exception all these cases have been disposed of satisfactorily.

There is one other aspect of the board as now constituted which is in the nature of a fundamental change. Heretofore the board has carried on its proceedings in camera; the hearings have not been in public. It is felt that in dealing with industrial disputes that are likely to affect our war effort and affect thereby the interests, not only of the country as a whole but of the united nations as well, it would serve a useful and helpful purpose if the public could have a wider knowledge of the questions at issue. It is, therefore, the intention of Mr. Justice McTague and his colleagues to have the sittings of the board in public. The press will be admitted to the hearings of the board. In that way the public will be kept fully informed of matters which are of immediate concern to the public itself.

That covers, I think, all that I wish to say at the moment beyond adding a word with respect to Mr. Hodge and Mr. McClelland, who have served as members of the executive in the past, and who will be immediately associated as expert technical advisers with the members of the new board. I feel that we are specially indebted to both these gentlemen for the services they have rendered in the past and for their willingness to continue to serve in the capacity in which they will on this new board. I feel, too, we are greatly indebted to the chairman and other members of the new board for the all-important services they are prepared to render the country at this time of war.

Mr. COLDWELL: When does the Prime Minister expect that the new board or executive will meet to consider matters now in abeyance?

Mr. MACKENZIE KING: I understand that Mr. Justice McTague has already been in conference with the parties to the steel dispute and has undertaken to have the proceedings of the board begin on Tuesday of the coming week.

[Mr. Mackenzie King.]

While I am on my feet I should like to table a copy of the order in council which was passed yesterday constituting the new board.

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to say just one word in connection with the statement of the Prime Minister with respect to the national war labour board. There were two points that struck me as worthy of comment. The first is the evidence of the beginning of a well-recognized labour jurisprudence. I think most of us who have been interested in labour problems during these years realized that the time had come for the establishment of a well recognized labour jurisprudence. I should like to point out to the Prime Minister that one of the things on which I think the public will be in agreement with the government is that the sittings of the national war labour board are to be in public. This is a step in the right direction.

I congratulate the Prime Minister on these two things, because we discussed them and decided upon them at the Winnipeg convention, and they were included in the programme and the platform of the new party. While yesterday I did not think we were near to converting the Prime Minister on some points, I am glad to see that he has had a change of heart this afternoon.

Mr. MACKENZIE KING: Just a word in reply to what my hon. friend has said. I feel considerably flattered at the extent to which the Winnipeg convention evidently drew upon a treatise which I wrote some years ago upon principles underlying industrial reconstruction.

Mr. HANSON (York-Sunbury): It took you twenty-five years to put them into effect.

Mr. MACKENZIE KING: They have been going into effect bit by bit.

BORDER CROSSING REGULATIONS

ELIMINATION OF PASSPORT REQUIREMENT FOR CANADIANS ENTERING THE UNITED STATES FOR VISITS OF 29 DAYS

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I have an announcement to make to the house which I think hon. members will be pleased to hear. The governments of the United States and Canada have been able to effect an agreement which will make border crossing more convenient. Instead of Canadian citizens or British subjects resident in Canada being obliged to obtain passports in order to cross the border to the United States, after the

fifteenth of this month all that will be required will be a border crossing identification card which will be valid for a year.

I shall give hon. members a statement which is also being made public to-day in Washington. I am giving it to the house now in order that hon. members may have it in the first instance.

The United States and the Canadian governments, with a desire to simplify travel across the border have agreed on changes which will exempt Canadian citizens and British subjects legally resident in Canada from the necessity of obtaining passports for visits of not more than twenty-nine days. Entry to the United States for longer periods and for other groups will continue as at present.

Under the plan which will go into effect on February 15, 1943, a new type of non-immigrant border crossing identification card that does not require passport will be issued free of charge by United States consular officers in Canada and will bear an endorsement by a Canadian immigration officer guaranteeing the readmissibility of the bearer to Canada. This card will be valid for any number of visits during a period of one year from the date of its issue, provided that no one visit shall exceed 29 days. Visitors' visés and non-immigrant border crossing cards already issued will retain their validity until date of expiry and, if desired, may be renewed as in the past so long as the holder possesses a valid passport.

Persons desiring to obtain a border crossing card of the new type must apply in person at an American consular office in Canada carrying three photographs, one and a half inch square, on non-glazed paper, showing full front view without head covering. They should also carry whatever evidence they have available as to birthplace, nationality and the period of their residence in Canada. In the consulate, they will complete an application form in triplicate.

If the application is approved by the consul, he will issue the border crossing card and deliver both application and card to the Canadian immigration officer in the same centre. The applicant will then call at the Canadian office for the endorsation of the crossing card guaranteeing readmission to Canada and will be given the card and one copy of the application form, the latter to be left with the United States immigration authorities at port of entry to the United States.

United States consulates and Canadian immigration offices are established at the following points in Canada:

Halifax, N.S.	Niagara Falls, Ont.
Fredericton, N.B.	Sarnia, Ont.
Saint John, N.B.	Fort William, Ont.
St. Stephen, N.B.	Winnipeg, Man.
Quebec, P.Q.	Regina, Sask.
Montreal, P.Q.	Edmonton, Alta.
Ottawa, Ont.	Calgary, Alta.
Toronto, Ont.	Victoria, B.C.
Hamilton, Ont.	Vancouver, B.C.
Windsor, Ont.	

Under the new system there will be no further necessity of maintaining branch passport offices at Moncton, Windsor and Vancouver. Accordingly, these offices will close on February 15. Applications received after that date will be forwarded to the Passport Office, 38 Bank Street, Ottawa. All subsequent applications for passports from the limited number of persons desiring to visit the United States for periods of more than thirty days or to visit other countries to which it is possible to travel should be addressed to the Passport Office, Ottawa.

Mr. HANSON (York-Sunbury): If I may be permitted, Mr. Speaker, I should like to say that everybody will welcome this reform. I would point out to the Prime Minister that I advocated this step as long ago as the summer of 1940, and now this reform has been accomplished after three years' delay.

Mr. FULFORD: May I ask whether the foreign exchange control board will make regulations in line with these new United States regulations?

Mr. MACKENZIE KING: My hon. friend will have to ask the board.

PRODUCTION AND RESOURCES

PRESS REPORT AS TO SETTING UP IN WASHINGTON OF COMBINED COPPER COMMITTEE

On the orders of the day:

Mr. H. C. GREEN (Vancouver Centre): May I ask the Minister of Munitions and Supply whether he can now answer the question I asked yesterday as to the setting up in Washington of a combined copper committee?

Hon. C. D. HOWE (Minister of Munitions and Supply): My hon. friend was good enough to send across to me the clipping to which he referred. I notice it says that Mr. George MacDonald represents Canada on the committee. Mr. George MacDonald is the representative in Washington of our metals controller. He will be a member of the committee and will draw in such a staff as the requirements of the committee may indicate.

Mr. GREEN: What are the purposes of the committee?

Mr. HOWE: The committee is to inform the combined production and resources board of the copper position, available and potential supplies.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Thursday, February 11, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, my first reaction to the speech from the throne was that it was fortunate that in the debate which would follow on the address members were not limited to the matters appearing in the speech itself. Indeed the speech is almost barren of any constructive proposals. The only mention in it of anything of a constructive nature is the paragraph referring to the reconstituting of the committee which met last year on post-war reconstruction and rehabilitation, and in the paragraph in which a committee on social insurance is announced. It may be said that never was so little said in so many words.

The group with which I sit has always favoured the extension of social insurance. We have been indeed in the forefront in pressing for social insurance when many of those who to-day are so loud in their praise of this action by the government were making it quite clear that they were opposed to what they called hand-outs and doles. Times do change, and men's minds change with the times.

The speech from the throne gives every indication of having been thrown together in a hurry. What the government would have done were it not for the providential appearance of the Beveridge report it is hard to say. That only now in the fourth year of the war, when the need for social insurance and social reconstruction looms so large in people's minds, the government is taking hold of these matters is an indication of its profound reluctance to do anything in this respect. It should be noted that the Beveridge committee was appointed in Great Britain in June, 1941. We are going to appoint a committee perhaps in February, 1943. Should the investigation and the drafting and submission of the report of such a committee in Canada take as long as it took in the United Kingdom, it will be the end of 1944 before we even have a report.

Because of the constitutional jurisdictions of the governments of our country, after the report is made dominion-provincial conferences will have to be called, and after that we may have legislation. These, then, are the matters which have brought forth such paeans of praise from the government supporters.

I have said that while we approve social security measures, hon. members should be careful not to expect too much of social security based solely on social insurance. Sir William Beveridge makes that very clear, if we take the trouble to read his report beyond the first few pages. On almost the first page of his report he says that a revolutionary moment is not the time for patching; it is the time for revolution; but evidently he was referring to the revolutionary change from piecemeal social legislation to a national scheme based on one contribution. At page 163 of his report Sir William Beveridge says:

> Fourth, and most important, income security which is all that can be given by social insurance is so inadequate a provision for human happiness that to put it forward by itself as a sole or principal measure of reconstruction hardly seems worth doing.

I would like hon. members to note that, "hardly seems worth doing." He goes on:

> It should be accompanied by an announced determination to use the powers of the state to whatever extent may prove necessary to ensure for all, not indeed absolute continuity of work, but a reasonable chance of productive employment.

So then, along with any plans we may make for social security based on social insurance we must make provision, social provision, if you like, for employment. Then he goes on:

> Fifth, though it should be within the power of the community to bear the cost of the whole plan for social security, the cost is heavy and, if to the necessary cost waste is added, it may become insupportable. Unemployment, both through increasing expenditure on benefit and through reducing the income to bear those costs, is the worst form of waste.

We have been indulging in the worst form of waste during the last ten or twelve years—at least, for the decade between 1929 and 1939; and unless we take measures not only to put social insurance into effect but to abolish unemployment, we are not going to make very much progress.

I want to say a word with regard to the man-power muddle. It is not a man-power policy, it never was a man-power policy, it is a man-power mess.

I have stated many times before, here and elsewhere, that the main reason for our man-power difficulties is that we have no over-all plan for war. We have not decided yet how many men Canada can afford to put into the

armed forces, to get the best results both for ourselves and for the other members of the united nations. Listening to this debate, I was struck with what must have seemed to many here the unreality of the long debate, or rather debates, in which we indulged in this house last year. We debated conscription on the address, on the plebiscite, and on the amendment to the National Resources Mobilization Act. This group realized what was being done, how the house was being duped about something on which the government never intended to take any action; and very shortly after the house adjourned the government showed quite clearly that it did not intend to do anything, by appointing to a place in the cabinet a man who had voted and spoken against the amendment to the mobilization act.

When the amendment to the mobilization act was before us last year the leader of our group made this statement:

> In our opinion, this house should decide now, at once, without further delay, for total mobilization of industry, of wealth and of man-power. But what are we doing under this bill that we are discussing? We are merely allowing the government once more to postpone its decision on one phase of the mobilization that I have mentioned, and that not the most important.

I think the truth of that statement is clear to everyone to-day.

I do not believe that anything could indicate more clearly the mess we are in with regard to man-power than the fuel situation. My own province of British Columbia is possibly blessed with fuel to a greater extent than any other province of Canada. I am not going to take the time of the house to deal with this matter because it was dealt with fairly well by the hon. member for New Westminster (Mr. Reid) when he spoke the other day. But let me point out that although the people of Vancouver had a terrible experience during two weeks of the coldest weather the Pacific coast has experienced in thirty-three years, our fuel situation had been brought to the attention of the fuel controller as long ago as last June, and it was indicated to him that unless something were done there would be a serious fuel shortage in British Columbia. Yet, as was also pointed out by the hon. member for New Westminster, when the fuel situation reached its worst the saw-mills closed down. The excuse was that they were closing down for their annual overhaul, but one large mill was closed because a certain important operator, having bought it, decided that he had no further use for it. It did not concern him what public need there was for it; and I suppose most people in this house are not concerned either, because that is the essence of private enterprise.

If a situation such as we had this winter is not to recur, two things must be done. First, fuel production must be declared an essential industry—which it is; and, second, at the first sign of shortage, rationing must be imposed and impartially enforced. That is the only way by which equitable distribution can be assured when there is a shortage of any essential commodity.

A word on the government's labour policies. This is not the first occasion upon which I have drawn them to the attention of this house. I wish however to congratulate the leader of the opposition (Mr. Graydon) and his party on their new-found interest in labour.

Mr. HOMUTH: Oh, it is not so "new-found." Don't talk like that.

Mr. MacINNIS: Don't feel hurt.

Mr. HOMUTH: I don't feel hurt. I am just laughing about it.

Mr. MacINNIS: I said "new-found" as indicated in their amendment to the address. This group will vote for the amendment, and we hope that the Progressive Conservatives will vote for our subamendment, to prove that a real change of heart has taken place.

I also listened to the leader of the opposition's criticism of the government's labour policy. It is the first time that the government's labour policies have been criticized effectively from that side of the house since 1940.

Mr. HANSON (York-Sunbury): Thanks.

Mr. MacINNIS: I also listened to the Prime Minister's defence of the Minister of Labour (Mr. Mitchell). It was extremely weak. If anything could be weaker it was the defence which the minister made for himself in this chamber yesterday. The Prime Minister said—I hope I am putting it correctly—that the chief function of the Minister of Labour in the cabinet was to maintain the price stabilization and wage control policies of the government.

Mr. MITCHELL: He did not say that.

Mr. MacINNIS: Well, it was pretty close to that.

Mr. MITCHELL: No, not close. He just did not say that.

Mr. MacINNIS: Very well; we will leave it at that. The modification of my hon. friend will go in the record.

Mr. MITCHELL: It is not a modification.

Mr. MacINNIS: What I want to ask is this: if that is the principal function of a minister of labour, why seek a man who had had experience with organized labour? Why not appoint a banker, or a manufacturer, or, if you like, another lawyer? Another lawyer among the twelve or fifteen already in the cabinet would not make much difference. However, the Prime Minister wanted someone connected with organized labour; he wanted someone in the cabinet in whom organized labour would have confidence. To have confidence in that individual, organized labour would expect that in the cabinet that man would put forward the claims of labour. And it is because the present Minister of Labour, judging by the results, has not put forward the claims of labour, that labour is so much dissatisfied with his work. Unfortunately labour has accepted token representation in the past, and the Prime Minister is satisfied that labour should have token representation. The time, however, has passed when labour will be satisfied with token representation.

The Prime Minister mentioned that he had offered the portfolio of labour to Mr. Tom Moore. I am not going to bring Mr. Tom Moore's name into this any further, but I want to tell the Prime Minister that I am satisfied he could not get anyone in the labour movement who was qualified to fulfil the duties of minister of labour to accept the position. All that would be expected of him would be to act as apologist to the organized labour movement for the government's policy, and no real representative of labour is prepared to do that.

Mr. MITCHELL: That is untrue, and my hon. friend knows it. That is the old soapbox socialism.

Mr. MacINNIS: I said I was not going to bring Mr. Moore's name into this, but Mr. Moore himself told me that was the reason he would not take the position.

Mr. MITCHELL: Let Mr. Moore speak for himself.

Mr. MacINNIS: He was offered the job; he did not accept; you can draw your own conclusions.

Mr. HANSON (York-Sunbury): I think we had better leave Mr. Moore out of this.

Mr. MacINNIS: The trouble with the government's wage ceiling is that the government took power to freeze wages and it froze all the inequalities of wages. To freeze the wages or salary of a person getting $2,000 or $3,000 or $4,000 or $10,000 or $15,000 is one thing, but to freeze the wages of a person getting forty or fifty cents an hour is altogether another thing. When the government took action to put a ceiling on wages it should also have taken action to put a floor under wages, and seen to it that the wages paid were sufficient for a decent standard of living.

Yesterday the Minister of Labour made great play with the cost-of-living bonus. But the large majority of Canadian workers are getting no cost-of-living bonus. The only workers who are getting cost-of-living bonus are those who through their organizations demanded it and got it because they were able to take it. If there is anything in the government's policy that is clear it is that through their labour policy they have demonstrated to labour that the way to get justice is to be strong enough to take it.

I was glad to hear the statement of the Prime Minister to-day in regard to the new board. My understanding is that the changes were proposed by the new chairman. I go as far as to say that I congratulate the government upon having been able to secure Mr. Justice McTague as chairman of the board. I had occasion to criticize him in this house, not for anything he had said or done in connection with any dispute he had had anything to do with, because my recollection is that he has shown much enlightenment in his observations in regard to the position of labour in our economic set-up. I wish the reorganized board in its new setting every success. But I want to make this clear, that since the war began, or at least since the government's wage policy has been put into effect, boards have lost their meaning. Boards have no authority; they are in the same position as the Minister of Labour—they are supposed to maintain the government's price and wage stabilization policy.

Mr. MITCHELL: The hon. member is not suggesting that the government dictates policy to the board?

Mr. MacINNIS: I will tell my hon. friend in good time what I suggest—and I will not merely suggest it; I will make a clear statement of fact. It is clear from the findings of boards that they do not discuss whether a wage rate is too high or too low. What they consider is whether section so-and-so of such-and-such an order in council will allow them to make a finding that would increase the wage rate. That is what they do. The chairman of the board that heard the steel dispute, Mr. Barlow, now Mr. Justice Barlow, was a member of a royal commission appointed by the former minister of labour to investigate the shipyard wages in the provinces of Ontario and Quebec. That board

made a finding, but when the finding was placed before the present Minister of Labour he reduced it under an order in council by about five cents an hour.

Mr. MITCHELL: We reduced some of the findings and increased others.

Mr. MacINNIS: I do not think any were increased. This is a new way of legislating; a royal commission is appointed and when its unanimous report is received, the Minister of Labour by order in council reduces the wages recommended and puts a clause in it that all wages not covered by the order in council shall be set at rates which the minister may consider fair and reasonable. This is dictatorship with a vengeance.

Mr. MITCHELL: My hon. friend has not explained the circumstances of the order in council.

Mr. MacINNIS: The minister mentioned in his speech that attempts to regulate or control wages were made as far back as June, 1940, and quite definitely in December, 1940, by order in council P.C. 7440. I drew the attention of this house at that time to the result of that order in council in the Peck Rolling Mills dispute. Here was a group of employees fifty per cent of whom were getting thirty-two cents an hour. The board that investigated the dispute did not say the wages were too low; they said that because of the wording of P.C. 7440 they were bound to find that the rates were fair and reasonable. That is all that boards can do to-day. There is nothing else left for them to do.

The attitude of this government towards organized labour can be measured by the government's policy towards organized labour in government-owned industry. In June, 1940, the government passed order in council P.C. 2685 approving of collective bargaining as the proper method of settling labour disputes. But from that time until the end of 1942 the government refused to recognize organized labour in industries that it owns and controls. It was only in December of 1942 that the government passed an order in council making it possible for the government to recognize organized labour in the industries it owned, and to enter into collective agreements with those organizations. I do not know why the order in council was necessary; I believe the government could have done it without an order in council; however, that was done. And the government did that only when it was faced with a cessation of work in one of its plants.

Mr. MITCHELL: That is not true.

Mr. MacINNIS: I am telling my hon. friend that is absolutely true.

Mr. MITCHELL: It is not true, and my hon. friend knows it.

Mr. MacINNIS: Mr. Speaker, I must ask the Minister of Labour to withdraw that remark.

Mr. MITCHELL: I know whereof I speak.

Mr. SPEAKER: The minister must withdraw his statement.

Mr. MITCHELL: Mr. Speaker, the inference to be taken from what the hon. member has said is that an order in council was passed—

Mr. COLDWELL: Mr. Speaker—

Mr. HANSON (York-Sunbury): He is entitled to make an explanation.

Mr. COLDWELL: He is not entitled to make a speech.

Mr. SPEAKER: The minister has intimated that the statement made by the hon. member for Vancouver East is false, and that cannot be allowed. It must be withdrawn.

Mr. MITCHELL: Very well; I withdraw.

Mr. MacINNIS: I am satisfied that there is sufficient ground for all the criticism that has been levelled at the Minister of Labour.

I have said before, and I want to say again in all earnestness, that it is most important, particularly at this time, that parliament and the country should realize how essential it is that labour should be organized, and that organized labour should be accepted as a full partner in everything that pertains to the great struggle in which we are now engaged. That labour should be accepted as a partner is not only important in winning the war; it is also important so that labour may gain the experience and understanding which will enable it to take a constructive part in solving the problems which will confront us when this war is over.

There is another matter to which I wish to refer, and while it involves the Department of Labour I am very happy to say that I have nothing but commendation for the actions of the minister in regard to it. I wish to refer briefly to matters arising out of the evacuation from the Pacific coast defence area of persons of Japanese origin. Among those removed from that area were nearly eight thousand children from one to sixteen years of age, of whom possibly 5,500 would be of school age. In the province of British Columbia we have a compulsory school attendance act, but since these people

have been moved from the coast area no attempt has been made to make provision for the education of the children. At the opening of the British Columbia legislature this month the provincial minister of education gave notice that he was introducing a bill to enable municipalities to refuse to extend educational facilities to any child born of Japanese parents.

Mr. HOMUTH: Some of them were too well educated before.

Mr. MacINNIS: That is what my hon. friend thinks. I know of people who are not well enough educated, and I could mention names.

Mr. HOMUTH: So do I, and not very far away.

Mr. MacINNIS: I brought this matter to the attention of the Minister of Labour and I think of his deputy minister, urging him to make provision for the education of these children; for if there is anything to indicate that there is racial prejudice and discrimination, it is a refusal to give these innocent children the benefits of our educational system.

Mr. MITCHELL: If my hon. friend will excuse me, this is more or less an international question. I have no objection to anything he may say about the Department of Labour on a national basis; I am quite ready to take care of myself, but I do not think he is altogether correct in what he has just said. Facilities have been provided. It is quite true that they may not be quite up to the mark at the moment, but facilities have been provided for educating those children of Japanese origin in the province of British Columbia.

Mr. MacINNIS: Maybe the minister is doing the best he can under the circumstances, but the fact of the matter is that these children are being denied proper educational facilities. I should like to quote a paragraph from an editorial in the Vancouver *Province* in connection with this matter. The province of British Columbia takes the position that this is a responsibility of the federal government. I agree that in regard to children moved en masse the financial responsibility at least rests with the federal government. The editorial states:

> This is a reasonable position but it is still difficult to understand why Mr. Perry, the provincial minister of education, should resort to such sweeping measures as that of outlawing the Japanese children from our public schools, for that certainly is what it would be to enact the proposed amendment. . . .

[Mr. MacInnis.]

> If Japanese born here are to be permitted to stay here, they should have the protection of Canadian law without any such harsh discrimination against them and certainly they should have that protection now, while they are here.

We have heard a great deal about Hitler's Nuremburg decrees. We must be careful that we do not pass Nuremburg decrees of our own.

Mr. NEILL: May I ask the hon. member a question?

Mr. MacINNIS: I hope Your Honour is taking note of these interruptions.

Mr. NEILL: Can the hon. gentleman tell us how many white children in British Columbia are not being educated because of a lack of teachers? Let him tell us a sob story about that.

Mr. MacINNIS: That is an altogether different matter, and something we should look after; but no white children are being deprived by law of education in this country. There are quite a number of anomalies we should try to overcome, but I am dealing now with a matter of definite discrimination because of race.

In the very few minutes left at my disposal I wish to refer to some statements made by the hon. member for Swift Current (Mr. Graham) in the course of his speech a few evenings ago. He attacked this group for advocating a planned economy. That, of course, is his right; but in drawing attention to his knowledge of planned economy he referred only to the results in Germany and Italy, which he said were not good. When a person thinks he is qualified to speak on planned economy, surely his knowledge extends farther than Germany and Italy. I wonder if my hon. friend, in all his reading, has heard of the greatest planned economy experiment in history. If he has heard of it, then why did he not refer to it? Possibly it would not suit his purpose. Lawyers are that way; they leave out all the evidence which is favourable to the other side, and bring in all that is unfavourable.

But this group is not advocating the kind of planned economy they had in Germany or Italy, or indeed the kind they have in Soviet Russia. We have made that clear on many occasions. Neither Hitler nor Mussolini abolished the profit motive in his country; and it is because they did not abolish that profit motive that they have had the support of the capitalists in every country of the world—including this one.

Mr. HOMUTH: Where is this perfect country?

Mr. MacINNIS: I did not mention any perfect country, but I did mention a country where they had put planned economy into effect. And if the hon. member has ever heard of a city named Stalingrad he may understand something of the results of that planned economy.

Mr. HOMUTH: And are we going to adopt the Russian idea?

Mr. MacINNIS: If my hon. friend has anything to say about Russia, he can make his own speech.

The hon. member for Swift Current attacked certain proposals by the leader of this group, in which it was advocated that the government should appropriate five billions of dollars for expenditures in the first two years after the war. The impression he tried to leave was that the hon. member for Rosetown-Biggar (Mr. Coldwell) was asking for the expenditure of this money without reference to parliament, or on the sole recommendation of a committee. That is not what my leader said at all. He made it clear that any recommendations would be made to parliament, and that parliament would act upon them. At page 57 of *Hansard,* the hon. member for Rosetown-Biggar is reported as follows:

> We have found billions annually for the destructive, wasteful and yet very necessary purposes of war. We must assure our people that we can and will find billions annually for the constructive, life-giving and equally necessary purpose of the peaceful development of our land.

He went on to recommend the appointment of a representative committee. But these are the words to which I wish to draw the attention of the house:

> . . . the definite commitment by this parliament that Canada is prepared to accept from that body a programme of national social economic development upon which this parliament will spend—

Note the words "this parliament".

> —in cooperation with the provincial authorities —and I mean that this parliament will appropriate the sum of money—an amount, let us say, of not less than five billion dollars in the first two years after the cessation of hostilities.

An hon. MEMBER: Where will they get that from?

Mr. MacINNIS: Where they are getting it now. It continues:

> With that national appropriation in sight the exploration of appropriate domestic policies could proceed with reality, and the boys now fighting our war would have an assurance that we were in earnest regarding expressions of faith in a new and better world.

Mr. SPEAKER: The hon. member's time has expired.

Mr. MacINNIS: One further word: Everything the hon. member for Rosetown-Biggar has said indicates that parliament would decide how and when this money was to be expended.

Mr. RALPH MAYBANK (Winnipeg South-Centre): Mr. Speaker, I believe there is only one subject concerning which I should like to make a few remarks, and such as I may say will be for the benefit of the Minister of Finance (Mr. Ilsley) who is at present, I imagine, engaged in making up his budget. It is my hope that in that budget he will take account of the position of the poor people, the aged ones, who, as a result of the action of a former Liberal government, are receiving old age pensions. It is my hope that the minister will increase that pension as an earnest of the social security which is foreshadowed in the speech from the throne.

At a time like this there are many matters upon which one might desire to speak. We are impelled very often to discuss controllers, and to try to evaluate them and classify them as good controllers; sometimes good, or always bad. We feel we ought to discuss whether we should have a food controller, how control should be applied, and all that sort of thing. All these subjects might well form the subject matter of a speech, but it is my intention this afternoon to hold myself to one subject only; although that one is, in my judgment, a most important one.

Before adverting to that theme, however, may I make a few observations arising from the speech of the hon. member who has just taken his seat. I say at once that in contrast with some of the other members of his party, the hon. member for Vancouver East (Mr. MacInnis) is always somewhat refreshing when he speaks, because he never denies or seeks to evade the issue of state socialism. He does not wrap up his ideas in a great many circumlocutions and wordy evasions designed to hide from the public, and more particularly the private owners of farms in Saskatchewan, the fact that his party, bearing a name consisting of initials, is indeed an organization committed to the principles of state socialism. I want to commend the frankness of the hon. member in this respect.

Since the subject of critics is in my mind, I must say it is my belief that I am constitutionally a critic almost all the time. Perhaps I do differ from some other critics in that I rarely wrap up that which I have to say in words which would be difficult to understand or capable of fourteen or fifteen different

meanings afterward. I believe it would be fair to say also with respect to myself that although I sometimes exhibit feeling, I try to be constructively critical. I am often in agreement with criticisms I hear from the colleagues of the hon. member for Vancouver East.

Probably my state of mind arises from the fact that by reason of past history I have nearly always been one of a minority. I am told I had a grandfather; I am told that my said grandfather was born in a county named Wexford; and I am told that that county was a Catholic county. My information further is that this grandfather insisted upon being a Protestant, apparently to enjoy being among the minority. I am told further that the Protestants in that community organized themselves under the banner of the Orangemen.

Mr. REID: What size of shillelagh did he carry?

Mr. MAYBANK: I have not been told about that; but whatever he carried I am confident it would be different from that carried by anybody else, because that would give further opportunity of being in the minority. As I say, the Protestants of Wexford organized themselves as Orangemen. But again, in order to stay in the minority, this grandfather refused to be one of the Orangemen. I think that tendency to insist upon being in the minority has been passed down to his grandson and accounts for my being often a critic.

Indeed there are times when those critics to whom I have referred are in consonance with me; but not in all respects, for I wish to say to them immediately that I think it would be better if they, this organization of critics, would begin to strive, not merely to acquire but to exhibit intellectual honesty. I think their lack in that regard is the great defect of this society of critics at the far end of the house. They are an organization of, shall we say, state socialists, statists, or whatever expression one wishes to use. They are an organization that proposes to cure the ills of the world by means of the government assuming ownership of everything. It is not often they will express that view, but when one goes to their documents and carefully construes them, it can be discovered. Such was not the situation in Jim Woodsworth's day. He was too frank, too ruggedly honest to try to shy away from the position which he had quite properly taken in the first instance. He always admitted that what they were out to do was to acquire everything collectively and effect whatever measure of improvement could be brought about in that way.

[Mr. Maybank.]

But to-day, with the exception of the hon. member for Vancouver East, as I have indicated, this little group of organized critics never says a word about socialism if they can avoid doing so. They attack the Minister of Labour (Mr. Mitchell), and sometimes I do not blame them; they attack the Minister of Finance (Mr. Ilsley), and sometimes I do not blame them. They may have quarrels with the Minister of Justice (Mr. St. Laurent), and they may attack him at times. I may also quarrel with him, although always in a friendly way. It may be that before long I shall be joining them in connection with some of the proposals that come up. But while they inveigh against many things, never, never, can one get this group of critics to tell anything about what they favour. They soft-pedal their socialism.

For example, let us take their amendment, the Cooperative Commonwealth Federation amendment and let us analyse it in order to see what they have proposed. I think it will be seen that it is state socialism in its nature. The amendment reads:

> And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service.

That is a lovely bundle of words under which to hide when it is desirable to hide. Lack of clarity is what is intended—what they advocate is expropriation of wealth, expropriation of industry, expropriation of finance and so forth. While such is the meaning of the amendment, you can explain that any way you like according to the particular hustings upon which you happen to be. That, I submit, is not intellectual honesty.

Now, Mr. Speaker, there is nothing wrong with being a socialist. It has become respectable in recent years, and these gentlemen should remind themselves constantly that it is no longer not respectable to be a socialist. Why in the world a person who is a socialist wants to hide the fact and go through life with a cloak up in front of his face is something I cannot understand. The aim of many of us who are not socialists, pretty well the most of us, is very similar, in fact nearly identical with the aim of the socialist.

An hon. MEMBER: Why do you hide it?

Mr. MAYBANK: I hide nothing. There is no hiding about it. I say quite frankly that I am not a socialist. I believe that much can be obtained by reform. I know it comes slowly, but there is no doubt as to where I stand.

Mr. MacINNIS: How much reform?

Mr. MAYBANK: The greatest happiness for the maximum number of people is our aim. But on the point of respectability the position of the reformer is no more respectable than is the position of the socialist. These gentlemen are still worried about being thought not respectable; either that, or they are worried about some people on the plains of Saskatchewan who still own farms, not being willing to accept state socialism.

I am reminded of some advice which I heard that a father gave his son. He said that the son's first aim in life should be "to get on"; the second aim for him should be "to get honour"; and the third aim should be "to get honest." I submit that to be good advice for this group of critics. They have got "on" to a certain extent in the world. Socialism no longer being under the stigma of being unrespectable it may be said they have reached the comparative stage; they have got "honour". What is necessary for them is that they get "honest". They lack intellectual honesty and it would be good if they could develop that.

After all what would you think of a Catholic who got in among a crowd of Protestants and then attempted to hide the cross that dangled from his watch-chain; and generally to cover up the fact that he was a Catholic; and when any question arose about it, to slink away until he was absolutely cornered into admitting that he was a Catholic? Or what would you think about a Protestant who went to a celebration on the 17th of March, but when he heard anything said about Protestants he would act like Saint Peter prior to the third crowing of the cock and would deny that he was a Protestant? There is nothing more reprehensible than that kind of evasion. I submit to this group of critics that it is unworthy of them; it is unworthy of any group of Canadians who desire to have any influence upon Canadian life. I say to the rest of them that they would do well to emulate the frankness and honesty of their late leader, Jim Woodsworth, and his son-in-law, the hon. member for Vancouver East, who has just spoken.

This is not my main purpose in speaking to-day, but as I said there is a number of subjects that are intriguing. One is the "Prog-Cons" party which has lately been the subject of comment. The Conservatives came to my city and had a wonderful time, but unfortunately I was not there. For a time the public of Canada has been under the impression that they chose a leader in Winnipeg, but it now develops that what they did was to choose a kind of travelling organizer who will pose as a leader. They needed an organizer because the one they had was too busy following affairs in this house to carry on his other business. He is doing much better now as house leader. All and sundry should take notice of the fact that this new party has been perfectly frank in throwing off its mask of non-partisanship and has come right out into the field of partisanship. The party has no leader although it had a convention, but while it has no leader in the country, at least it has an organizer. This organizer should come in here and be a leader, I suppose, but as the *Journal* of this city has said, Mr. Bracken has decided to "by-pass" parliament. No doubt that is his method of showing respect for the institutions of this country, the institution of parliament. Such form of leadership is an intriguing subject which might be followed a little further; and also the manner of the nomination being sought and accepted; the seeking after Mr. Bracken, and all that sort of thing. But for the moment I shall pass that up.

I wish to present views which I hope will get to the proper advisers of his excellency with respect to one reform, and one reform only, which can be instituted now, without delay; a reform which will bring happiness to a large number of people now, immediately, and not merely at some time in the future. Let me preface my remarks with this observation. I think that since the war started this is the most hopeful of session openings. The throne speech this year offers more hope than any for some years. It is remarkable, you know, how much pleasure is obtained in life through hope. So that many of our pleasures are anticipatory. A great many of us, I have no doubt, are every day anticipating pleasures, and the very anticipation is pleasant. Sometimes the pleasures anticipated do not come about, but even then we have had the fun of thinking about them. There is a great deal of anticipatory pleasure to be obtained by reading the speech from the throne and visualizing all that will be done. In this case, of course, the pleasures, anticipatory to-day, will all come to be realized.

That part of the speech which deals with state medicine or some form of medical assistance by the state—I do not care what name is used for it—is one of the important parts of the government's programme. I should like to pause long enough to say that the father of this ameliorative legislation in Canada is a man from my own province. I believe that the first time this question was carefully presented to this house was when it was done by the then member for St. Boniface, and the present member for St.

Boniface (Mr. Howden). It just so happens that during the last week I have had four or five letters from friends, four of whom were men and one was a woman, people whom I did not know but who knew him and who all remarked on the value of his work, and now I take pleasure in drawing to the attention of the house that the commencement of this reform in Canada is very largely as a result of the work of the present member for St. Boniface. I am very glad that he is not in his place at the present moment. As a matter of fact, I know him so well and he knows me so well that I probably would not be saying this if he were, and when he reads it in *Hansard* he probably will not believe I said it. My regard for him is such that it is a pleasure to speak these just words of testimony to him and his pioneering in this field.

Another reform which I am very glad to see coming in is pensions for widows of veterans. I can see all the difficulties that lay in the way of this reform coming in sooner; but I have felt the delay. I welcome this reform particularly at this time. I assume the pension will follow somewhat the course of the burnt-out soldier's pension which in its nature is an old age pension. I imagine that under all the circumstances that is about the best type of legislation of this sort that we could have at this time. I know hundreds of cases of widows who certainly should be getting that pension, whose husbands certainly died by reason of war disabilities or war strain, although their disabilities could not be definitely tied up as attributable to the war. Many and many a woman in Canada to-day has become a widow much sooner than would have been the case had her husband not suffered from the strain of war. This is legislation that we can certainly welcome, which I am sure all Canada will welcome, and for which this government will have due thanks and great reward.

There is a very great present value—not future value—in all these social security measures and preparations. As an illustration of this value let me say I have read in numerous journals of the important effect upon the psychology of the axis peoples of such a report as the Beveridge report. You see, the democracies are held up all over the axis dominated countries as bloated plutocracies. We have no great access to the people under the German heel, and propaganda goes out steadily that with a victory by the axis a new order is possible which will be sort of new heaven and new earth, a brave new world, but that with a victory for the bloated plutocracies, miscalled democracies, there is no hope of change. Therefore journalists are almost unanimous in saying that there is a real psychological value in what I might term, to coin a word, "Beveridgism" now, in these very days.

There is a great value, too, in our own country right at the present time. We are concerned here, above all else, in maintaining the morale of our people. As long as the morale of Anglo-Saxondom does not crack, there is no question about the result of our efforts. That has always been clear; and, of course, there never has been any danger of the morale of Anglo-Saxondom cracking. One of the ways of keeping up our morale is to let our people understand that although we are down in the valley to-day it is absolutely certain, as Lloyd George said some years ago, that we shall again see the sunlight on the hills, and stronger, more beneficent sunlight than before. Accordingly I say that for the purpose of maintaining morale the institution of social security legislation is of the highest importance.

To follow that up for a moment, let me quote from a bank letter which came to me, giving a description of the Beveridge report. This is how it is described:

> Quoting social surveys as authority, the report states that from three-quarters to five-sixths of all want results from interruption or loss of earning power, due to such emergencies and vicissitudes as unemployment, sickness, and old age. Practically all of the remaining want is due to income being too small in relation to size of the family. The Beveridge plan aims to provide benefits and allowances adequate to maintain at least a subsistence standard of living under such conditions.

That is the bank's description of what I believe we propose to see instituted in this country. With such information abroad in Germany as to the sort of thing that Britain is now doing, I wonder how Doctor Goebbels can explain to his people that under the regime of the bloated plutocracies, as he would call them, or as they are more properly called, the decent democracies, far-reaching changes are impossible. When they come to know about a Beveridge report in Britain and other social security plans in other countries, the people of the axis countries will realize the untruthfulness of all that has been told them. Therefore the present value of social security plans, both here in Canada because of morale, and abroad because it breaks down lying propaganda, can be appreciated.

We are referring the subject of social security to a committee. It will go to the committee; the question will be well considered; there is a wealth of material for it; and the result of the deliberations of that committee, indeed the mere fact of its being appointed,

will be enheartening to all Canada. But what I wish to urge to-day as a practical measure is that justice in respect of old age pensions should be done now, without waiting for any committee. There is a great deal of study necessary of a subject like health insurance; its ramifications are very great, particularly in a federal country such as ours. Contributory systems in respect of a general plan of old age pensions warrant a great deal of study, and there is sound reason for its reference to a committee. Similarly with other social service measures. There are constitutional as well as financial problems involved; in fact I believe the constitutional problems may be the greater. But as to the justice of increasing the old age pension and lowering the age at which it may be paid there can be no question whatever and no need of further study; now is the appointed time to institute that reform. The need is, of course, great. The measure under which old age pensions have been paid was introduced in 1926. I do not know the exact year when the first agreement with a province was made. I suppose it was a year or two after the bill was passed. My recollection is that British Columbia was the first.

Mr. REID: Right.

Mr. MAYBANK: I thank my hon. friend—and that Manitoba was the second to take advantage of the new act, though I may be wrong about that; evidently I am not wrong in regard to British Columbia.

Well, I was saying that the need is very great. Now, to be quite honest about it, if one looks at the index of wholesale prices from 1926 onward it will be seen that there has been nothing in the nature of a price rise. Perhaps wholesale prices for foods are not an accurate or sufficient guide to determine the cost of living. I think it will be agreed that they are a pretty fair indication of price tendencies over a period of time, although at any given time they will not be an exact measure of the cost of living. I glance at the latest publication which comes to me from the Bank of Canada, and I note under the heading of "wholesale prices" that in 1926, when the Old Age Pensions Act came into force, food prices stood at the index figure of 100, and that it so remained until 1929. And now I let my eyes travel down the page to the end of 1942. In that year the index figure is not any higher; in fact it is a couple of points lower, namely 98·3. So that there is a fair case to be made out, if one looks only at that much, for the proposition that living costs have not increased over the period since the act came into force. However, I think one should look at the period in between in order to get a proper picture of the situation. During most of the period from 1926 onward, prices which made up the chief living costs to old age pensioners were very much lower than they are to-day. It is true that prior to 1929 there was no change, but thereafter the change downward was very rapid. In 1937, for instance, the figure is 81; and 77 is the index figure of the next year. The lowest point appears to have been reached in 1932, when it was 61·5. In other words, in 1932 the old age pensioner could buy for 61 cents what to-day costs him 98 cents. Over most of the period during which old age pensions have been paid, living costs have undoubtedly been very much less than they are now.

I have referred only to foods, for the reason that a man or woman receiving only twenty dollars a month spends almost all of it on food; indeed very little money can be allowed for anything else. When one estimates living costs for people on such an extremely small income, one should think principally of food.

Mr. REID: And the majority have not twenty dollars a month.

Mr. MAYBANK: That is true. A considerable number do not receive so much; but I believe in the generality of cases where the pension is less, it is so because they have some small income from some other source. In other words, the fact of having some small income is what usually reduces the pension allowance below twenty dollars. It is not always so, but it happens very often. At any rate we can be sure of this, that whether a person's pension is $14 a month because he has another income, or whether it is $20 a month because he has not another income, no old age pensioner has very much, and none has as much as he should have in these difficult times.

There is another reason why these people are in difficulties to-day. Some of them have relied upon and have received help from sons or daughters or other members of the family. But as every person knows, under the difficulties which everyone is experiencing to-day, people who have been accustomed to support others are less able to do so to-day than they were some years ago. It is not an answer to that statement to say that wages were never higher than they are now. True, the totality of income was never so great, but the Minister of Finance quite properly exacts a very great part of the increased income. In fact there are very many young married people to-day whose income as they write it down in the first instance is fairly large and

apparently adequate for their various responsibilities, but by the time they have taken care of the income tax man they are not as well off as they were a few years ago. This source of support for the older people of the country has therefore declined very much during the past two or three years.

If this country is to keep in line with other progressive nations we must increase old age pensions now, not two or three or five years from now. Pretty nearly every other country is giving attention, even while the war is on, to urgent measures of social security.

The United States situation is not as clear as that of some others on account of the federal system and there being possibly a number of state or semi-state plans. But take a look at the situation in England. After all, Sir William Beveridge is not propounding something which is new there. They have carried on all manner of public benefit schemes for many years. All things considered, their old age pension plans have been greatly superior to our own, and they have improved them during the war.

By the way, it might even be said that we pay a part of that English pension. It is an odd thing that we who cannot give justice to our own old people can help Britain to give justice to her own old people. That is what we are doing. We have lent Great Britain many millions of dollars, and we say, "Do not worry about the interest until some time in the future." We have made a direct gift of a billion dollars to Britain, and Britain has in part used that money for maintaining her social security structure. I am not complaining; I am not objecting that we gave the billion dollars; that was the right thing to do; give everything to win this war; nevertheless it is true that we are doing something for another country which we are not doing for our own people.

Should we be in line with Australia? I observe that they expand their social services even during the war. I receive the monthly letter of the Bank of New South Wales; it is always interesting, although it arrives late, to get some information from that far distant country. I observe this statement under the heading of "public finance":

> In the last two years the feature dominating the financial structure has been the size of government expenditure. During 1941-42 for instance, war expenditure in Australia amounted to £273 m., while expenditure overseas, excluding lend-lease, reached £47 m. Thus last financial year £320 m. was spent on the war. This sum was £98 m. greater than the budget estimate, the rapid growth arising largely out of Japanese aggression. Expenditure for non-war purposes in the last financial year increased to £101 m. as a result of higher widows' and old age pensions, and an increase on account of the full year's operation of the child endowment scheme.

It will be seen there is an increase in widows' pensions; there is an increase in the child endowment scheme.

I am not proposing that anything that requires great study should be immediately instituted. But here we have in Australia an increase in old age pensions, and all I am advocating now is an increase in old age pensions, something which does not require any study at all.

We might go a step further. There is a great deal in New Zealand in the way of social security legislation. I would not advocate following New Zealand in every respect; if I understand their position correctly, it seems clear that New Zealand up to date has instituted many social security schemes but is not currently paying for them. New Zealand is apparently borrowing a great deal of money outside its boundaries, and I would not advocate that. But we are not in that position. We are in the position of giving and lending money to Great Britain; Great Britain is lending it to New Zealand, and New Zealand is keeping up her social security schemes with it.

It has been well said that charity begins at home, and no person will deny that. But I am not talking about charity; I am talking about justice; and if it be true that charity begins at home, then with much stronger reason I can assert that justice begins at home. It is for us to institute this proper reform here and now before we institute or assist in the institution of social security schemes in any other country, no matter how good these countries may be and how much we should like to assist them.

Mr. SPEAKER: I have to inform the hon. member that his time has expired.

Mr. MAYBANK: May I request the indulgence of the house for just a few minutes?

Some hon. MEMBERS: Go on.

Mr. MAYBANK: I wish to add only that it seems to me that in a democracy governments should be responsive to public opinion. I would not advocate that government should answer to every wind and every cross-wind that blows, but it is the essence of democracy that government should be responsive to steady and uniform public opinion. I submit that public opinion with respect to this matter is steady and uniform in support of the proposal I have made this afternoon. I am sure all hon. members know that there have been

circulated practically everywhere in Canada petitions in favour of a reform such as I have advocated. They have been widely signed. As far as Winnipeg is concerned I do not think there was a church or institution of any kind but had these petitions there and people never walked by without signing them, unless of course they had signed before. People did not pass them up; they were largely signed.

Then if we look at the press, it is I believe uniformly in favour of this reform and in favour of it at this time; not at some future time; but right now. To be in line with public opinion as reflected in the press it appears to me that it is the government's duty to improve the lot of these pensioners now. Listen to or read the words that come from various pulpits all over Canada; preachers and priests have inveighed against the treatment that the old-age pensioners have been getting, and have advocated an improvement in that regard.

I would not have anyone think that we are treating our aged people as the Eskimos treat theirs, where they keep them as long as they have teeth for the purpose of chewing moccasins to keep them soft, and when finally they have no teeth left, they are driven out into the cold as being no longer of any use to the tribe. But we are not doing that which we should do and which we can do. It is true to say at least that "chill penury" does repress the "noble rage" of our people, to borrow words from a poet. Life is dull and drab and mean for these people. It is not in our favour; it is not something of which we should be proud, that in this day when this reform is so badly needed we hold it back for reference to any committee or for any other purpose. The time when we should do justice to our elderly people in our own country is now, without reference to any committee whatsoever.

I thank you, sir, and the house for the indulgence granted me.

Hon. GROTE STIRLING (Yale): Mr. Speaker, I gladly subscribe to the expressions of congratulation which have been extended by most of the hon. members who have preceded me to those two honourable and gallant members of this house, to use the phraseology of Westminster, who were chosen by the government to move and second the motion for an address in reply to the speech from the throne. When they made their speeches they wore the king's uniform, and I think it is true that in choosing those two hon. members for the task the government paid a tribute to the fighting services of which they are members, and also did honour to the two hon. members themselves. I listened with unusual attention to what they said, because it appears to me that such men must of necessity have their sayings brightened by the breadth of their experience, they having offered themselves in this struggle on our behalf; and I feel sure that the whole house will wish them great success in what lies ahead.

Since the house last met, the party to which I belong has held a most important convention. It received the resignation of a leader; it chose his successor; it added a word to the name of the party, and it brought the policy of the party up to date in conformity with the trend of public opinion throughout the world. It is not unusual that the Conservative party should thus review its policy from time to time, because a study of history will, I think, show all people with open minds that in the past it has been the Conservative party that has marched along the road of progress in this country. In choosing our new leader we have selected a man who has not been closely associated in the past with any political party. He is a man of vision, a man not given to phraseology or to evasion. What he says he means; what he means he says, and I believe he is understood by the common people. Perhaps he subscribes to the view which I have held for a considerable time with regard to partisanship. Under our democratic system of government a political party is a most valuable instrument, and as long as it is used as an instrument and kept in the position of a servant it is not only useful but almost a necessity in our form of government. But it must never become the master, for if it does it has a sway which is so dominating that it has an evil effect upon the policies adopted by the party. It will not be at all difficult for me to give allegiance to our new leader, and I note with considerable interest the acclaim with which his choice has been received throughout Canada among those who subscribe to the party to which I belong.

The amendment which we of the official opposition have drawn to the attention of the house is threefold. It deals with man-power, with the policy in regard to labour, and with agriculture. We maintain that criticism is due the government on account of the lack of success attending their efforts in these three directions. Labour is the thread that runs through all three, and we certainly have not arrived at that degree of success which we had anticipated after the national selective service scheme was put into operation. There is in this country a given quantity of labour available for the many purposes to which it must

be put. But under national selective service labour has not found its way under proper allocation into these various channels. In the part of British Columbia from which I come the principal interest is agriculture in its most varied forms, and there is also mining. Along with both these industries, however, are the various secondary industries which attach themselves to any main industry; and in all these walks of life we have been looking on during a period of considerable difficulty as a result of lack of labour. It is common to all parts of Canada. It is a difficulty which must be foreseen and which has been foreseen, and it is a difficulty which must be met. In the first place it must be met by the ingenuity of those who are concerned in the industries using that labour, but over and above that, after they have used all the ingenuity within their power, there must be direction at the top or there will be failure.

With regard to matters other than the particular industries involved in this question, I should imagine that right across Canada, and certainly in British Columbia, a very grave difficulty exists at the present time in connection with the matter of fuel. The supply of coal has been intermittent. Coal, however, is not the principal fuel used by those whom I represent. They use wood in various forms, whether in cord-wood or in sawdust; and because during the past year or two those who customarily put in their winter cutting wood and storing it for future use have not been available for this work, such stores of fuel have become used up. Unfortunately, during the bitter weather we had recently, our people had to warm themselves and to cook with green lumber; and hon. members who have attempted to cook with green lumber will know the difficulties which have been experienced in almost every home in British Columbia. The situation is bad enough in the rural areas, but in the cities it has reached the point of endangering life. I do not suggest that this is a matter with regard to which the dominion government can just step in and provide a remedy, but what I do suggest is that the fuel administrator must go far more deeply into this question of the people's fuel in order that plans may be evolved which will overcome the difficulty; for we must not forget that if we have completely run out of dry fuel, next winter must be planned for long before next winter arrives.

I should like to draw to the attention of the house two matters, both either directly or indirectly concerning labour. In the south of the constituency of Yale and along the United States border is the country in which Doukhobors live, and they run over into the neighbouring riding of Kootenay West. As this house well knows, they have been a constant source of difficulty to governments in Canada. When the registration measure of 1940 was instituted, Doukhobors, of course, were subservient to it, as were all of us. Some of the Doukhobors filled in the necessary forms, while others did not. Those who did not were not permitted, under the terms of the registration, to hire themselves out for work, nor might anyone employ such unregistered persons. Throughout that southern country, however, where a great deal of lumbering is carried on, and where the contracts undertaken by the lumber operators have largely been government orders, there has been a considerable shortage of labour. There has been a tendency for the lumber mills to employ unregistered Doukhobors. This applies not only to the lumber mills, but to other industries including the section gangs of the transportation companies.

Obviously the law has not been enforced with regard to these unregistered Doukhobors, with the natural consequence that Canadian residents in those parts look upon this as unfair treatment of them and their sons. As a result of the registration their sons are called up; they go to training camps and carry out the duties of young Canadians. But the Doukhobors do not. Ever since their ancestors arrived in 1898, they have been treated differently. Although they have not been placed in training camps, they have not been used in any other work. This is resented all through the country in which the Doukhobors live.

Last summer I was speaking about the matter to a police officer, and he said, "Look at the position in which we are placed. If we go out and demand registration cards, taking action if they are not produced, we are informed by our senior officers that it would be advisable not to be too stiff. If we do not take action, then the public will say, 'You are not putting the Doukhobors under the penalties of the registration regulations, but you are bringing the same penalties to bear upon us and our sons'." Is it any wonder that strong resentment exists in that part of the country?

Late last summer I paid a visit to Grand Forks, and heard resentment expressed wherever I went. I wrote the Minister of Labour (Mr. Mitchell) a letter describing what I had found and, on the basis of the statements of people I had met, I made the suggestion that the minister send an official of his department through that southern

country to investigate on the minister's behalf, to hear what the inhabitants had to say, and to listen to any suggestions which responsible citizens who have been experiencing this trouble for a long time might make. I suggested that in that way the minister could inform himself at first hand from his official, and that a possible solution of the difficulty might be worked out. The minister was good enough to accept my suggestion and to say that such an official would be sent in. I wanted, not a commission, but rather a departmental official who could move around among the people, see conditions for himself, and listen to any suggestions.

We cannot go on year after year looking upon this Doukhobor question as something which cannot be solved. That would merely bring the law into disrepute. May I read two or three paragraphs from my letter to the minister:

> Young Canadians by their age classes go to camp for military training and subsequent service. The Doukhobors do not. Is it any wonder that the inhabitants are angry or that the Doukhobors are laughing at us? Over the years my hope has been that time would solve the difficulty. I am sorry to say that the people in Grand Forks now tell me that the younger Doukhobors, with minds somewhat expanded, are taking the view that it is quite unnecessary to submit to regulation, because the government does not know what to do with them, and so it will continue to do nothing.

Then I made reference to the suggestion I have already outlined, namely, that an official be sent in to make inquiries on the spot. I concluded with this paragraph:

> I am well aware that labour is short, that Doukhobors are employed, and that if they were discharged badly wanted produce would suffer. But the effect on the inhabitants of winking at breaches of the law by a Doukhobor, a law which is enforced on others, is very bad indeed.

A lumber operator said to me, "I must not employ unregistered Doukhobors; but if I see that my competitors are doing so, and if the section gangs on the railways use these men, what am I to do? I also have government contracts to fill." What he wanted, and what I request, is that the law be enforced on one as well as on the other; otherwise this Doukhobor question will go on, and become worse and worse.

The other question to which I should like to refer has to do with the Japanese. After the treachery of Japan, which precipitated us into war with that country, the anxiety on the Pacific coast and the danger of the situation induced the government to proclaim a protected area of varying width from the United States boundary to Alaska. The boundary of this area almost touches the southwest corner of the constituency of Yale which I have the honour to represent. We are therefore not in the protected area.

After the protected area had been so proclaimed, and after the government had intimated its policy of evacuating the Japanese from within that area, some of the Japanese did not wait to be evacuated, but trekked by day and night, by train and by car and, as soon as they crossed the line of delimitation, began to settle. My constituency was the first and possibly the most desirable piece of country in which they could settle, and as a result many of them stopped there.

Before this difficulty we had from 800 to 1,000 Japanese men, women and children who had been resident in that area. I must say for them that they were good citizens and subscribed to the law. There was seldom any trouble from them, and they certainly worked. The houses and shacks of those inhabitants became the settling point of the Japanese trekking from the protected area. The result was that we saw many more oriental faces on the streets, in the stores, on the roads and in cars. They were not wanted immigrants. When the British Columbia security commission was first set up it appeared to be more interested in the evacuation of the Japanese from the protected area than in their destination. Strong protestations were made by those living to the east of that protected area that those Japanese must not be allowed to squat among them. Eventually the commission instituted a permit system, and without a permit a Japanese could not move from the protected area.

A committee was set up to cover the interior from Kamloops to the boundary, 200 miles away, whose purpose it was to reflect public opinion on this matter and deal with the security commission. The representations of the committee were not always received with evident pleasure by the commission, but they were received and in some instances they were acted upon. When the labour difficulties of last year arose, when the thinning of the fruit, the weeding of vegetables and the eventual harvesting and picking were upon us, it was found to be extremely hard to save that valuable crop. But the inhabitants of the interior, both the farmers and the townfolk, worked admirably together, and there is nothing but praise to be said of those business men of the towns who closed their stores for one or two days a week in order that those working in the stores could go out and help the farmers with their harvest.

There were other districts, principally toward the northern end of the fruit and vegetable

belt, where such help was not available, and despite the use of high school students and any labour that could be induced to come in from outside, there was an obvious shortage in prospect. Some of the larger growers appealed to the security commission to bring in Japanese for labour, but the commission took the view that they would not agree to do that unless the municipalities concerned would give their consent. Eventually the security committee, not the commission, voicing the opinion of the public from Kamloops to the line, arrived at this formula. A grower desiring Japanese labour would be permitted to receive at his own expense that labour if it came in under police supervision, if it remained under police supervision, if it was to be returned to the place whence it came and if it was male only. The commission agreed to a certain extent to allow the fruit growers of some areas to receive such help. When it arrived, some of it was sent back immediately because it did not prove amenable, it was damaging the fruit by throwing it about and did not show any desire to work honestly. But those who remained were of great assistance in harvesting the crop.

However, only certain fruit growers in certain areas were ready to adopt this means of saving their crop. Away to the south, and dotted through the whole area, were those who would not agree on any terms whatever to more Japanese being brought into the district. Why was that? I feel certain it was because these people had a longer vision. They saw that if Japanese came into that area and settled, the tendency would be for more and more to come in; they had not forgotten the experience of people in other parts of the world, especially in the fruit valleys of California and, to a lesser extent, in the lower mainland of our own province of British Columbia, and they would not consent to these people coming in.

I would remind the house that for many years there has been a provincial government prohibition of the use of orientals in logging from crown lands as well as in connection with government contracts taken by sawmill operators. Why did the provincial government take that line, and why have they maintained it? I think it is because they had a longer vision of the result of scattering Japanese and other orientals through the interior country. Recently the dominion government approached the provincial government at Victoria to ascertain whether they would remove that prohibition because of the war and allow Japanese labour to be used in logging camps. The provincial government has declined to remove the prohibition, although it recognizes that under the War Measures Act the dominion government could, if it chose, override this prohibition. Even with the difficulty of obtaining labour the provincial government has not seen fit to raise this prohibition.

The commission's task was not an easy one because they had to find destinations and, as far as possible, occupations for some 24,000 Japanese. These Japanese were distributed through the interior of British Columbia in road camps and other places and, besides that, agreements were entered into with Alberta, Manitoba and Ontario to receive a certain number for work of specified description. I think 2,500 went to Alberta, 1,000 to Manitoba and some 500 to Ontario. These were moved under provincial government agreements, and in addition there were smaller numbers who went to particular industries in the other provinces. I would direct the attention of the house to the fact that each of these provincial agreements contained a clause under which the dominion government must arrange to remove these Japanese from these provinces after the war, should that desire be expressed. From the utterances of the public men of Canada I have no doubt whatever that that desire will be so expressed. Therefore the dominion government will be under contract to remove these Japanese.

The question that many people in British Columbia are asking themselves to-day is: To what place will these Japanese be removed? It must be remembered that the fishing boats of the Japanese who used to fish on the Pacific coast have been sold by the custodian of enemy property. It must also be remembered that business premises of Japanese firms which were located in the cities on the coast and in the rural parts of the province are being disposed of. I do not think it will be thought for a moment by anyone who knows anything about the feeling of the British Columbia people on this oriental question that Japanese will be received in any part of British Columbia with anything like equanimity.

I ask the government if it does not see fit to proclaim a policy in regard to this matter and allay public opinion. I emphasize the fact that this oriental question has been debated in this house year after year for a quarter of a century. Twenty years ago it was an annual event. British Columbia considered that this was a question of greater magnitude than a provincial matter, and I was shocked last year when a minister of this government referred to it as a provincial question, as a British Columbia question, and made the statement that we in the original years of their intrusion asked them to come.

The opinion was faulty and the statement of fact was inaccurate. We never asked them to come. Forty years ago or thereabouts the Japanese government removed the prohibition which had existed until then upon emigration. In those days the Japanese might not leave Japan, but the Japanese government removed that prohibition. From then on, the Japanese started to come into British Columbia in a trickle which grew into a stream. They came, but we never asked them. Although to-day we employ some of them as labour and some find their vocation in contracts with farmers for garden truck, the great majority of them are not working for wages but have set themselves up in business premises or on farms where they are their own masters. I raise this question in this house for this definite purpose, that British Columbia considers that it has long enough been allowed to carry this burden alone. The conditions of entanglement which existed in the earlier years of this century on account of the Anglo-Japanese alliance have now ended. The treachery of the Japanese has shown to us that we cannot look behind that oriental face and realize with any certainty where their patriotism lies. Have they given up their patriotism? Have they given up their original nationality? We do not know; we shall never know.

I draw further attention to this fact, that the many who have been born in Canada, and who in accordance with our law may be described as Canadian subjects, have in many instances been the more difficult to work with and to handle under these circumstances than have been the nationals. The really bad actors were interned immediately, but many of those men of whom nothing evil was known have been placed in camps or have been sent out under the schemes to which I have referred or have found occupation of some sort. The matter has been handled and is settled perhaps for the present. But it is the future we are thinking of, and I ask the government if it will not see fit to proclaim its policy with regard to the future, because I warn the government that if after this war comes to an end these people are allowed to roam in British Columbia there will be trouble enough for the government.

Mr. G. H. ROSS (Calgary East): Mr. Speaker, I had not intended to take part in this debate until I heard the Minister of Finance (Mr. Ilsley) announce a few days ago that the budget would be brought down in the course of two or three weeks. It then occurred to me that if any member had any injustices or grievances which he wished to bring to the attention of the Minister of Finance, it would be an opportune time to do so while he is considering his budget.

There are two matters in particular which I wish to bring to the attention of the minister. One is the excessive taxes which are imposed under the Income War Tax Act upon commissioned officers while they remain in Canada. I conceive it to be the duty of a member of this house to inform himself of any injustices under which the active forces may be labouring and to do what he can to adjust them. I suggest that for this reason. The forces have a right to complain to their commanding officers of any injustice, but they have no right, as they understand the situation, to complain to a member of this house. Their commanding officers cannot do anything toward redressing the grievance of which I am speaking, and for that reason I think it is our duty to be on the alert to bring grievances of this kind to the attention of the house.

Prior to 1940 all soldiers were taxed on their income and allowances, but in 1940 the act was amended to exempt non-commissioned officers and all other ranks in all forces from the income tax. Commissioned officers were also exempted as long as they were serving overseas, but commissioned officers serving in Canada were required under the act as then amended to pay full income tax. At the last session of the house I directed the attention of the minister and of the house to this matter because I thought it worked an injustice particularly on the lower paid officers. I pointed out at that time that these commissioned officers volunteered for service anywhere in the world, that they were ready, willing and anxious, indeed preferred, to go overseas, and yet they were heavily taxed simply because they were kept in Canada. The minister at that time promised to do something for these men. He did something for them, a little, not very much. I submit that he should have done a great deal more, and I hope that now something more will be done in this respect.

Let us consider the circumstances. A warrant officer, class 1, grade A, is not taxed. His income is $150.56 a month. The net income of a captain, a higher officer, while he is serving in Canada is only $133.67. The net income of a lieutenant is $108.58; of a second lieutenant, $96.97. A warrant officer, lower in rank than a second lieutenant, nevertheless draws $53.59 more pay after taxation is deducted, and he draws $41.98 a month more than a lieutenant, $16.89 more than a captain, and within $3.46 of the pay of a major. A staff-sergeant also receives more than a lieutenant after the tax has been deducted from the latter's pay. I am not suggesting that the

warrant officer or the staff-sergeant is paid too much. They are not paid too much, nor do I quarrel with the pay that is being given to a lieutenant, a second lieutenant, a captain or a major. What I do object to is that the government is paying these higher ranks more pay with one hand and then taking it away in taxes with the other. We boast that our army is the best paid, the best clothed, the best housed and the best fed army in the world. But what is the advantage in paying these commissioned officers well while they are in Canada if we take a large part of it away in taxes? The commissioned officers are taxed so highly that there is no inducement for a non-commissioned officer to seek promotion. There is no inducement for a man to rise from the ranks to the position of commissioned officer. That should not be the situation. As it is now, if he is promoted he must live on so much less.

There are other perquisites given to non-commissioned officers and others in the ranks to which the commissioned officer is not entitled. The commissioned officer must pay for his own clothing and equipment, except that when he is appointed to a commission he is allowed $150 with which to buy clothing and equipment. But it takes another $150 to $250 from his own pocket in order to buy all the necessary equipment, and he must also pay $75 to $100 a year for replacements, and another $75 a year or thereabouts for extra messing costs. These outgoings are in addition to what a non-commissioned officer or a private is required to pay.

But that is not all. The dependent's board of trustees provide special assistance to dependents of men serving in the Canadian navy, army or air force. I quote from their circular, August, 1942:

> What kind of assistance?
>
> Financial—over and above what is already received under the existing marriage or dependents' allowance regulations. . . .
>
> Who are eligible for financial assistance?
>
> Dependents of members of the Canadian armed forces below the rank of warrant officer class I who are in receipt of marriage or dependents' allowance and who are in special or urgent need.

These concessions do not inure to the benefit of commissioned officers.

So far I have discussed only the position of the single man with no dependents. A married man is in a much worse position. A considerable portion of his pay must be assigned to his wife and family for their maintenance and support. As long as he is living in Canada he likes to have a home near where he is stationed, so that he may occasionally visit his wife and family. If he is about to be sent overseas he likes to get home during his embarkation leave, and if his family are not located near him it is very difficult for him, on his small pay, to raise the necessary money. In 1940 railway rates were such that a soldier returning home on leave could make the return trip for single fare. I regarded the charge as excessive, and on November 7, 1940, I brought the matter to the attention of the minister and of this house, and urged that concessions in the way of railway rates should be made to men in the armed forces while on leave, particularly embarkation leave. A good deal has been done in that respect, but even with the small rates which are exacted to-day it is very difficult for a commissioned officer stationed, say, at Halifax to return to Calgary on embarkation leave; the pay is so meagre that he can scarcely afford to do it.

There is another matter to which I wish to refer. When he is discharged from the army he receives a cheque for a month's pay. That is all very well, but at the same time he is told that he owes the government eight months' arrears of income tax. That is not a happy prospect for the commissioned officer. The private has no such obligation. It is not just that the officer should be subject to this requirement, and I suggest that it is a condition which should be remedied.

Furthermore, a commissioned officer is held responsible for all equipment and supplies entrusted to his command. The private has no such worries.

I hope the minister will give this matter careful consideration and do something to relieve the situation.

On motion of Mr. Ross (Calgary East) the debate was adjourned.

On motion of Mr. Mackenzie King the house adjourned at six p.m.

Monday, February 15, 1943

The house met at three o'clock.

STANDING COMMITTEES

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health) presented the report of the special committee appointed to prepare and report lists of members to compose the standing committees of the house, as follows:

PRIVILEGES AND ELECTIONS

Messieurs:

Abbott
Anderson
Claxton
Diefenbaker
Douglas (Weyburn)
Dupuis
Evans
Fair
Gershaw
Gibson
Gladstone
Gray
Gregory
Hill
Kirk
Lalonde
Mackenzie (Vancouver Centre)
MacNicol
McCuaig
McDonald (Pontiac)
Mutch
O'Brien
Pinard
Pouliot
Power
Roy
Slaght
Telford
Weir—29.

(Quorum 10)

MISCELLANEOUS PRIVATE BILLS

Messieurs:

Bonnier
Boucher
Castleden
Chambers
Cleaver
Cloutier
Coté
d'Anjou
Donnelly
Douglas (Queens)
Dubois
Durocher
Factor
Fauteux
Gershaw
Gibson
Gingues
Gladstone
Graham
Harris (Grey-Bruce)
Hazen
Healy
Hlynka
Hoblitzell
Howden
Jutras
Knowles
Lacombe
Lafontaine
Lockhart
Macdonald (Halifax)
Macdonald (Brantford City)
MacKenzie (Lambton-Kent)
MacLean (Cape Breton North-Victoria)
McGregor
McIlraith
Marier
Matthews
Mayhew
Parent
Poirier
Ross (St. Paul's)
Roy
Senn
Shaw
Stokes
Telford
Tomlinson
Veniot
Wood—50.

(Quorum 15)

BANKING AND COMMERCE

Messieurs:

Authier
Black (Cumberland)
Blackmore
Blair
Breithaupt
Claxton
Cleaver
Coldwell
Donnelly
Dubuc
Eudes
Fontaine
Fraser (Northumberland)
Fraser (Peterborough West)
Graham
Gray
Hanson (York-Sunbury)
Harris (Danforth)
Hazen
Hill
Jackman
Jaques
Jean
Kinley
Laflamme
Lafontaine
Leclerc
Macdonald (Halifax)
Macdonald (Brantford City)
MacInnis
MacKenzie (Neepawa)
Macmillan
McCann
McGeer
McGibbon
McIlraith
McNevin (Victoria, Ont.)
Marier
Martin
Maybank
Mayhew
Moore
Perley
Picard
Ross (St. Paul's)
Ross (Calgary East)
Ryan
Slaght
Tucker
Ward—50.

(Quorum 15)

PUBLIC ACCOUNTS

Messieurs:

Abbott
Anderson
Authier
Black (Yukon)
Black (Chateauguay-Huntingdon)
Booth
Boucher
Bourget
Brooks
Casselman (Mrs.)
Church
Clark
Coté
Cruickshank
Denis
Desmond
Ferland
Fontaine
Fournier (Maisonneuve-Rosemont)
Fraser (Northumberland, Ont.)
Fulford
Gladstone
Golding
Grant
Graydon
Henderson
Homuth
Isnor
Johnston (Bow River)
Leader
McCubbin
McDonald (Pontiac)
McGeer
McIvor
McNiven
Marshall
Mullins
Mulock
Noseworthy
Purdy
Rhéaume
Rickard
Roebuck
Ross (Hamilton East)
Slaght
Tripp
Thauvette
Veniot
Winkler
Wright—50.

(Quorum 15)

RAILWAYS, CANALS AND TELEGRAPH LINES

Messieurs:

Authier
Bence
Bertrand (Terrebonne)
Black (Cumberland)
Bourget
Breithaupt
Chevrier
Corman
Coté
Crerar
Douglas (Queens)
Dupuis
Emmerson
Eudes
Factor
Farquhar
Fournier (Maisonneuve-Rosemont)
Fulford
Golding
Gregory
Hanson (Skeena)
Harris (Danforth)
Hatfield
Healy
Howden
Howe
Isnor
Jackman
Jean
Johnston (Bow River)
Kirk
Knowles
LaCroix (Quebec-Montmorency)
Laflamme
Little
Lizotte
Lockhart
MacKinnon (Kootenay East)
McCulloch
McIvor
McKinnon (Kenora-Rainy River)
McNiven (Regina City)
Maybank
Mills
Mullins
Nicholson
Nielsen (Mrs.)
Nixon
O'Brien
O'Neill
Poirier
Pouliot
Roebuck
Ross (Calgary East)
Ross (Souris)
Shaw
Sissons
Turner
White
Whitman—60.

(Quorum 20)

AGRICULTURE AND COLONIZATION

Messieurs:

Authier
Aylesworth
Bertrand (Prescott)
Black (Chateauguay-Huntingdon)
Blair
Bourget
Cardiff
Clark
Cloutier
Cruickshank
Dechene
Desmond
Diefenbaker
Donnelly
Douglas (Weyburn)
Douglas (Queens)
Dubois
Evans
Fair
Ferron
Fontaine
Furniss
Gardiner
Golding
Gregory
Hatfield
Henderson
Kirk
Laflamme
Lafontaine
Lalonde
Leader
Leclerc
Leger
Lizotte
MacDiarmid
MacKenzie
(Lambton-Kent)
McCuaig
McCubbin
McNevin
(Victoria, Ont.)
Matthews
Mullins
Nielsen (Mrs.)
Perley
Poirier
Quelch
Rennie
Rhéaume
Rickard
Ross (Souris)
Ross (Middlesex East)
Ross (Moose Jaw)
Rowe
Senn
Soper
Tustin
Ward
Weir
Whitman
Wright—60.

(Quorum 20)

INDUSTRIAL AND INTERNATIONAL RELATIONS

Messieurs:

Abbott
Blackmore
Bruce
Church
Cloutier
Coté
Dubuc
Fournier (Maisonneuve-Rosemont)
Gingues
Goulet
Hanson (Skeena)
Homuth
Jean
Lafontaine
Leger
MacKenzie (Neepawa)
Macmillan
MacNicol
McCann
McGarry
McNiven (Regina City)
Massey
Mills
Mutch
Neill
Nixon
Noseworthy
Pottier
Roebuck
Ross (Calgary East)
Ross (Hamilton East)
Sanderson
Stirling
Taylor
Turgeon—35.

(Quorum 10)

MARINE AND FISHERIES

Messieurs:

Bradette
Brooks
Brunelle
Crète
Dechene
Farquhar
Ferron
Gillis
Green
Hanson (Skeena)
Hazen
Hill
Kinley
Kuhl
Lafontaine
Lapointe
(Matapedia-Matane)
Leduc
Macdonald
(Kingston City)
MacInnis
MacKenzie (Neepawa)
Macmillan
McLean (Simcoe East)
Neill
Poirier
Pottier
Reid
Roy
Ryan
Stirling
Telford
Tomlinson
Tripp
Tustin
Veniot
Warren—35.

(Quorum 10)

MINES, FORESTS AND WATERS

Messieurs:

Adamson
Authier
Bence
Black (Yukon)
Blanchette
Bourget
Bradette
Crerar
d'Anjou
Edwards
Esling
Evans
Furniss
Grant
Hansell
Hurtubise
Johnston (Bow River)
Lafontaine
Leduc
Little
MacNicol
McCann
McCulloch
McDonald (Pontiac)
McGibbon
McKinnon (Kenora-Rainy River)
Nielsen (Mrs.)
Parent
Sanderson
Sinclair
Tripp
Turner
Ward
Warren
White—35.

(Quorum 10)

DEBATES

Messieurs:

Blanchette
Claxton
Esling
Hlynka
Jutras
Pinard
Pouliot
Ross (Middlesex East)
Ross (Moose Jaw)
Rowe
Shaw
Sinclair—12.

(Quorum 7)

STANDING ORDERS

Messieurs:

Bertrand (Prescott)
Brunelle
Cardiff
Denis
Douglas (Weyburn)
Dupuis
Edwards
Eudes
Golding
Graydon
Jaques
MacLean (Cape Breton North-Victoria)
Marier
Marshall
McLarty
McLean (Simcoe East)
O'Neill
Rennie
Ross (Moose Jaw),
Stokes—20.

(Quorum 8)

PRINTING

Messieurs:

Bertrand (Terrebonne)
Bonnier
Bourget
Casselman (Grenville-Dundas)
Chambers
Chevrier
Corman
Crète
D'Anjou
Denis
Dubois
Dupuis
Durocher
Edwards
Emmerson
Esling
Evans
Fauteux
Ferland
Fraser (Peterborough West)
Furniss
Gillis
Goulet
Grant
Green
Healy
Hlynka

Hoblitzell	Nicholson
Hurtubise	Purdy
Kuhl	Rhéaume
Leader	Ross (St. Paul's)
MacDiarmid	Sinclair
MacKinnon (Kootenay East)	Sissons
MacLean (Cape Breton North-Victoria)	Soper
McGregor	Tripp
McNevin (Victoria, Ont.)	Tucker
Mills	Tustin
Moore	Weir
Mulock	White
	Whitman
	Winkler
	Wood—54.

LIBRARY OF PARLIAMENT

Messieurs:

Adamson	Hurtubise
Aylesworth	Jaques
Black (Chateauguay-Huntingdon)	Jean
Bruce	Lizotte
Cardiff	Macdonald (Halifax)
Casselman (Grenville-Dundas)	MacKenzie (Neepawa)
Castleden	MacKenzie (Lambton-Kent)
Coldwell	Macmillan
Emmerson	Marier
Eudes	Martin
Factor	Mayhew
Farquhar	Moore
Fontaine	Poirier
Fournier (Maisonneuve-Rosemont)	Pouliot
Gershaw	Purdy
Goulet	Raymond
Graham	Reid
Green	Rickard
Hansell	Ross (St. Paul's)
Henderson	Thauvette
Howden	Warren
	Winkler
	Wood—44.

Mr. MACKENZIE (Vancouver Centre) moved that the report be concurred in.

Mr. GRAYDON: Will the minister tell the house just what the report involves?

Mr. MACKENZIE (Vancouver Centre): It is the routine report of what we call the striking committee, which decides in consultation with all parties and groups in the house what members shall compose the standing committees.

Motion agreed to.

POWERS OF COMMITTEES

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the standing committees of this house shall severally be empowered to examine and inquire into all such matters and things as may be referred to them by the house, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

Motion agreed to.

PARLIAMENTARY RESTAURANT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That Messrs. Black (Yukon), Dupuis, Edwards, Farquhar, Furniss, Goulet, Howden, Jaques, Laflamme, Lafontaine, Macdonald (Brantford City), MacInnis, McGregor, McIvor, Mayhew, Pinard, Purdy, Rhéaume, Thauvette, Tucker, Tustin, be appointed to assist His Honour the Speaker in the direction of the restaurant, as far as the interests of the Commons are concerned, and to act as members of a joint committee of both houses on the restaurant; and that a message be sent to the Senate to acquaint their honours therewith.

Motion agreed to.

NATIONAL WAR LABOUR BOARD

MOTION FOR ADJOURNMENT UNDER STANDING ORDER 31

Mr. J. SASSEVILLE ROY (Gaspe): Mr. Speaker I wish to ask leave to move the adjournment of the house for the purpose of discussing a definite matter of urgent public importance, namely, the immediate appointment of a representative of the French-Canadian element on the national war labour board, it being urgent that such appointment be made before the said board begins to function, and necessary because of the importance of the large group of French-Canadian workers.

Mr. SPEAKER: In my opinion there is not that degree of urgency which would justify a motion for the adjournment of the house.

RATIONING

STATEMENT AS TO DISTRIBUTION OF RATION BOOKS THROUGH LOCAL BOARDS

Hon. J. L. ILSLEY (Minister of Finance): The hon. member for Broadview (Mr. Church) on February 3 on the orders of the day asked a question about the distribution of ration books. I thought it would be much more convenient if I could table the answer, which I now do. It is as follows:

Under war conditions there has been tremendous movement of population. No agency who has tried to do so has ever been very successful in obtaining notification of changes of address. It is estimated that the post office, which one would expect to be in a very strong position, receives only about one-third of the address changes. There are numerous indications which point to the fact that the ration administration is not being notified of a great percentage of the address changes. When book No. 1 was distributed by mail the ration administration had a mailing list which was only three months old and which they had kept up to date by

making all changes of which they were advised. Nevertheless in the city of Toronto alone, 62,000 of these books were returned to them. It was a most laborious process to get these into the proper hands and inevitably the book holders were greatly inconvenienced. In the six months which have elapsed since that date, additional address changes have accumulated. About half the population of the dominion has no street address. They collect their mail from rural routes or from general delivery.

The ration administration has available now an organization comprising local ration boards which form the basis for distribution. Volunteer workers have been enthusiastic in their offers to help and the ration administration expect the job to proceed with little inconvenience.

In spite of precautions taken, some persons have received two books. Worked out on a percentage basis, the number of these is small; however, they should be eliminated if possible. While some persons accept two books mailed to them at different addresses, it would be much less likely that they would deliberately present themselves twice to make applications.

Expense is also a factor of some importance. In order to distribute the ration books through the post office, millions of pieces of mail would have to be handled and the ration administration would be involved in considerable expense in readdressing books returned to them owing to change of address.

It is perhaps worth mentioning that the distribution of book No. 2 differs from that of book No. 1 by the fact that the former includes butter coupons which have an expiry date. When book No. 1 was distributed anyone who received his book a few weeks late at least had the satisfaction of knowing that he could still use all the coupons. With book No. 2 it would be different to the extent that anyone receiving a book a few weeks late will have lost the opportunity of using some of the butter coupons.

BUSINESS OF THE HOUSE

QUESTIONS AND MOTIONS FOR PAPERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend the leader of the opposition (Mr. Graydon) asked a week or two ago if we might not follow this session the practice followed in previous sessions of having questions answered once a week until the debate on the address is over. The government agreed to that. Last week questions were answered on Monday and we are prepared with the consent of the house to proceed with questions to-day.

[Mr. Ilsley.]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

INTERNATIONAL LABOUR CONFERENCE—DRAFT CONVENTIONS AND RECOMMENDATIONS AFFECTING SEAMEN

Mr. NEILL:

Referring to the statement made by the then Minister of Labour, as recorded in *Hansard* on May 31, 1939, to the effect that the provision of certain draft conventions, numbers 53 to 57 inclusive, affecting seamen, adopted at the international labour conventions in 1936, were being given examination and that parliament would be advised in due course—has this been done and, if so, what were the decisions arrived at or what action is proposed?

Mr. MITCHELL: As stated by the late Hon. Mr. Rogers, Minister of Labour, in the house on May 31, 1939, consideration was given to the possible ratification of conventions Nos. 53-57, inclusive, all of which relate to seamen, but with the outbreak of war and the demands made on Canadian shipping, no further action was taken concerning these conventions which could have imposed additional burdens on the shipowners and, in the case at least of numbers 53, 54 and 57, would have required additional man-power. The government, however, is continuing to study the question of implementing some or all of these conventions.

*IRREGULARITIES IN WAR INDUSTRIES

Mr. LACOMBE:

1. Has the government taken any steps to prevent irregularities discovered in certain war industries since the beginning of the war?

2. Has the government employed the services of chartered accountants to inquire into the operations of such companies?

3. If so, (a) when, (b) in connection with what companies, (c) with what results?

Mr. HOWE:

1. Yes.

2. Yes.

3. It is not in the public interest to give the information.

WARTIME HOUSING—ACCOMMODATION FOR WOMEN IN PETERBOROUGH STAFF HOUSE

Mr. FRASER (Peterborough West):

What is the reason for Wartime Housing Limited not making provision to use part of the staff house at Peterborough for women?

Mr. HOWE: In October, 1941, following a survey of munition plants in Peterborough, it was recommended by the Department that two staff houses be erected in Peterborough—one for men and one for women. This was approved by P.C. 8874, dated November 18,

1941. It was felt that caution should be exercised in proceeding with two staff houses at one time. It was thought probable that the erection of one staff house might release enough accommodation in Peterborough to make the construction of a second one unnecessary. As the industries in Peterborough considered their first necessity to be housing accommodation for men, a men's staff house was first proceeded with.

Should it be that the condition arises whereby only one staff house be necessary to house both the men and women unable to be housed other than in staff houses, then the Peterborough staff house can, by minor and simple modification, be made to house both men and women workers. The Department of Munitions and Supply as a matter of principle is averse to housing men and women in the same building if it can be avoided. The department, at the present time, has no reason to believe that the present staff house will not be entirely required for men, and it has no advice that accommodation for women is presently needed.

SUGAR BEET INDUSTRY

Mr. HANSELL:

1. Has the government made any plans to extend the sugar beet industry in order to alleviate the sugar shortage in Canada?

2. If so, what steps have been taken?

Mr. ILSLEY: The government, through the sugar administrator of the wartime prices and trade board, has made every effort to obtain maximum production of beet sugar. In order to stimulate production, the net price of sugar to the grower was increased one-half cent per pound offset by a similar reduction in the excise tax effective February 16, 1942. As a further encouragement to production in 1943, the excise tax will be reduced by another one-half cent per pound effective September 1, 1943, the full benefit to be received by sugar beet growers.

ASSISTANCE OF STUDENTS IN 1942 HARVEST—PAYMENTS TO RAILWAYS

Mr. SHAW:

1. Were any sums paid by the government to the Canadian Pacific Railway, to the Canadian National Railway, to any individual or groups of individuals in connection with the sending of university students and others to western Canada to assist in the 1942 harvest?

2. If so, what amounts were paid, to whom were they paid and upon what dates were payments made?

Mr. MITCHELL:

1. Yes.

2.

Date of payment	Name of Payee	Amount
1942—		
Nov. 9	University of Bishop's College	$ 21 62
Dec. 1	University of Bishop's College	11 82
		$ 33 44
Dec. 8	Canadian Pacific Railway Co.	$ 1,113 89
Dec. 8	Canadian Pacific Railway Co.	1,866 45
Dec. 8	Canadian Pacific Railway Co.	26 85
Dec. 8	Canadian Pacific Railway Co.	617 55
Dec. 9	Canadian Pacific Railway Co.	12,439 78
Dec. 9	Canadian Pacific Railway Co.	7,766 87
Dec. 9	Canadian Pacific Railway Co.	1,575 79
Dec. 10	Canadian Pacific Railway Co.	80 39
Dec. 10	Canadian Pacific Railway Co.	1,576 36
Dec. 10	Canadian Pacific Railway Co.	96 49
Dec. 10	Canadian Pacific Railway Co.	406 64
Dec. 10	Canadian Pacific Railway Co.	222 01
Dec. 10	Canadian Pacific Railway Co.	53 59
Dec. 10	Canadian Pacific Railway Co.	626 46
Dec. 10	Canadian Pacific Railway Co.	761 59
Dec. 10	Canadian Pacific Railway Co.	35 59
Dec. 18	Canadian Pacific Railway Co.	31,991 16
Dec. 18	Canadian Pacific Railway Co.	4,840 58

Date of payment	Name of Payee	Amount
Dec. 18	Canadian Pacific Railway Co	3,345 75
Dec. 18	Canadian Pacific Railway Co	4,087 33
Dec. 18	Canadian Pacific Railway Co	4,078 71
Dec. 18	Canadian Pacific Railway Co	6,983 72
Dec. 19	Canadian Pacific Railway Co	8,403 22
Dec. 19	Canadian Pacific Railway Co	4,403 75
Dec. 29	Canadian Pacific Railway Co	153 41
Dec. 29	Canadian Pacific Raliway Co	2,509 30
Dec. 29	Canadian Pacific Railway Co	107 49
1943—		
Jan. 19	Canadian Pacific Railway Co	13,453 10
Jan. 19	Canadian Pacific Railway Co	2,393 43
Jan. 19	Canadian Pacific Railway Co	26,742 27
	Total	$142,759 52
	Less refunds of $10.00 collected from each harvester returning to Eastern Canada	$ 28,260 00
	Net Total	$114,499 52
1942—		
Dec. 17	Jacques St-George, La Trappe, Que	$ 88 30
Dec. 17	Fernand Corminboeuf, La Trappe, Que	94 72
Dec. 9	Canadian National Railway	106 49
Dec. 10	Canadian National Railway	738 19
1943—		
Jan. 25	Canadian National Railway	130,807 10
Feb. 5	Canadian National Railway	4,583 54
Feb. 5	Canadian National Railway	6,654 15
	Total	$142,889 47
	Less refunds of $10.00 collected from each harvester returning to Eastern Canada	$ 28,172 50
	Net Total	$114,716 97
1942—		
Dec. 29	Temiscaming & Northern Ont. Railway	$ 5,559 80
Dec. 28	The Thousand Island Railway Co	302 90
Dec. 29	Provincial Transport Co	103 50
Dec. 28	Sydney Johnson, Sundridge, Ontario	44 54
1943—		
Jan. 19	High School of Westmount, P.Q.	78 30
	Total Net Expenditure as of February 5, 1943	$235,521 99

SUBSIDY FOR MANUFACTURE OF ALCOHOL FROM WHEAT

Mr. WINKLER:

Will the government grant a subsidy for the manufacture of alcohol from wheat?

Mr. HOWE: This is a matter of government policy.

[Mr. Mitchell.]

REGISTRATIONS OF MAN-POWER

Mr. FRASER (Peterborough West):

1. Since June, 1940, what registrations of man-power have been held?

2. What was the purpose of each such registration?

3. Are any further registrations of man-power contemplated?

Mr. MITCHELL:

1 and 2. (a) National Registration, August 19-21, 1940, of all persons in Canada over sixteen. Registration is continuous, kept up to date through returns made by some thirteen thousand postmasters who act as deputy registrars.	To supply information to be used as basis for mobilization of manpower and to provide identification.
(b) Registration of insured workers July 1941 through returns to unemployment insurance commission constituted partial registration of man-power.	Utilized to assess extent of unemployment insurance coverage and to provide statistics for general and administrative uses.
(c) Unemployment insurance registration April 1942 was extended to include non-insurable employees.	Information obtained was compiled by Dominion Bureau of Statistics, constituting an inventory of occupations and industries utilized by Department of Labour and wartime prices and trade board.
(d) Registration of unemployed male persons June 1942, excepting those below sixteen or over seventy, or students, or those confined in an institution, or subject to provisions of the essential war (scientific and technical) personnel regulations 1942. Registration is continuous.	To enable employment and selective service offices to have full particulars of all unemployed persons so that they may be referred to employment.
(e) Registration of female persons—September 21, 1942—born 1918 to 1922, both years inclusive, not including members of religious orders or those in institutions, or in insurable employment.	To obtain information as to the number of women in the age group and their relative availability for selective service.
(f) Continuing registration by wartime technical personnel bureau, commenced June, 1941.	To ascertain numbers of professional and trained scientists and engineers and activities in which they are engaged to meet the requirements of essential industries.
(g) Continuing registration by wartime technical personnel bureau, commencing December 1, 1942, of university science students.	To obtain information as to whether or not any such would be volunteering to serve as technical officers with the armed forces.
(h) As at January 30, 1943, employers, excluding farmers and horticulturists, employers of domestic servants and government departments have been requested to furnish information as to numbers of workers employed by age and sex together with information regarding future requirements.	To provide essential information in regard to employed workers, classified by industry, age and sex and future labour requirements.
(i) December 15-March 1, 1943, registration of single men in age classes designated for military call-up who have not received notice to report for medical examination.	To obtain information regarding those, who through change of address or for other reasons, had not received notification from the Divisional Registrar to report for medical examination.

3. There is continuous registration at some two hundred employment and selective service offices across Canada and there may be special registrations from time to time in respect to particular classes or groups of workers according to national selective service requirements.

ST. JEROME, QUE., MILITARY CAMP

Mr. BERTRAND (Terrebonne):

What was the cost to January 1, 1943, of the military camp at Saint Jerome, (a) in salaries, (b) construction materials, (c) furnishings?

Mr. POWER: (a) Salaries (construction by day labour) $189,207; (b) materials (construction by day labour) $244,459; contracts awarded (construction) $131,343; (c) furnishings $66,500.

TIMBER CONTROLLER

Mr. REID:

1. Who was appointed timber controller following the resignation of Mr. Nicholson?
2. Had he any previous experience with either the production, manufacture or sale of lumber?

Mr. HOWE:

1. Alan H. Williamson.

2. No. This position calls for broad administrative experience which is possessed by Mr. Williamson by virtue of his pre-war business activities and his wartime experience as controller of supplies from August 19, 1941, to November 3, 1942.

It was not considered that an intimate technical knowledge on lumber was required in the position of timber controller inasmuch as the controller has on his staff in Ottawa, together with his offices in Edmonton, Winnipeg, Vancouver and St. John, experienced and well-qualified technical assistants.

Furthermore, the controller calls on the advice of the members of his committees in the various timber producing areas in Canada and these committees are set up in these areas due to their intimate knowledge of local conditions. In addition to having advice available from these advisory committees in the producing areas of Canada, the controller has an eastern Canadian advisory committee, with representatives of the industry from Ontario, Quebec, New Brunswick and Nova Scotia.

CANADIAN ARMED FORCES—BENEFITS TO MEN DISCHARGED

Mr. KNOWLES:

1. How many persons discharged from the armed services have received benefits of the following kinds, (a) out-of-work benefits, (b) benefits to discharged persons temporarily incapacitated, (c) maintenance benefits to discharged persons receiving vocational training, (d) benefits to discharged persons engaged in farming, (e) educational benefits to discharged persons?

2. Of those receiving out-of-work benefits, how many have been unemployed more than, (a) two weeks, (b) one month, (c) three months, (d) six months?

[Mr. Mitchell.]

Mr. MACKENZIE (Vancouver Centre):

Department of Pensions and National Health

1. (a) 2,147; (b) 1,511; (c) 1,154; (d) 85; (e) 22.

2. Out-of-work benefits have been paid to individuals as follows:

(a) For more than two weeks, 1,260; (b) For more than one month, 747; (c) For more than three months, 106; (d) For more than six months, 3.

(Figures cover benefits issued under order in council of October 1, 1941—P.C. 7633—as amended.)

SASKATCHEWAN SURVEY PARTIES

Mr. PERLEY:

1. How many survey parties in connection with the Department of Agriculture have been working in the Qu'Appelle river valley and its tributaries between Lumsden and the Manitoba boundary during the year 1942?
2. What has been the cost of these surveys?

Mr. GARDINER:

1. Two.

2. $21,139.47—April 1, 1942, to January 31, 1943.

CONSTRUCTION OF DAMS IN SASKATCHEWAN

Mr. PERLEY:

1. How many dams have been constructed and how many are in course of construction, in the Qu'Appelle river valley or on Qu'Appelle lakes, between Lumsden and the Manitoba border?
2. What is the cost of each to date?
3. What is the estimated completed cost of each?
4. Who are the contractors of each?
5. Is any such work being done during the present winter?

Mr. GARDINER:

1. Two constructed, one under construction.

2. Round Lake, Crooked Lake, $39,530 as one contract; Echo Lake, $21,520.80.

3. Round Lake, Crooked Lake, $30,530—one contract; Echo Lake, $26,900.

4. Round Lake, Crooked Lake, Philip South, Regina, Saskatchewan; Echo Lake, Mamczasz & Pollock, Prince Albert, Saskatchewan.

5. Yes.

POST OFFICE—OTTAWA TELEPHONE SERVICE

Mr. MARSHALL:

What was the total amount paid from Public Works vote 261, telephone service at Ottawa, covering telephone services for the Post Office Department for year ended March 31, 1942?

Mr. FOURNIER (Hull): $2,489.72.

CANADIAN ARMED FORCES—APPLICATION TO VETERANS GUARD OF INCREASED PAY

Mr. MacINNIS:

1. Does the recent increase to men in the armed forces of 20 cents per day apply to the men in the veterans guard?
2. Have regulations been issued governing the application of the increase in pay?

Mr. POWER:

1. Yes.
2. Yes.

NATIONAL SELECTIVE SERVICE—KINGSTON OFFICE

Mr. McGREGOR:

1. What are the names of the administration officers of national selective service regulations at Kingston?
2. How long has each been employed in his present position?
3. How much money has each received for, (a) salary; (b) expenses?

Mr. MITCHELL:

1, 2 and 3.

Name	Class	Date of app't to present position	Gross salary	Expenses from date of app't to present position, to Jan. 31/43
Black, W. P.	Manager	1/10/42	$ 780 00	$35 65
Langdon, E.	E. & C.O. Gr. 3	1/10/42	700 00	1 69
Winney, J.	E. & C.O. Gr. 3	9/11/42	460 35	50 55
Farrell, W. W.	E. & C.O. Gr. 3	7/ 7/42	1,172 43	53 65
Dennison, J.	E. & C.O. Gr. 2	1/11/42	355 26	
Keenan, K.	E. & C.O. Gr. 2	1/12/42	286 84	

WAR RISK INSURANCE

Mr. FRASER (Peterborough West):

What is the rate of commission paid to insurance agents handling war risk insurance?

Mr. ILSLEY: A policy fee is paid to insurance agents estimated to cover merely their out-of-pocket expenses. To have the benefit of a simple method of calculation, the policy fee will be paid at the rate of 5 per cent of the premium on the policy, with a minimum of 75 cents and a maximum of $500 in respect of any one policy in any one policy year. The same basis of policy fee will apply on renewals.

W. C. RONSON

Mr. REID:

1. What position in the dominion service does Mr. W. C. Ronson hold?
2. How long has he held his present position?
3. When was he first appointed to the government service and to what branch?
4. Was the position obtained by examination through the civil service commission?
5. What salary does he receive at the present time?
6. Has his salary been increased during the past three years?
7. If so, what was the amount of the increase?

Mr. ILSLEY:

1. Assistant Deputy Minister of Finance.
2. Since February 1, 1937.
3. June 27, 1910, to the administrative branch, Department of Finance.
4. Yes.
5. $6,300.
6. No.
7. Answered by No. 6.

PAMPHLET "CANADIANS ALL" BY PROFESSOR WATSON KIRKCONNELL

Mrs. NIELSEN:

1. Upon whose personal authority did Prof. Watson Kirkconnell write the pamphlet entitled "Canadians All", issued by the director of public information, June, 1941?
2. How many copies were printed?
3. How were these distributed?
4. What was the total cost to the government?
5. What remuneration did Prof. Kirkconnell receive?
6. Is pamphlet still being distributed?
7. If so, will the government take any steps towards discontinuing the issuance and distribution of this pamphlet, owing to incorrect and false statements contained therein which are prejudicial to the cause of the united nations and to Canadian unity?

Mr. LaFLECHE:

1. Upon the authority of the Director of Public Information.
2. 296,000.
3. Through Public Information Distribution Unit.
4. $16,465.26
5. $250.
6. No.
7. Answered by the answer to 6.

FREIGHT ON FEED CORN, FORT WILLIAM EAST

Mr. WINKLER:

Will assistance by the government be given toward freight on feed corn from Fort William to eastern Ontario and Quebec?

Mr. GARDINER: No provision has been made for freight assistance on feed corn from Fort William to eastern Ontario and Quebec.

WARTIME HOUSING LIMITED—PAYMENTS TO ARCHITECTS

Mr. NICHOLSON:

1. What is the total amount paid by Wartime Housing Limited to the following architects, Hutton & Souter, Prack & Prack, Geo. T. Evans, McDonnell & Lenz, Herbert Murton, Geo. Billson, F. W. Warren, W. B. Riddell, W. P. Witton, S. B. Coons & Son?

2. What is the total amount paid to all architects in Canada by Wartime Housing Limited?

Mr. HOWE:

1. The amount of fees paid to architects by Wartime Housing Limited up to January 31, 1943 is: Hutton & Souter, $10,015.08; Prack and Prack, $6,641.68; McDonnell and Lenz, $1,410.11; S. B. Coon & Son, $8,752.60; Geo. T. Evans, $1,640.00. Herbert Murton, Geo. Billson, F. W. Warren, W. B. Riddell and W. P. Witton have not been and are not now in the service of Wartime Housing Limited.

2. The total fees paid to all architects in Canada from the commencement of the operations of Wartime Housing Limited up to and including January 31, 1943, is $202,485.26. The amounts shown in the answer to question 1 are included in this total.

WARTIME FOOD CORPORATION—PURCHASE OF CATTLE

Mr. SENN:

1. Did the Wartime Food Corporation purchase cattle for which export permits were requested during 1942?

2. If so, in what numbers?

3. What was the total amount of money expended in such purchases?

4. What was the total amount realized from the sale of the cattle purchased?

5. What was the total profit or loss in these transactions?

Mr. ILSLEY:

1. Yes.

2. 49,727.

3. $5,390,950.33.

4. $4,559,529.19.

5. A loss of $831,421.14.

DECENNIAL CENSUS, 1941—FARMS AND FARMERS

Mr. SENN:

1. What was the population of Canada as gathered by the census of 1941?

2. What was the number of farms in Canada at that time?

3. What was the number of farmers, including wives and children and hired help?

Mr. MacKINNON (Edmonton West):

1. 11,506,655.

2. 734,760 (preliminary figure).

3. Farm population, 3,118,976 (preliminary figure); under 14 years of age, 960,064 (preliminary figure); over 14 years of age, 2,158,912 (preliminary figure).

[Mr. Gardiner.]

DECENNIAL CENSUS, 1941—ESTABLISHMENTS ENGAGED IN MERCHANDISING OF FARM PRODUCTS

Mr. SENN:

According to the 1941 census, what number of establishments were employed in the collection, processing and direct merchandising of farm products, as follows, (a) packing houses, (b) butter and cheese factories, (c) those who were engaged in whole milk distribution, (d) milling companies, (e) canning companies?

Mr. MacKINNON (Edmonton West):

According to the census of manufactures the following plants operated during 1941:

(a) Packing houses, 146.

(b) Butter and cheese factories, 2,427.

(c) Whole milk distributors—information not available.

(d) Flour mills, 286; feed mills, 835.

(e) Canning establishments, 378.

COST-OF-LIVING INDEX

Mr. SHAW:

1. What groups of commodities are used in determining the cost-of-living index?

2. What percentage of the cost-of-living index is made up by each such group of commodities?

Mr. MacKINNON (Edmonton West):

1 and 2:

Group	Weight p.c.
Food	31
Rentals	19
Fuel and light	6
Clothing	12
Home furnishings and services	9
Miscellaneous items	23

RADIO BROADCASTING—NEWS IN FRENCH AND ENGLISH

Mr. GAUTHIER:

1. By whom is the French news of the Canadian Broadcasting Corporation censored?

2. By whom is the 11.00 p.m. English news broadcast censored for the same network in Quebec?

Mr. LaFLECHE:

1. The Office of the Censors of Publications is the organization responsible for censoring radio newscasts. This office was set up under the War Measures Act and has the duty of enforcing the regulations for the defence of Canada. The station managers are responsible for any breach of the censorship regulations. In network broadcasts, the manager or officer in charge of the initial broadcasting station is responsible for the enforcement of the said regulations.

2. Answered under No. 1.

THIRD VICTORY LOAN—COMMISSIONS TO BOND DEALERS

Mr. ROY:

1. How much was paid to each firm or bond dealers of Toronto, Montreal, Winnipeg, Ottawa and Quebec for services rendered during the third victory loan?

2. Who established the rates of commissions, and what were they?

Mr. ILSLEY: No commissions are paid to investment dealers on the sale of victory bonds. However, the Minister of Finance, on the recommendation of a committee consisting of the chairman of the national war finance committee, the securities adviser of the Bank of Canada, and the Deputy Minister of Finance, pays a reasonable remuneration to such dealers for the services rendered by them in connection with each victory loan campaign. The basis of this remuneration is not disclosed to dealers but takes into account the number and character of the personnel made available to the national war finance committee and the previous record of the firm in the distribution of dominion government securities. It is considered undesirable to disclose the amount paid to individual firms as to do so would divulge to competitors the business affairs of private firms and might adversely affect the morale of the victory loan organization.

The total amount of remuneration paid to investment dealers in Canada for services rendered in connection with the third victory loan was $3,067,415, or ·309 per cent of the amount of money raised.

*WAR EXPENDITURES COMMITTEE REPORT

Mr. JOHNSTON (Bow River):

Will a secret session of parliament be called to discuss the war expenditures committee report and evidence in connection therewith?

Mr. MACKENZIE KING: When the committee on war expenditures is set up an opportunity will be afforded for a discussion of the reports of the previous committee. If it is found that it is not possible to obtain the information that is required in the public discussion that will be the time to consider whether it is desirable to have a secret session.

Mr. HOMUTH: The meetings of this committee were held in secret, and I do not think the evidence which came out could very well be discussed in the house when the committee is set up.

Mr. MACKENZIE KING: I do not wish to enter into a discussion with my hon. friend at the moment. In our parliament we are following in this matter the practice followed at Westminster. The meetings of the expenditures committee in Great Britain are held in secret, as they are here. The question of a secret session with respect to matters reported upon will not arise until it is seen that it is obviously necessary to have a secret session.

QUESTIONS PASSED AS ORDERS FOR RETURNS

WHEAT—DISPOSITION OF SURPLUS—BURTON MEMORANDUM

Mr. BRUCE:

1. Did the government receive a memorandum in 1940 from Mr. C. L. Burton, of Toronto, regarding plans for the disposal of Canada's surplus wheat?

2. If so, have any steps been taken to implement these plans?

Mr. McLARTY: Return tabled.

CANADIAN ARMY—ENLISTMENTS, DISCHARGES, ETC.

Mr. BRUCE:

1. What was the total strength of Canada's armed forces overseas on December 1, 1942?

2. How many men had been discharged from all branches of the active service forces overseas up to December 1, 1942?

3. What percentage of these men were discharged because they were suffering from syphilis?

4. How many men were serving (a) in the active army in Canada on December 1, 1942; (b) in the reserve army in Canada on the same date? Of the latter, how many have gone active and are available for service anywhere?

5. How many of the armed forces serving in Canada only were discharged up to December 1, 1942?

6. What percentage of these men were discharged because of syphilis?

7. Are recruits, before being admitted into the armed services, subjected to the Wasserman or other test for syphilis? If not, why is such test not made?

8. How many have enlisted in the services and are finishing their courses in science, medicine and dentistry?

Mr. POWER: This would be an order for return. But I should like to ask that we be not pressed to give the total strength of the air force overseas. By arrangement with the United Kingdom government we do not give the numbers of air crew which have been sent overseas. They consider it just as important to conceal from the enemy the numbers of air crew over there as the numbers of combat aircraft which they have. With that exception I am only too glad to have this pass as an order for return.

ONTARIO DEFENCE CAMPS—TURNIPS FROM FARNHAM, QUE.

Mr. FRASER (Peterborough West):

1. Were turnips from Farnham, Quebec, supplied to any national defence camps in Ontario during 1942?

2. If so, what was the cost of these turnips by the bushel or by the ton?

3. Why were the turnips not bought in Ontario?

CARRIER PIGEONS

Mr. FRASER (Peterborough West):

1. Has the government purchased any carrier pigeons for use as message carriers?

2. What action, if any, has the government taken to encourage the raising of carrier pigeons?

MILITARY SERVICE OUTSIDE OF CANADA

Mr. STOKES:

1. To what areas outside of Canada has the Minister of National Defence been authorized to dispatch men called out for training, service or duty pursuant to the National Resources Mobilization Act?

2. On what dates was he authorized to dispatch men so called out to each such area?

Mr. POWER: Return tabled.

CANADIAN ARMED FORCES—ENLISTMENTS AND REJECTIONS

Mr. STOKES:

1. How many persons have applied for enlistment in, (a) the navy, (b) the army, (c) the air force, since September 1, 1939?

2. Of these, how many have been rejected for medical reasons?

3. Of the persons rejected for medical reasons, how many have been found in each of the medical categories below the standard required for enlistment?

4. What is the total number of persons who have been called for service and training pursuant to the National Resources Mobilization Act?

5. Of these, how many have been rejected for medical reasons?

6. Of the persons rejected for medical reasons, how many have been found in each of the medical categories below the standard required for military service?

Mr. POWER: This would be an order for return, but with respect to question 3 it is very difficult to give the answer because when a man is rejected we do not go into all the disabilities from which he suffers which would give cause for rejection. A man might be rejected for half a dozen different things, so that it may not be possible to give all the information asked.

Mr. HOMUTH: Up to what category do they accept them? That might answer the question.

[Mr. Power.]

Mr. POWER: That could be given, but whether a man suffers from ulcers or a broken leg or multiple disabilities would not appear in any return given.

Mr. HOMUTH: It was a question of the medical category, not the disability.

Mr. POWER: He probably would not be categorized if he was of a class which would make him incapable of serving.

Mr. SPEAKER: Order for return, subject to the reservation made by the minister.

BRITISH COLUMBIA SECURITY COMMISSION

Mr. REID:

1. What is the total personnel at present of the British Columbia security commission, stating their names, position and salary?

2. Where are these located, (a) the number in Vancouver, (b) elsewhere?

3. What reduction in personnel and staff has occurred since the final evacuation of the Japanese from the coastal area?

4. What need is there at the present time for all the personnel employed?

REFORESTATION

Mr. FRASER (Peterborough West):

1. Does the federal government own any tree nurseries?

2. If so, where are they situated?

3. Do they supply trees to the farmers for use as wind-breaks, etc.?

4. How many trees were planted by the dominion government in reforesting during the years 1939, 1940, 1941 and 1942?

Mr. McLARTY: Order for return.

Mr. HOMUTH: Why should this question pass as an order for return?

Mr. McLARTY: A number of different departments are involved.

WAR CONTRACTS, 1942

Mr. BLACKMORE:

1. During 1942 how much money was spent on Canada's war effort, (a) how many contracts were let for war supplies; (b) how many contracts for war supplies were let in each of the nine provinces; (c) how much was spent on war contracts in each of the nine provinces; (d) what master firms got the contracts; (e) to what firms did they sublet contracts; (f) upon what principle were these contracts of war supplies let and sublet?

2. What steps is the government taking to inform the Canadian taxpayers as to where their taxes are being spent?

BUTTER AND MILK

Mr. KIRK:

1. (a) How much creamery butter was made during each of the years 1937-1942, (i) in Canada, (ii) in each province; (b) how much dairy butter was made during each of the years 1937-1942 inclusive, (i) in Canada, (ii) in each province?

2. (a) How many farmers supply cream to the creameries all year round, (i) in Canada, (ii) in each province; (b) how many farmers supply cream to the creameries only part of the year, (i) in Canada, (ii) in each province; (c) how many farmers make dairy butter all year round, (i) in Canada, (ii) in each province?

3. (a) How much whole milk was produced during each of the years 1937-1942 inclusive, (i) in Canada, (ii) in each province; (b) how much whole milk was delivered to cheese factories during each of the years 1937-1942, (i) in Canada, (ii) in each province; (c) how much whole milk, produced in Canada, was sold for table use during each of the years 1937-1942, (i) in Canada and/or the United States, (ii) in each province; (d) how much whole milk, produced in Canada, was sold for any and all other purposes than stated in (b) and (c) above during each of the years 1937-1942 inclusive, (i) in Canada and/or the United States, (ii) in each province?

Mr. MacKINNON (Edmonton West): Return tabled.

PRAIRIE FARM ASSISTANCE—FIELD MEN AND SUPERVISORS

Mr. WRIGHT:

What are the names, salaries, travelling expenses, and living allowances of (a) fieldmen, (b) supervisors, employed under the wheat acreage reduction, Prairie Farms Assistance Act and prairie farms income from February 16, 1942, to January 31, 1943?

MATSQUI, DELTA AND SEA ISLAND, B.C., PROPERTIES

Mr. COLDWELL:

1. Has the government acquired parcels of land in British Columbia at Matsqui, Delta, and Sea Island?

2. If so, (a) what are the descriptions, (b) the acreage, (c) assessed values of each of these properties?

3. What price was paid for each parcel and from whom were they purchased?

4. With respect to Matsqui property, what was the value of same in April, 1942?

BILLION DOLLAR GIFT TO BRITAIN—BEER—AID TO RUSSIA

Mr. NICHOLSON:

1. How much, if any, of the billion dollar gift to Great Britain was used to pay for beer shipped to Egypt or the middle east?

2. How many cases of beer have been shipped overseas during each of the years 1941 and 1942?

3. How much, if any, of the billion dollar gift to Great Britain was spent to purchase supplies which were shipped to Russia?

CANADIAN ARMED FORCES—WOMEN DOCTORS

Mr. FRASER (Peterborough West):

For the protection of the health of the women in our armed forces, how many women doctors are there in (a) the army, (b) the air force, (c) the navy?

PURCHASE BY DOMINION GOVERNMENT OF HOUSES IN OTTAWA

Mr. ROY:

1. Have any dwelling houses been purchased by the government in the city of Ottawa since 1940?

2. If so, (a) upon what terms, (b) what price was paid for each, (c) from whom were they purchased, (d) on what street and at what number is each located, (e) for what purpose is each being used?

PURCHASE BY DOMINION GOVERNMENT OF BUILDINGS IN OTTAWA

Mr. ROY:

1. Has the government purchased any buildings, in the city of Ottawa, from any societies or companies since 1940?

2. If so, (a) from whom, (b) upon what terms, (c) at what price, (d) at what locations, (e) what is each being used for?

NATIONAL DEFENCE—ACQUISITION OF WINDSOR, N.S., PROPERTY

Mr. BLACK (Cumberland):

1. Since September, 1939, has the Department of National Defence acquired property at or near Windsor, Nova Scotia?

2. If so, for what purposes?

3. From whom was such property acquired, stating the acreage, the estimated value and the amount paid or offered each owner?

4. On what dates and to whom were original contracts for buildings and improvements on such property awarded, stating names of contractors, the description of work or material contracted for and the total amount of each contract?

5. Were any supplementary contracts or extensions of contracts authorized, stating name of contractor, the description of work, and the total expenditure or estimated expenditure under the supplementary contract or extension of contract?

6. Were any "cost plus", "days of work", or other special contracts entered into, stating the name of the contractor, the description of work and the total cost of the contract in each case?

7. What have been (1) the total expenditures to January 31, 1943, and (2) the total estimated cost completed of, (a) land, (b) drainage and sewerage, (c) water works, (d) grading and filling, (e) roadways, (f) buildings, (g) gravelling, (h) other construction work, (i) equipment?

8. What have been, (a) the total expenditures upon the project to January 31, 1943, and (b) what will be the total estimated expenditure upon the project when it is completed, exclusive of operating costs?

GLEN LAWRENCE ORCHARD, KINGSTON, ONT., PROPERTY

Mr. AYLESWORTH:

1. Did the government purchase any land from Mr. Harvey of the Glen Lawrence orchard, at Kingston?

2. If so, how much was paid for it?

3. How many acres were purchased?

Mr. POWER: Order for return.

Mr. GRAYDON: Why an order for return?

Mr. POWER: It may apply to the army, the navy or the air force.

RENTALS FOR GOVERNMENT OFFICE SPACE

Mr. REID:

1. What amount was paid for rentals for office space required by the various departments of the government during 1942, showing the amounts paid in each province?

2. What amounts were paid by way of rentals for office space during 1942 in the cities of Halifax, Quebec city, Montreal, Ottawa, Toronto, Fort William, Regina, Moose Jaw, Calgary, Edmonton and Vancouver?

3. What was the total office space rented and amounts paid by or on behalf of the wartime prices and trade board in the above named cities, for the year 1942?

4. What was the total amount paid for rentals of office space in the city of Vancouver for each of the years 1939, 1940, 1941 and 1942?

5. What rentals were paid by the wartime prices and trade board in the city of Vancouver in each of the abovementioned years?

ROYAL CANADIAN MOUNTED POLICE—CONSTABLE GUARDS

Mr. BLACKMORE:

1. How many special constable guards have been employed to assist the Royal Canadian Mounted Police since the beginning of the present war throughout Canada?

2. What remuneration is being paid these men?

3. What remuneration is being paid constables of the Royal Canadian Mounted Police?

4. How many of these special constables are in uniform?

5. How many of them not in uniform are receiving clothing allowance?

6. How many of these special constables are ex-service men of (a) the first great war, (b) the present war?

7. Are these special constable guards granted street car tickets when they are posted more than a mile from their headquarters?

8. Are such special constable guards granted any benefits under the unemployment insurance scheme upon discharge?

[Mr. P. C. Black.]

MOTIONS FOR PAPERS

LABOUR CONDITIONS—LAY-OFFS IN WAR INDUSTRIES

Mr. COLDWELL:

For a return showing the number of persons in war production industries or on war contracts who were laid off between November 1, 1942, and January 15, 1943, or other latest date for which such information is obtainable, and showing the names of plants, corporations or companies from which lay-offs have taken place, together with the number of workers affected in each case. Also a statement showing what provisions, if any, have been made to reemploy or utilize the services of persons affected by the above lay-offs?

Mr. HOWE: It would be impossible for the government to give this information, because it is not available. The turnover in war plants is rather high, and it is difficult to draw the line between main and subcontractors. Men are coming and going all the time and I do not think anyone could be held responsible for determining what was a lay-off and what was not. Therefore I do not think this information can be given.

Mr. COLDWELL: Would the minister be prepared to give the information if I limited it to war plants employing fifty people or more?

Mr. HOWE: We have no information. Most employers are private employers and unless the lay-off were reported to the national war labour board, as it must be today, we could not furnish that information for the back periods.

Mr. COLDWELL: How about national selective service?

Mr. HOWE: They would have received figures on lay-offs only since the turn of the year, perhaps, but not before.

Motion dropped.

POWER PLANTS FOR WAR PRODUCTION

Mr. COLDWELL:

For a copy of all contracts, agreements, correspondence and other documents in the possession of the government, dated from the 1st of September, 1939, to the present, relating to understandings concerning the erection of any new power plants made necessary by war production in the provinces of Ontario, Quebec, Alberta and British Columbia, together with any orders in council, contracts, agreements or understandings regarding depreciation or rebates to be allowed by the government from amounts otherwise payable under excess profits tax or other tax legislation. Also a copy of any agreements regarding financial aid by the

government in the erection of such plants, and any contracts, agreements or understandings governing conditions or terms of sale of such power to companies or corporations in Canada or for export to the United States.

ENLISTMENT OF ENEMY ALIENS

Mr. SHAW:

For a copy of all orders in council and regulations passed since the outbreak of the present war respecting the enlistment of enemy aliens in Canadian active service or home defence units.

LOSS OF TIRES IN WYNYARD, SASK., GARAGE FIRE

Mr. NICHOLSON:

For a copy of all documents in the possession of the government, exchanged between any person or persons and the wartime prices and trade board or the Department of Munitions and Supply, in connection with the loss of tires at the time of the fire of the Einarson Garage, Wynyard, Saskatchewan?

INTERNATIONAL CURRENCY—GOLD STANDARD

Mr. QUELCH:

For a copy of all correspondence passing between any department of the government of Canada and, (a) the government, or any department thereof, of the United States of America, (b) the government, or any departments thereof, of Great Britain, during 1941 and up to the present time, regarding the adoption of an international currency and/or a return to the gold standard. Also a copy of all documents and papers making commitments therewith.

Mr. MACKENZIE KING: The house will observe that this motion calls for correspondence between the government of Canada and the government of Great Britain and also between the government of Canada and the government of the United States. I would not be in position to table correspondence, if there is any such, without the consent of the other governments mentioned. In the event of there being correspondence I will undertake to ascertain from the governments of Great Britain and the United States whether or not they are agreeable to having such correspondence tabled. The last clause in the motion is, "also a copy of all documents and papers making commitments therewith." I think I have sufficient knowledge of the situation to say that there have been no commitments made with regard to the subject matters referred to in the order. That is all I can say with respect to the motion. I think it had better be dropped.

Mr. QUELCH: Would an hon. member be permitted to read this correspondence without its being tabled, or would permission have to be granted?

Mr. MACKENZIE KING: I would have to ascertain whether the British and the United States governments were agreeable before I could answer my hon. friend.

Mr. SPEAKER: Dropped.

Mr. QUELCH: Stand.

Mr. MACKENZIE KING: I think the motion had better be dropped. I shall ascertain from the British government if there is any such correspondence and if, so far as the British government is concerned, it may be tabled or read. If it is available, I shall advise my hon. friend as soon as I have a reply.

Motion dropped.

QU'APPELLE RIVER VALLEY SURVEY PARTIES

Mr. PERLEY:

For a copy of the reports of the survey parties working under the jurisdiction of the Department of Agriculture in the Qu'Appelle river valley, during the years 1941-1942.

Mr. GARDINER: Before this is passed I should like to get some information from the hon. member for Qu'Appelle (Mr. Perley). Does he desire the final reports of the different surveys made? It will be understood that these survey parties simply ran levels on all the streams flowing into the Qu'Appelle valley, and the interim reports to the department would simply show what those levels are at the different points. If it is a return of that kind that is required it will involve a great deal of work, but it can be brought down. If my hon. friend simply requires the report of the findings of the survery party as to what might be done on these different streams, it would involve much less work.

Mr. PERLEY: I think that might serve the purpose. Is the work continuing, or has a final report been made?

Mr. GARDINER: A final report on what might be done as the result of the investigation?

Mr. PERLEY: Are any survey parties working there now?

Mr. GARDINER: They were working up until the end of the summer. I do not suppose they are working at present, but they will continue in the spring.

Mr. PERLEY: If the minister will bring down the final report, that will be satisfactory.

Motion as amended agreed to.

SAINT JOHN DRY DOCK COMPANY

Mr. WRIGHT:

For a copy of all contracts, correspondence, and other documents in possession of the government relating to construction of cargo or other vessels by the Saint John Dry Dock Company of Saint John, New Brunswick; also copy of all repair agreements from January 1, 1940, to January 1, 1943.

SELECTIVE SERVICE—RETIREMENT OF ELLIOTT LITTLE AS DIRECTOR

Mr. HAZEN:

For a copy of all letters, telegrams, memoranda and other documents exchanged between Mr. Elliott Little and the Minister of Labour, or any official of the Department of Labour, the Prime Minister, or any member of his staff, or the clerk of the privy council, with reference to the retirement of Mr. Little from the position of director of selective service.

SOCIAL INSURANCE

INQUIRY AS TO APPOINTMENT OF SPECIAL COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Prime Minister to move for the appointment of the proposed select committee on social insurance at once, rather than delaying the appointment of the committee until the debate on the address has been concluded. The names of the opposition members on the committee were submitted some days ago, along with the names of opposition members of all the standing committees. I am sure the Prime Minister will agree that this is a matter of considerable urgency if the committee's work is to be concluded in time for legislation to be introduced this session.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend will observe that the government had anticipated that it was the desire of the house to have some of the committees appointed forthwith, and to-day there was introduced by my colleague the Minister of Pensions and National Health, lists of the membership of the standing committees which have now been constituted. It was the government's intention to proceed day by day with the constitution of other committees. I agree with my hon. friend that it is desirable to have the committee on social security appointed at an early day. There was last session a committee on reconstruction and rehabilitation. It is understood that committee will be reconstituted. I think that that committee should perhaps be set up before the one on social security. I can I think undertake to say that a motion with respect to both committees will be introduced within a week.

Mr. GRAYDON: I am sure the Prime Minister will understand the significance of my inquiry. There will be a tremendous volume of work before the social insurance committee, and it will require a good deal of time to complete its labours. I hope there will be no delay in appointing the committee.

Mr. MACKENZIE KING: I am equally anxious to have the committee constituted as soon as possible.

WAR APPROPRIATION

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

Hon. J. L. ILSLEY (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to be called the Supplementary 1942 War Appropriation Act to provide *inter alia*,

1. That sums not exceeding $858,000,000 be granted to his majesty in addition to the sums granted by the War Appropriation Act, 1942, towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the governor in council during the year ending March 31, 1943, for:

(a) the security, defence, peace, order and welfare of Canada;

(b) the conduct of naval, military and air operations in or beyond Canada;

(c) promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or in any other manner whatsoever; and

(d) 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.

2. That the governor in council be empowered to reexpend, advance or loan moneys that may be received by way of refund or repayment of advances, loans or expenditures under the War Appropriation Act, 1939, the War Appropriation Act, 1940, the War Appropriation Act, 1941, the War Appropriation Act, No. 1, 1942, the War Appropriation Act, No. 2, 1942, and the Supplementary 1942 War Appropriation Act.

He said: I stated the other day, Mr. Speaker, that His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, before the house goes into committee, I am quite sure that the minister is prepared to make a statement supplementary to that already made.

Mr. ILSLEY: I am quite prepared to make a brief statement before we go into committee, although I have not prepared any statement. I am prepared, however, to answer questions. As I said the other day, I hope we shall be able to get this resolution through as soon as possible for the reasons I then gave.

This resolution is to provide for sums not exceeding $858,000,000 to be granted to his majesty by way of supplementary war appropriation for the current fiscal year. The amount already voted is $2,000,000,000, and from the most careful estimates that can now be made it would appear that we shall need before the end of the current fiscal year another $858,000,000. If members are interested, the initial estimate of the last year will be found in the *Hansard* of March 17, 1942, at page 1531. The estimate there is for $2,213,000,000. It would have been more than that if it had not been anticipated that there was some duplication between the estimates of the Department of National Defence and the Department of Munitions and Supply. It would have been $2,363,000,000 but for that. It is therefore not correct to say that our war estimates have been exceeded or will be exceeded by $858,000,000 in the current fiscal year, because we did not ask the house to vote the total amount of our estimates last year. I explained then, I think, that it is impossible to forecast with any accuracy the demands which will be made upon the treasury in time of war. So much depends upon developments that one can only make an approximation. The practice that has been followed in the last two or three years has been this. I have brought before the house the estimates for the war departments and the war estimates for the other departments, which have added up to more than the amount I have asked the house to vote. That was the case last year. As it turns out I would have been safe in asking the house to vote more than our estimates last year instead of less, but having asked the house to vote less than $2,213,000,000 I have now to come and ask the house for what appears to be a very large additional amount, $858,000,000. There have been many unanticipated programmes and projects through the year and additions have been made from time to time to the war estimates. On the other hand, though I cannot give the house details at the moment, some of the projects which were anticipated have not made the demands upon the treasury that were expected or have not been carried out in the way that was expected. So that there is a great lack of agreement between the amounts spent during the fiscal year in time of war and the amounts which it is anticipated at the beginning of the fiscal year will have to be spent.

I should say that during the summer and fall it was expected that our total expenditures would amount to about $3,900,000,000. That was the figure I gave in the budget last June and it is the figure I used whenever I was asked about the matter thereafter. Now it would appear, as I have stated recently, since the beginning of the year—I think, in the house; certainly outside the house, before the house met—that our total expenditure for the entire fiscal year will be nearer $4,500,000,000 than $3,900,000,000.

Mr. HANSON (York-Sunbury): May I ask the minister if the $3,900,000,000 included the peace-time expenditures?

Mr. ILSLEY: Yes, and the $4,500,000,000 does too. Those are the total expenditures of the dominion government for what we sent abroad and for our armed forces and for our non-war expenditures and so forth. I am not an economist, but it was a surprise to me that the country was capable of such a large expenditure, that there would be goods and services available produced by the people of the Dominion of Canada to such a high amount. It shows how productive the country is, what a great capacity for production there is.

These are the fundamental facts underlying these estimates: that our expenditures will be about $4,500,000,000 during the fiscal year, instead of $3,900,000,000; and when it is borne in mind that we did not vote the full $3,900,000,000, it will be seen that what I am asking is substantially consistent with these figures.

Mr. GRAYDON: I shall make no more than one or two observations with respect to the minister's brief statement this afternoon. I think I should repeat what I said with regard to the attitude of our party towards the facilitating of the passing of this measure. We are anxious that the government shall not be held up in any way with respect to this vote. But any curtailment of discussion at this stage will be with the distinct reservation and upon the definite condition that when the regular war appropriation bill is before the house we shall have the opportunity of discussing in full any points which might normally arise with respect to discussion of this one. That, I believe, is understood by the government, and it is understood by us.

Mr. ILSLEY: Yes.

Mr. GRAYDON: The minister stated just now that he was amazed at the capacity of the Canadian people to rise to the position of production by which they are capable of handling as large a budget as that which the minister has just indicated. I think perhaps all of us are amazed at this. I might point out, however, to the minister and the government, and with this I will conclude, that all sections of the people are anxious that whatever is required to win this war shall be given—whether it be in man-power, in material, or in finance. That is a pledge to which our people have definitely committed themselves in order that this battle for freedom shall be won. But while they are willing to shoulder whatever financial burdens may be necessary that are within their power, they also expect that every dollar which is given to the government for this very important object shall be spent without waste and without inefficiency.

We hope that during this session, when the war appropriation bill is presented to the house, it will be presented in sufficient detail to enable members of the opposition and all other hon. members to have the opportunity of examining, perhaps more closely than has ever been done before, each of the details in connection with the war expenditures covered by these large amounts. To-day nearly every person in Canada, according to his or her ability, is required to pay; I think hon. members in general will corroborate my statement that more people at this time are conscious of government expenditures than ever were before, and that there is a growing desire among the ordinary taxpayers of the country that every dollar given by them to this worthy purpose shall be properly and effectively spent. I warn the government that we shall require the war appropriations to be set before us in greater detail than ever before. That, I believe, is in the interest of the people, and to insist upon anything less would not be to discharge properly our duties as members of His Majesty's Loyal Opposition.

Mr. M. J. COLDWELL (Rosetown-Biggar): I do not propose to make a speech; I shall say only that in conformity with the understanding arrived at, we are prepared to allow this appropriation bill to go through as rapidly as possible. When we come to the main bill we should like a complete break-down of the expenditure over the current year so that we may understand precisely how the money has been spent.

It is an amazing thing to many people that Canada has been able to find the large amount of material supplies which is represented by the sum of money involved. We may congratulate the Canadian people that the Canadian economy has been able to do this in war time; and if I may say so, I think our people expect that when the war is over we shall be able to find the same material things, and to the same or greater extent if necessary, for the building of this country in the post-war period. I look forward to seeing the government plans of the future for the construction of this country in the post-war period.

We shall, however, want to make a thorough inquiry into these expenditures when the main appropriation is before the house.

Mr. J. H. BLACKMORE (Lethbridge): Members of the Social Credit party are desirous of enabling the government to expedite the passage of this bill. We realize that they require the money, and it is our desire to see that they have the money to fight the war.

I think it is timely that we point out to the minister that we are not surprised that he should have said he was amazed at the productive capacity of Canada. We are not at all surprised that the leaders of the Progressive Conservative and the Cooperative Commonwealth groups should have said the same thing. We wish to draw to the attention of hon. members the fact that in 1935 we social crediters began to point out that there was a tremendous productive capacity in Canada, and that Canada's productive power could be mobilized by a monetary technique. The members of the government were merely tolerantly indulgent of the foolish ideas which they thought we were expressing.

Canada had the same productive capacity in 1935 that she has to-day. But the powers in control did not see fit to allow Canada's productive capacity to be used and the result thereof to be distributed among the Canadian people to enhance their well-being. That could have been easily done, just as well as it can be done now.

I wish to point out one other matter that is vital in this connection. Even yet the members of the government and parliament generally have not come to recognize that all these vast wartime productive schemes could have been accomplished without increasing the debt in Canada. As has been pointed out time and again, what is physically possible is fiancially possible; where the productive capacity of Canada actually exists the financial capacity is there, and the end can be achieved without debt and without injurious taxation. May I point out to the government that one of the most important

tasks confronting the administration to-day, as it approaches a possible peace, is that of finding a means—some means must be discovered—whereby the productive capacity of Canada, as is evidenced by the tremendous achievement during this war, shall continue to be used after the war.

Production has been stimulated during the war by the borrowing and spending of money. Where productive capacity exists the money can be spent, and it need not be borrowed. It is the spending of money which causes inflation, if inflation is the result; it is not the place from which a government gets the money. State money, debt free, could have resulted in the same production, whether in peace or in war, as has been brought about by the means already used. The resultant production could have been distributed in time of peace among the people, if the government had had vision enough to see how the distribution of goods could be effected among the Canadian people.

To-day we are becoming fairly prosperous, or would be, if it were not for the scrupulous care with which the Minister of Finance (Mr. Ilsley) through his taxation structure limits our prosperity. We are becoming prosperous because we are distributing our goods in the form of munitions and instruments of destruction abroad. In order to obtain the financial prosperity in Canada which results from the manufacturing of tanks Canada does not need to manufacture tanks and send them over to Hitler to be destroyed. The same prosperity could result from the manufacturing of anything to be used in Canada, the difference being that in the case of something to be used in Canada, Canada would have not only the money to spend here but the goods to use as well.

I do not wish to discuss this matter at any great length now but it seems fitting that the members of the house should be very thoughtful in view of the tremendous productive power which has been evident in Canada.

One thing more. Our productive capacity has not yet been fully exploited. Enormous quantities of additional foodstuffs of many kinds can be produced in Canada. Canada is capable of producing a tremendous quantity of rubber by synthetic processes, huge quantities of gasoline, great quantities of sugar and an abundance of fruit which we have not yet produced.

Mr. MacNICOL: And oil.

Mr. BLACKMORE: And oil. One could name scores and scores of commodities. If the productive capacity of Canada were organized and utilized so that production would be for the use and benefit of the Canadian people, and if a financial technique were perfected whereby that could be brought about and the resulting goods distributed, all without taxation, we should then see the way to a new order in which the standard of living of the Canadian people would bear some sort of relation to their productive capacity.

We are prepared to cooperate with the government to the limit in providing the money to enable Canada to make the greatest war effort that it is possible for her to make, considering the man-power and other resources at her disposal.

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

Mr. HANSON (York-Sunbury): I regret that the minister, in the course of the all too brief observations which he made with respect to this resolution, did not take occasion to give a break-down of the $858,000,000. On February 8, at page 217 of *Hansard*, he referred to the fact that funds for the transfer of munitions plants from the imperial government to the Canadian government would be requested in the supplementary war appropriation bill; but apart from that I can find very little reference to the items which are to be covered by this appropriation. There is of course reference to other matters which presumably may or may not be in the bill. I am going to ask the minister, at the conclusion of the brief remarks which I have to make, to give us a break-down of the whole sum of $858,000,000.

Having regard to the undertakings which were given by my leader and the leaders of the groups in the house, the discussion of this matter must of necessity be very limited. Let me say at the outset that since the minister has made it clear that the money must be voted immediately, that it is a national necessity in order that the contractual obligations of the nation may be promptly met, there is no disposition on the part of anyone to hold up the bill. But I may say I was startled, as I think the country will be, at the size of this supplementary bill, having regard to what we were told during the last session of the house. Perhaps it would not be out of place if we were to have a review of the whole position. The minister expressed amazement that the people of Canada could sustain the weight of a war expenditure of the size and scope they are being asked to sustain. The answer is that this government is asking the people of Canada to bear a greater ratio of load in proportion to the national income than is the case in either of the other two large belligerent nations. I have before me a review contained in a federal

reserve publication issued just prior to January 15 which reveals that the proportion of the national income devoted to war purposes is considerably less in the United States than it is in either Great Britain or Canada. This bulletin shows that the war effort in the three countries is absorbing the national income according to the following percentages: United States, 24·5 per cent; Great Britain, 36·8 per cent, and Canada, 39·1 per cent. If these figures mean anything, and if I correctly interpret them, they show that the Canadian people are being asked by this government to contribute to the war effort a greater proportion of the national income than either our rich neighbours to the south or our very hard-pressed blood brothers overseas.

Mr. REID: Do not forget that the United States have state income taxes, and that now we do not have provincial income taxes.

Mr. HANSON (York-Sunbury): I do not quite see the relevancy of that remark. I may be dense, but I cannot correlate that suggestion with the point I am trying to make. I am speaking of the portion of the national income being taken by the government for war purposes from the people of Canada as compared with the portion taken by our neighbours to the south and our friends overseas. To me that means that the Canadian people are being taxed more heavily than are our friends in the United States or our friends in Britain, that we are asked to do more in terms of dollars and cents than either of those countries. I am assuming that these percentages are correct. I have no means of checking them, but since they are given out by the federal reserve system I assume at once that they are accurate.

That tells the story. It is often said in this house by certain parties that too much emphasis is being laid on the problem of man-power *qua* the army. I want to say that in my view —and I do not care who gets the credit or discredit, for that does not mean anything— this country is doing more financially than any other of the united nations. I am not complaining about that, but the question has arisen as to how far we may go in personal income taxes. I am reminded that last summer, during the course of a tour, the Minister of National Revenue (Mr. Gibson) made the statement, if I remember correctly, that personal income taxes in this country had reached their peak. I understand that statement was not very pleasing to the members of the government at a later stage ,and perhaps the minister was a little indiscreet in making it. However, he did make it, and I presume he was speaking for the government. That shows that the loyal people of this country are willing to pay to help win this war, as well as giving their sons and now their daughters in the national cause. Whoever says there is not conscription of wealth in this country by way of taxation, no matter what may be the vehicle of taxation, just does not know what he is talking about and is talking very loosely. I wonder sometimes just how much farther we can go.

The size of this supplementary bill is astonishing. When the minister brought down war appropriation bill No. 1 for $2,000,000,000 he gave the estimates and asked for the round figure, and left his position open in regard to the estimates he gave. But I do not understand how they could vary so greatly. I do not understand how there could be such a wide variation between the estimates and the actual results. It is true that we have increased our armed forces and increased our production, but this is a very large sum. It may include some items of which I have no knowledge; from the remarks of the minister I think it does include an amount for the acquisition of war plants. How much that amounts to, I do not know; would it be $200,000,000?

Mr. ILSLEY: That is right.

Mr. HANSON (York-Sunbury): Very well. I think therefore that as a duty to the people of Canada I should put on record a clear view of what is the position in dollars and cents, and to that end I have prepared as best I could a brief statement.

During the session of 1942, war appropriation bills No. 1, which I think was assented to on June 9, and No. 2, of which I have not the date of assent before me, provided for the sum of $2,000,000,000. In addition we had the United Kingdom war financing act, which appropriated another $1,000,000,000. Then we had the peace-time estimates amounting to $454,000,000 in round figures, and supplementary peace-time estimates of $28,000,000, making the total peace-time estimates $482,000,000. These three figures aggregate $3,482,000,000. Under this war-time supplementary resolution that we are being asked to consider for the present fiscal year the amount is $858,000,000, making a grand total of $4,340,000,000—a sizable sum for eleven and a half million people.

According to an answer brought down on Monday last to a question put by the hon. member for Peterborough West (Mr. Fraser) which will be found on page 202 of *Hansard*, the latest published estimate of direct war expenditure for the present fiscal year ending March 31, 1943, including the gift to Britain, was $3,900,000,000. And the latest estimate

for peace-time expenditure is $600,000,000. I understand how the $3,900,000,000 is made up, but I am at a loss to account for the difference between $482,000,00 peace-time main estimates plus supplementaries and this estimate of $600,000,000, a difference of $118,000,000. I think the Canadian people will require some explanation from the minister at a suitable time as to why our peace-time estimates so far exceed the amount of the vote of this house.

The peace-time estimates should be reduced instead of increased. The government made some show of endeavouring to decrease them; witness the appointment of Mr. John Thompson. I do not know how far he will get. I know that there was a very limiting factor in the order in council appointing him; I understand that has been amended so that now he has full authority to go into every department, which authority was at first denied him. But the minister ought to give some explanation in regard to that $118,000,000 excess in the peace-time estimates. It will be rather a shock to the people of Canada to learn of that. While we exceed the war-time estimates by many millions of dollars and might reasonably expect that, to have also $118,000,000 of peace-time expenditure beyond what we were told at the last session of parliament is something I do not understand. There will have to be some explaining to the Canadian people as to why we have exceeded or are about to exceed our estimated peace-time expenditures to the extent of $118,000,000. I have a suspicion that a very large portion of expenditures which might properly be charged to peace-time activities is included in the war appropriation bill and paid out of that fund. We have not much to say about the distribution; we know about it only after the event. But if that suspicion is well founded—I am only calling it a suspicion, because I have not the time or the ability to dig it out myself, neither have I the information available—I would assume that a very large sum of peace-time expenditure is included in the war appropriations, and that if the real truth were passed on to the people of Canada we should find the peace-time activity expanded not merely to $600,000,000 this year instead of $482,000,000, but to a substantially larger sum than that.

Now according to the same answer, the revenues from all sources for the fiscal year ending March 31 next are estimated at $2,250,000,000. Having regard to the greatly increased rates of taxation, this estimate is probably accurate. No doubt the officials of the Department of Finance have made a careful estimate as to what the probable revenues are from the returns already available and from the flow of funds to the treasury.

From these figures I draw two inferences: first, that there has not been very careful planning by the government with respect to war financial expenditures. As a matter of fact one of the charges against the government is that there has been no all-out planning of our war effort, in relation not only to this, but also to nearly every other activity. Certainly that is true with respect to the man-power situation, about which I hope to have something to say on a later occasion. Yet here we are to-day in the position that the cupboard is bare, the treasury depleted, because of what I call a lack of planning on the part of the administration. All the greatly increased revenues, the proceeds of the huge loans subscribed by the Canadian people, are gone, or nearly so. I think an explanation is due to the Canadian people far beyond that which the minister gave this afternoon. We all assumed that there would be some supplementary war appropriation bill for this fiscal year, but I do not think any of us every visualized a bill to the extent of $858,000,000.

The second lesson I draw—and I hope I am wrong—is that there has been some lack of treasury control over expenditures. In the course of this discussion the minister should tell us just what the treasury control is over war expenditure as well as over peace expenditure. The minister is very alert to tax the people; no one can accuse him of lack of initiative in levying taxes. I have heard him many a time urge them to tighten their belts and to lend and give to the utmost. So far as I am concerned I have had to tighten my belt; I can speak from personal experience. But I am not complaining—I am not in a position to do very much else—although I have found it very hard going, as many another has. I am willing to pay, because I cannot contribute much otherwise. But I wonder whether the minister is just as alert in protecting the public in connection with these war-time expenditures as he is in getting the money to make them.

Time was when the minister of finance was the guardian of the public treasury. I put this query to him: How far has that function been performed? What about extravagant expenditures and waste? Probably the minister will challenge me, as I was challenged last year, to name them, and on the spur of the moment I said: Look around you. Some newspaper supporting the government said I was referring to the number of page boys in this house. Of course I was not

referring to anything of the sort. But if the minister wants an answer I refer him to the speech made last year by his follower the hon. member for Simcoe East (Mr. McLean), to which the government has given heed in connection with expenditures in the operation of this House of Commons. That speech did a lot of good, and the preparation of it must have taken a great deal of time. But if you will look around in this country, if you will listen to what the public are saying, you will realize that they are condemning this government for the waste that is going on everywhere. I have evidence that orders have gone out in the army to prevent waste, and that is all to the good. But it is in response to public opinion. Things have been tightened up in the training camps, for instance, and expenditures are being restricted. That was not always so. It certainly was not so with the Minister of National Defence for Air, who was very disarming on one occasion when he told us that speed was the only consideration. He so disarmed me that I could not go on and criticize him.

Mr. POWER: But he was amongst the first to start economy measures after the speed mania was over.

Mr. HANSON (York-Sunbury): That may be; I am simply commenting upon the disarming statement made by the minister which prevented me at least from going on to criticize when I was compelled to believe in my own heart that speed was a necessary requirement because of the magnitude of the war operations. The money had to be found and the money had to be spent. I am just wondering if in connection with the construction of airports in this country, we will say, the proper ratio has come back into the public treasury by way of income tax.

Mr. POWER: Profits by contractors?

Mr. HANSON (York-Sunbury): By contractors.

Mr. POWER: Talk to munitions and supply, not to me.

Mr. HANSON (York-Sunbury): And finance. I am not blaming the minister. I recall an occasion on which I stood in this place and described how a contractor had obtained a contract in connection with an airport at prices that put a smile on his face that I compared with the smile on the face of a tiger. The unit prices were so high as to warrant the statement by me to-day that those prices should have been obtained by competitive tenders. I know there are times when you cannot do that; I know there are conditions under which it is not possible, but the competitive system has much merit.

If there is one thing I should like to impress upon the minister it is the necessity of some treasury control even over the three branches of the armed services. I could give a number of instances, but I shall refer only to one, the prices paid for land in connection with the Gimli airport. I do not say that there was any graft in connection with it; I do not know anything about it, but a newspaper in Winnipeg made an examination and came to the conclusion that two or three times as much was paid for submarginal land in that district as should have been paid. I do not know the truth of it at all, but here is an instance in which the public believe there has been a waste of public funds.

Recently I heard of an installation of the Department of National Defence being made on a marsh at Windsor below tide level which has had to be protected by a dyke eight feet high.

Mr. ILSLEY: That is not true; that is incorrect, to say the least.

Mr. HANSON (York-Sunbury): The hon. member for Cumberland (Mr. Black) has been there. I was to have gone with him but I could not do so.

Mr. ILSLEY: I do not think he will say that.

Mr. HANSON (York-Sunbury): That is the information I have.

Mr. BLACK (Cumberland): It is protected by a dyke. I do not say that it is below the water level, but it is protected.

Mr. HANSON (York-Sunbury): Why the dyke? I have lived on the marshes of Westmorland county and I know why the dykes are there. They are put there to protect against inundation by the sea. I am not going any further into this sort of thing, but I do want to impress upon the minister the necessity of treasury control. I know there are many people who will say that the expenditures of the army must not be interfered with by the treasury, but I say to the army that treasury control is absolutely necessary; the civil authority must at all times be paramount over the military authority in any democracy.

We are willing to vote for this measure in order that the national honour may be maintained, but I warn the minister that the country is expecting much from him by way of protection against waste. Last year, the

year before and the year before that I said that the people of Canada from the highest to the lowest would give gladly and willingly according to their ability to give and pay, but they would expect a dollar's worth of value for every dollar of expenditure. They would expect all waste to be eliminated and they would expect the government to watch expenditures. I repeat that to-day.

There are some other remarks that I desire to make in connection with this matter. We are told in the press that we are to have a national budget well in excess of $5,000,000,000 or perhaps $5,500,000,000. I have in front of me a Canadian Press dispatch from Ottawa, the heading of which states that the war is costing close to $6,000,000 daily and that Canada's expenditures for ten months had been $1,826,000,000, the average for January being $5,968,000 daily. The item then goes on to say that in all probability we will have a budget in excess of $5,000,000,000 and perhaps $5,500,000,000.

What does that mean? It means a per capita expenditure of $500 for every man, woman and child in Canada. If we are to be called upon for that, it is the duty of the government to see that every dollar is properly expended. I must say that an anticipated budget of $5,500,000,000 for 11,500,000 people is something to cause us to think and think violently. I am willing to pay the shot so far as my part of it is concerned, and I think all loyal citizens in Canada are willing to pay theirs, but I do not believe we ought to be asked to pay beyond our ability to pay. We should not be asked to pay a greater portion of the national income than the people are being asked to pay in hard-pressed Britain.

We shall vote for this resolution and the bill which will be based upon it, but I fear that the undertaking to provide an opportunity for full discussion of this $850,000,000 when the war appropriation bill comes on will not be very effective. We will be so concerned with an examination of the details of the huge war appropriation bill that this relatively trivial item of $858,000,000 will be lost sight of. I think the government should have brought down this bill a week ago. They should have suspended the debate on the address and given us a break-down of this sum so that we could have had time to consider it. The Prime Minister should have suspended the current business of the house if this bill was so urgent and we had to have this money as of to-day.

I want to repeat what my leader has said, that we reserve the right to investigate on a later appropriate occasion the whole break-down of this $858,000,000.

Mr. ILSLEY: Mr. Chairman, I do not think there will be any difficulty about examining the expenditures for the current fiscal year when the main appropriation bill is before the house, because that is the time when the ministers give an account of their activities over the past year. It is incidental to the passing of the new estimates that the various ministers concerned should rise in their places and state what has been spent and what has been done. As a matter of fact most of the discussion on the main appropriation bill is a discussion of what has been done, not of what will be done, and therefore the hon. gentleman need have no fear that there will be any skimping of discussion on these estimates.

Before I sit down I shall put on *Hansard* a break-down of the $858,000,000, and for the convenience of members I will give them the citations from *Hansard* of last year, so that at their leisure—I hope they will not do it this afternoon or ask that this go over until to-morrow to enable them to do it—they can, before the main bill comes down, ascertain where the increases have been. It will be fairly clear, if they will look at *Hansard* of March 17, 1942, page 1531, which I cited before, and *Hansard* of June 1, 1942, page 3180, where a break-down of all expenditures of non-war departments is to be found, just what has been done. It may be that there are other pages of *Hansard* of last year where a break-down is given of the estimates of the war departments. I think there are, but I have not them before me. At any rate these two citations will give a very good idea where the increases have taken place. But before I give these figures I want to refer to two or three points made by my hon. friend.

The hon. gentleman spoke about the increase in the non-war expenditures from an estimate of $482,000,000 to an estimate now of $600,000,000. I am afraid that I cannot give him a final or complete and satisfactory explanation of that. I think, however, the explanation is this, that payments to the provinces and the increased interest on the debt account for the whole thing and more. It must be remembered that the interest on the debt which is in substance a war expenditure, is included in the non-war estimates. The hon. gentleman said that there was a tendency to charge to war what should be charged to peace. I think there is an inherent tendency, a natural tendency on the part of departments to do that, but it is a tendency which is combated by the treasury very resolutely, and, I believe, fairly successfully. If one goes through the

amounts which have been charged to war I do not think there will be found in them anything that should not be charged to war.

Mr. HANSON (York-Sunbury): In connection with the payment of subsidies, was there not a vote in the peace-time estimates of last year to take care of them?

Mr. ILSLEY: I cannot recall.

Mr. HANSON (York-Sunbury): I do not either.

Mr. ILSLEY: There may have been a token vote. I cannot be final on that, but my recollection is that the increase is accounted for by those two items. It may be that under the wheat acreage reduction plan there is also expenditure which was not included in the estimates but came under a bill, but the increase in any event is not accounted for by overexpenditure of the items voted. That is the thing the hon. gentleman fears.

Mr. HANSON (York-Sunbury): I did not suggest that.

Mr. ILSLEY: There is no looseness or laxity whatsoever in that regard. In explanation of that increase there is an important fundamental which anyone will understand when I put the facts before the house.

With regard to the proportion of our national income that we are spending on war as compared with Great Britain, I have been advised all along that we were not quite up to Great Britain, that we were not spending quite as large a proportion of our national income on war as they are doing in Great Britain. The figures which the hon. gentleman has given, while issued by a most respectable authority, may not be correct. I assume that they have taken some estimate of Canada's national income which may or may not be an accurate estimate. Any statement of Canada's national income is an estimate. I have read articles in the London *Economist* criticizing our estimates of our national income as being away too low. They may be; I do not know about that. It may be that the federal reserve board, if that was the authority that issued the statement, has used an estimate of our national income which is considerably too low. If so, the actual figures might show that the comparison was in favour of Great Britain rather than in favour of Canada. But if it is correct that we are spending a larger proportion of our national income on war than is Great Britain, that does away with the criticism that we are not conducting an all-out war effort, which has been the criticism of the government for the last two or three years.

Mr. HANSON (York-Sunbury): Not with respect to finance.

[Mr. Ilsley.]

Mr. ILSLEY: Finance is merely a measure, merely an index of what the people themselves are doing. That is all it is. When we talk about a certain proportion of the national income being devoted to war, all it means is that a certain proportion of the work that is done by the Canadian people, a certain proportion of the human and material resources of this country, is devoted to war. That is all it means, and the proportion of the national income in dollars that is devoted to war is merely an indication of the other.

With regard to United States, I would assume it is true that the United States is devoting a smaller proportion of its national income to war than is the Dominion of Canada, but the Dominion of Canada has been in the war since September, 1939, whereas the United States has been in the war only since December, 1941, and they have not yet by any means speeded up their activities to full capacity. If, however, they spend what the president says they will spend this year, they will spend much more than the Dominion of Canada proposes to spend in proportion to national income.

The hon. gentleman also said that the fact that these estimates have been so substantially exceeded is an indication that there has not been very careful planning. The planning was careful enough, but conditions have changed to such an extent. In May or June we revised the British commonwealth air training plan drastically, extending it widely to take effect the 1st of July. Situations also arose which required us to embark upon construction programmes of the most vital character, and our plans had to be altered. In fact, war plans are under a continual process of week by week alteration, and it is not a valid criticism to say that there is evidence of lack of careful planning because one changes one's programme during the course of the war, abandoning some parts and taking on other projects which are more expensive than the ones which have been abandoned.

Then the hon. gentleman said that there was a lack of treasury control. Well, we have in this country six thousand treasury officials. They are in all the departments. They are headed by the comptroller of the treasury; they make reports for me from time to time of anything they feel should be investigated. Members of the public send in criticisms of what they allege to be wasteful and extravagant expenditure; when they do, I write to the department and the minister inquires into it. If there is anything really wrong the practice is changed, and if there is not anything really wrong I send an explanation back to the person who wrote in. That, I think, is about the most the Department of Finance

can do. It is becoming almost impossible to get qualified auditors, cost accountants and so forth. As I said, we have already a staff enormously greater than before the war. We have our check when we pass the non-war estimates; we have our check when we pass the war estimates, and then we have the check on the expenditures which is provided by the officers of the comptroller of the treasury.

Mr. HANSON (York-Sunbury): That is the day-to-day operations. I was not referring to that; I have no doubt that is being looked after. It is the over-all control to which I referred. How far shall you go? What is your target? That is what I mean.

Mr. ILSLEY: Well, I give my targets every year. As I say, we do not hit them exactly in the middle, but we do the best we can to estimate what we should spend and can spend, and we do the best we can to keep our expenditures within those estimates.

Mr. GRAYDON: Does the minister get from the public many letters of the kind he has indicated?

Mr. ILSLEY: Oh, quite a number. I do not know what the hon. member means by "many". There are undoubtedly instances here and there of what the public regards as unnecessary or excessive expenditures. I would be the first to admit that. Every minister knows that, and every minister is, I believe, doing the best he can to prevent these things from happening. In a war effort of the dimensions of ours it is inevitable that here and there persons will be selected for positions of responsibility who have not the necessary qualifications for discharging those responsibilities. In other words, there will be some mistakes made. This happens in private business; it happens in every line of human activity. As long as the authority in charge—in this instance the government—has the right principle in regard to it, follows it up, and does not condone anything of the kind, that is about the best it can do. I know somebody may say that this sounds complacent, that we should go further.

Mr. GRAYDON: It sounds like a pretty good story, anyway.

Mr. ILSLEY: But if hon. members knew the great trouble we go to in order to keep our expenditures so that we can justify them to the house and to the public, and the fight we keep up year in and year out to do that, I believe they would give us a considerable amount of credit.

Those, I think, are the main points. The hon. member referred to Windsor, Nova Scotia. I know about that, because the Minister of National Defence (Mr. Ralston) went into it very fully. It is quite near where I live; and there is a good explanation.

Mr. HANSON (York-Sunbury): It will take some explanation, in the minds of the people, you know.

Mr. ILSLEY: Oh, I do not think so. That project was most carefully considered.

Mr. HANSON (York-Sunbury): Would the minister give the same consideration to the matter of who would build the plant?

Mr. ILSLEY: I know what the hon. gentleman means. But my information is that it went to the lowest tenderer.

These are the estimated war expenditures for the present fiscal year. I have to give the whole of them, and then subtract the $2,000,000,000 we already have. My figures are as follows:

National Defence		
Army services	$1,060,508,000	
Naval services	207,822,000	
Air services	626,960,000	
Sundry services	17,649,000	
		$1,912,939,000
Munitions and Supply		
Administration	$ 9,500,000	
Expansion of war industry	480,004,000	
Acquisition of United Kingdom interest in war plants	200,000,000	
		$ 689,504,000
		$2,602,443,000
Other Departments		
Agriculture	$ 20,820,000	
Auditor General	280,000	
Civil Service Commission	477,000	
External Affairs	518,000	
Finance	98,668,000	
Fisheries	278,000	
Justice	95,000	
Labour	17,451,000	
Mines and Resources	7,904,000	
National Harbours	350,000	
National Research Council	2,022,000	
National Revenue	4,000	
National War Services	8,746,000	
Pensions and National Health	15,591,000	
Post Office	269,000	
Privy Council office	1,627,000	
Public Archives	2,000	
Public Works	7,096,000	
Royal Canadian Mounted Police	4,147,000	
Secretary of State	81,000	
Soldier Settlement of Canada	81,000	
Trade and Commerce	8,049,000	
Transport	5,766,000	
		$ 200,322,000
Total war expenditure		$2,802,765,000
Active assets		55,235,000
Making a grand total chargeable to war appropriation		2,858,000,000
Less amount provided under the War Appropriation Act, 1942		2,000,000,000
Leaving further amount required		$ 858,000,000

Mr. COLDWELL: There are one or two questions I should like to ask the minister. The first is this. I realize that what the hon. member for York-Sunbury (Mr. Hanson) said has a great deal of merit; that we should go into this huge appropriation very carefully. May I suggest that when the main war appropriation bill comes up we should follow to some extent the same procedure as we followed last year; that is, we should consider the appropriation by departments. I was wondering if it would not be possible for the departments to give us a break-down somewhat in the nature of the break-down we had in the main estimates; not, perhaps, quite as much detailed, because I realize the amount of work which that would involve.

Mr. HANSON (York-Sunbury): And in advance.

Mr. COLDWELL: And in advance, so that we may look over the amounts and the proposals and so forth, the expenditures of last year and this year. After all the war appropriation bill will be the biggest budget we shall have ever had before us, and I think it was unsatisfactory last year that we did not have just what I suggest. I do not think any of us got the picture precisely as to how and where the amounts of money were to be spent. I suggest to the Minister of Finance (Mr. Ilsley) that this should be done this year because I believe it would facilitate the discussion; certainly it should keep it in order. Last year, in discussing the appropriation, the ministers were asked for information first on one thing and then on another, and we jumped from place to place. Frequently the same questions were repeated, because hon. members who were interested were not in the house at the same time during the day. If we could dispose of one item or classification of items, that matter would be got out of the way and we could go on to the next, very much as we do when we consider the main estimates. If we could get a similar break-down of each department, it would help members to understand what this was all about and it might even facilitate the passage of the measure. But even if it did not facilitate the passage of the measure, it will be the largest appropriation we have ever had before us, and in my opinion, if we devoted one-half of the session to a study of the expenditures item by item, the time spent in such a study would be fully justified. I listened to the hon. member for York-Sunbury speaking of the tremendous—

Mr. POWER: For the sake of information I would point out to the hon. member that, last year and the year before, the Minister of Finance indicated the sums which were allotted to each of the three services—so much for air, so much for the navy and so much for the army. I am not quite sure what the procedure was with regard to the army, but our allotment was again divided into so much for overseas war, so much for home war and so much for the joint empire training scheme. On two occasions, I believe, last year and probably the year before, I gave a further break-down showing how much was spent on aircraft, ammunition, pay and allowances, clothing and so on. I follow my hon. friend, and I agree with him, but I am trying to find out what else we could do except perhaps to adopt the suggestion of the hon. member for York-Sunbury, that we give a rough break-down in advance. That is the gist of what my hon. friend wants.

Mr. COLDWELL: I have in mind a break-down in advance and also the desirability of passing the items item by item instead of wandering all over the map as we have been doing.

Mr. POWER: If the procedure suggested by my hon. friend were followed, no one would be more pleased than the ministers. Day after day, time after time we have had to answer the same question. I am trying to see if my hon. friend will give us a chance to look into the procedure suggested in order to ascertain to what extent it can be carried out, if it can be done without giving too much detail. I do not think my hon. friend would want all the details as they appear in our own book of estimates, down to the last cent, but if we could give him a rough idea of the amount of money spent under, say, seven or eight or ten headings, and then take them up item by item, this would, I am sure, greatly facilitate the work of the defence ministers. I will make inquiries to see if that can be done.

Mr. COLDWELL: That is exactly what I had in mind. If the minister for air will remember—no doubt he does—I said that I did not expect a minutely itemized statement such as we get in connection with the main estimates. We might take them in groups; if we could pass a particular group at a particular time, this should obviate discussion of the same thing over and over again and we should get along very much better as a house, and make a much more thorough investigation.

I wanted to refer to one or two statements made with regard to the burden placed upon finance. I agree with the minister, of course, that the figures which appear in our budget are merely a measure. After all, we are talking about goods and services expressed in a way in which most people understand them, name-

ly, in the form of money figures. But I do not agree that those who own and control the resources of the country are making their maximum contribution when compared with that which the human element in the nation is compelled to make. What I believe is going on is this—

Mr. HANSON (York-Sunbury): I never said they were comparable.

Mr. COLDWELL: I would not say comparable either, but people put too much stress on the financial end; that is what the hon. member did. But when we go into the matter on the main bill I think we should see to what extent the amounts of money that have been collected from the taxpayers of Canada, and particularly from those with the smaller incomes, have been handed over in the form of property to the great corporations of the country. I put on the order paper a question intended to bring out some of these points. Here, for instance, is a dispatch that appeared in the New York *Times* of January 30, two weeks ago, dealing with the Shipshaw hydro electric development:

Not in the least amazing thing about it—

That is, the development.

—is that it is already paid for. The $65,900,000 cost of the new plant was financed by the Aluminum Company of Canada out of contracts for sales of aluminum to Britain and the United States which were in some measure paid for in advance so as to encourage this enormous new power development so essential to war.

In other words, what is happening is this. Great Britain, the United States, and Canada, to the extent that we had been using aluminum in Canada, will have paid for this plant and the Aluminum Company of Canada will own it. That is not the conscription of wealth. It is taking from one set of people in this country or in Great Britain and the United States, and giving the physical asset to another—

Mr. HOWE: May I interrupt my hon. friend. I am sure he does not want to place the aluminum company transaction in an unfair light before the people.

Mr. COLDWELL: I do not.

Mr. HOWE: It is a large and important transaction, and I shall be glad to discuss it in the house at any time. His facts, as he states them, are not, in several particulars, entirely correct. I must say that every member of the house has been considerate of us, but it is difficult to meet statements made casually about individual transactions. My hon. friend mentions the Gimli airport, and I shall be glad to discuss that. I do not think a fair statement, from the point of view of our department, has been given. We have in our department over ten thousand separate transactions, some large and some small, and I shall be glad to discuss any one of them. I think a fair way, especially with a transaction as large as the aluminum company contract, which I think will bear the closest scrutiny by any one, would be to suggest that it be set down for discussion. We could then get to the bottom of it, going into the matter fully. I will put the facts on *Hansard*, and we can draw conclusions from those facts.

Mr. COLDWELL: I am glad the minister has made that statement. I was taking a report which probably is just as authoritative as the report my hon. friend placed before the house a few minutes ago, regarding the amount of taxation in comparison with Great Britain and the United States. It comes from the New York *Times*.

Mr. MACKENZIE KING: My hon. friend created, I thought, a wrong impression with regard to the purport of the article he read. As I heard it read, the article said that this plant had been paid for in some measure in advance. My hon. friend left the impression that the entire plant had been paid for in advance.

Mr. COLDWELL: That is precisely what it says. May I read it again:

The $65,900,000 cost of the new plant was financed by the Aluminum Company of Canada out of contracts for sales of aluminum to Britain and the United States which were in some measure paid for in advance so as to encourage this enormous new power development so essential to war.

Part was paid for in advance, the rest by contracts made, but I am not going to discuss this further this afternoon in view of what the minister said. The point I should like to be clear about is this. When this war ends, who will own this power plant?

May I also refer to the Gimli matter, which I believe has been discussed pretty thoroughly in some of the newspapers. The minister said that the side of the story which he has as yet has not been given, and in view of the interest which has been aroused in connection with this transaction I would suggest that the recommendation which I believe appears in the report of the war expenditures committee should be adopted, and that the matter should be referred to the public accounts committee to be gone into thoroughly. I know nothing about the deal, but in my opinion the suggestion contained in the report of the war expenditures committee is quite appropriate, and I believe the matter should be gone into thoroughly.

I notice an amount of $480,000,000 for the expansion of war industries. That is a huge sum, and I suggest that we should get to the bottom of it, to see how it will be spent and what will become of these expanded industries when the war is over. I think that is all I wanted to say at this stage; I rose largely because of the remarks which were made just prior to my rising.

Mr. HANSON (York-Sunbury): One word more with respect to treasury control. I hope I made it clear that I was not referring to the day to day operations of the government but generally to the allocation of the moneys for these large projects, and that sort of thing. How much has the department to say as to the amount that may be spent in certain departments on this, that and the other thing?

While I am on my feet may I ask the minister to give some consideration to another point. We have a number of crown companies owned by and operated for the government. As a rule, notwithstanding what my hon. friends to the left may say, the executives of these companies are, I think, among the best executives we have in Canada. I know of one crown company the head of which works day and night for nothing, and I have no doubt he is doing a magnificent job. But just what control have we over the operations of these crown companies? I have read some orders in council, and I have had some correspondence with the auditor general about the matter. It was more or less in the nature of inquiry on my part and elucidation on his, and we did not reach any finality about it. It comes down to this, I think, that the operation of these companies depends upon the honesty and honour of those operating them. I believe that is the result at which he and I arrived, and with that I do not quarrel. But in that connection I am wondering, and I am only throwing this out as a suggestion, how far the treasury has control over the operations of these companies, and I do not refer to the day to day operations, the internal workings. The minister might give some consideration to that point and perhaps reply at a later date.

Mr. ILSLEY: When these companies require money the Department of Munitions and Supply applies to treasury board for an allocation.

Mr. HANSON (York-Sunbury): A requisition?

Mr. ILSLEY: Well, yes. I forget the exact term. There are a number of terms used, such as draft estimate, allocation, allotment and so forth, but at any rate they come to treasury board to get the money they require out of the munitions and supply war appropriation. They give an explanation of the purpose for which the money is required, and ordinarily they get it. I am pretty sure that just before the house adjourned last summer I put a statement on *Hansard* concerning crown companies and the extent to which the comptroller of the treasury and the auditor general kept a check on them, and I think the hon. gentleman will find the information there. That is how they get the money. At present they are permitted to revolve their money, though for years they were not allowed to do so.

Mr. HANSON (York-Sunbury): Permitted to do what?

Mr. ILSLEY: To revolve the money they receive, in the case of companies which have incomes. They are permitted to use that income or revenue to meet their expenditures, but any new projects they undertake have to be approved either by the war committee of the cabinet or by the treasury board.

Mr. HANSON (York-Sunbury): I suppose those are continuous operations in which they use these revolving funds?

Mr. ILSLEY: It all depends on the company; I do not know that they all have revolving funds. There are some twenty or thirty of these companies, but generally speaking that is the principle; if they require money they have to come either to the war committee or to treasury board for it. If they have a revolving fund they have to come to the war committee, through the minister, for authorization of any new project they may undertake. With regard to the control of expenditures in the broad sense mentioned by the hon. member, if a minister decides that he must have authority to embark upon a new programme or project—I forget exactly which word is used in the relevant order in council—he must get that authority from the war committee, and that means something. The war committee is a vital, live and important controlling body. Committees are set up from time to time by the cabinet. Some of the committees do not amount to much; they become defunct, and so on.

Mr. HANSON (York-Sunbury): Or become judges.

Mr. ILSLEY: But a few of the committees of the cabinet, under the stress of war, have developed tremendous vitality. The war committee of the cabinet is one of these, and the ministers simply have to battle it out there

as to whether or not they should have that addition to their appropriation. I have a tendency to be on the negative side when those debates occur.

Mr. HANSON (York-Sunbury): Somebody has to put on the brake.

Mr. GOLDING: Just in case there should be any question following the remarks of the hon. member for Rosetown-Biggar, with regard to the recommendation of the war expenditure committee as to further inquiry into Gimli, I think I should read just what the subcommittee did say:

> It is not the duty of this subcommittee to supplant the responsibility either of the public accounts committee or the civil courts. This subcommittee does not express any opinion as to the need for further inquiry.

I would not want the house to get the notion that we recommended that a further inquiry should be made.

Mr. COLDWELL: I was speaking from memory, but it was suggested that it might be referred to the public accounts committee.

Mr. GOLDING: If I were to express the opinion of the subcommittee, they would not spend any money on any further inquiry.

Mr. JOHNSTON (Bow River): But the hon. member is not expressing the opinion of the subcommittee.

Mr. GRAYDON: I suggest to the hon. member for Huron-Perth that the extract he just read from the report of the subcommittee contains a pretty broad hint that perhaps another inquiry should be instituted.

Mr. GOLDING: I am not going into that, but it does not recommend that any further inquiry be held.

Mr. ROY: Before submitting my remarks on this resolution I should like to make a comment on what was said by the Minister of Finance a few minutes ago when he denied the statement made by the hon. member for York-Sunbury (Mr. Hanson), that the Canadian people were more highly taxed than people in Britain or in the United States. The minister's statement may be correct to a certain extent, but I think he disregards the fact that our system of administration is different from that of England, where almost all taxes are collected by the central government. In Canada there are more taxing authorities, the provincial, municipal, school commissions and so on, and when all these taxes are added together it brings the figures above those paid by the people of Great Britain or of the United States.

I am also of opinion that an expenditure to the extent of nearly a billion dollars in excess of that authorized by parliament is not a habit that should be approved. In the years prior to the war parliament used to be convened to discuss budgets running about $400,000,000 or $450,000,000. It was right to do it. But this deficit alone is $858,000,000, or twice as much as we used to vote for an entire year prior to the war. And this was done while parliament was in session, because it was only adjourned. It would not have cost much to convene parliament and ask for further credit so that we could have studied where the money goes. For instance, I understand from paragraph 2 of the resolution and from what has been said and by the figures given by the minister a moment ago, that some of that money is to pay for goods which have been given to Great Britain on the same system as the billion dollar gift which we authorized last year. Such a transaction I do not think can be carried out without being authorized by parliament.

I recall seeing a few days ago a complaint by people in Australia that England had sold back to Australia goods which were given to her by this country. If people in this country are paying more taxes than people in Great Britain and the United States I do not think we have a right to give our goods to a country that is selling them. We are opposed to this resolution. It is a simple principle of business that we should sell those goods the same as England did; though it has not cost that country any sacrifice to produce goods, it cost our country heavy sacrifices to produce them. We are not able to do as much for the war, in which we are not as closely concerned as are Great Britain and the United States. We are not supposed to make the war effort that those populations are compelled to make. We are a young country. For these reasons I am not going to support this bill if it involves the payment for goods which have been granted by us to England, and which England has sold to another country, while some of those goods have been given without being authorized. The War Appropriation Act of last year providing for that gift to England was definite, and the government have not the right to go beyond it and give more than was authorized. For that reason I am going to oppose the resolution.

Mr. ILSLEY: I want to correct the hon. gentleman. There is nothing in these estimates that provides for further gifts or further contributions. The war plants to which he refers constitute a different type of transaction. That is a case where we are obtaining title to plants in return for the money mentioned here.

namely, $200,000,000. The authority for making contributions to the United Kingdom was contained in the War Appropriation United Kingdom Financing Act, not in the ordinary War Appropriation Act and not in this supplementary War Appropriation Act. It is under a different act, it is a different type of transaction from anything provided for here. I want to put my hon. friend right on that point.

I want to put my hon. friend right on another point if I can. This is very hard to explain, hard not only for my hon. friend but for a great many members of the house to understand. If under the War Appropriation United Kingdom Financing Act we had sold our goods to Great Britain instead of giving them—he advocates selling them—our taxes would have been just as high and our borrowings just as great. I want to make that very clear, because many hon. members do not believe that, and a great many people in the country do not believe it. The only way in which we can reduce our tax burden or the amounts we borrow from the Canadian people would be by producing less, by putting less into the war effort, going easier, slackening, sagging back; that is the only way. Provided we go all out, do everything we can, make the goods and shells that are required, our tax burden is going to be there. The only effect of selling that stuff instead of giving it would be that we would have a cash drawer full of I.O.U.'s. The question is, do you want the I.O.U.s? Hon. gentlemen may think that if we had the I.O.U.'s it would in some way relieve the tax burden. But it would not. It is not Canadian dollars we get, because there are no Canadian dollars to get; it would be an obligation in the currency of another country we would have, not dollars at all. I wish hon. members would address their minds pointedly to that question and would not say, as some hon. members do, as one hon. member, the other night, in a debate to which I cannot under the rules refer, said, that we are taxing ourselves to provide money to give to another country. But that simply is not so. I repeat, our taxes are no higher than they would be if we were selling the stuff instead of giving it.

Then it is a question of how we want to finance. Some might say, well; do not take I.O.U.'s; do not take sterling; do not have your cash drawer full of sterling; but exact securities; strip Great Britain of any securities she has. That sounds plausible. But what would we do with the securities? If we sold $500,000,000 worth of securities to the Canadian people, our sale of victory bonds would be decreased by $500,000,000. We would not have any more money in the treasury if we did that. It is true that the Canadian people instead of the British people would be holding the securities; but if we carry that process too far, and we have carried it a very long distance to date because we have expropriated $700,000,000 or $800,000,000 worth of securities, we imperil our post-war trading position. We shall be giving the British the strongest possible incentive to buy their wheat from the Argentine instead of from Canada. We shall be giving them the strongest incentive to deal with those people whose currency they have and not with Canada, of whose currency we have stripped them. We must be careful about that. We think our policy has been not only broad-minded but in our own interests. I implore hon. members not to say that we are taxing ourselves in order to raise money to give away—we are not.

Mr. COLDWELL: I am not going to enter into this discussion, but at a later time I should like to say something in connection with the remarks of the minister. I do not hold the views he has just expressed. I rise simply to say that there are times when a partial quotation misrepresents one more than deliberate misrepresentation. We have had an example of that this afternoon. My memory is usually pretty good, but I have looked up the report of the war expenditures committee. The hon. member for Huron-Perth stopped when he should have read one more sentence. Perhaps I had better read the whole thing. It reads:

> It is not the duty of this subcommittee to supplant the responsibility either of the public accounts committee or the civil courts. This subcommittee does not express any opinion as to the need for further inquiry.

I read the next sentence.

> In the light of the request made by the solicitor for the Winnipeg *Tribune* the subcommittee believes that such an inquiry, if deemed necessary, could be more satisfactorily made as above indicated.

A broad hint is thrown out. I suggested that if inquiry is to be made, it should be made by the public accounts committee. I said that I thought it should be referred to the public accounts committee, as was suggested in this report by the subcommittee.

Mr. GOLDING: I want to repeat that at no time and at no place did the subcommittee recommend that further inquiry be held.

Mr. COLDWELL: They suggested it.

Mr. GOLDING: They did not suggest it; they did not recommend it.

Mr. COLDWELL: The words speak for themselves.

Mr. ROY: I should like to thank the Minister of Finance for the effort he has been making to make me understand that we would not be paying less taxes if we sold our goods direct to Australia instead of sending them free to England, and if we were making some money on the transaction. My point is that we are trying to do just a little too much for the size of our population, especially when compared with what other nations are doing. I suggested last year that we should lend this money and charge interest instead of sending over the goods free of cost. I believe Great Britain is solvent and will be solvent after victory, and the same would apply to Australia. I think it would be good business for Canada to have some assets in these countries instead of making gifts. The mere fact of granting a loan with interest, the same as the United States does would not change things at all and we would not be acting beyond our means. That is what I suggest, and I want the hon. gentleman to understand our position. It is well enough for the Minister of Finance to ask us to understand his meanings, but I would ask him to understand our contributions himself.

Resolution reported, read the second time and concurred in. Mr. Ilsley thereupon moved for leave to introduce Bill No. 6, for granting to His Majesty aid for national defence and security.

Motion agreed to, bill read the first and second times and the house went into committee thereon, Mr. Golding in the Chair.

Mr. HANSON (York-Sunbury): Is the bill ready for distribution?

Mr. ILSLEY: I understand it is on its way here from the printing bureau.

Mr. HANSON (York-Sunbury): It should be available by eight o'clock. I suggest that the minister move that the committee rise, report progress and ask leave to sit again, and then we can take this up at eight o'clock. I understand there are a number of new provisions in the bill.

Mr. ILSLEY: Are there?

Mr. HANSON (York-Sunbury): I think so. I should like to compare it with last year's bill.

Mr. ILSLEY: I will do the same. I move that the committee rise, report progress and ask leave to sit again this day.

Progress reported.

72537—27½

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Friday, February 12, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. G. H. ROSS (Calgary East): Mr. Speaker, during the debate last Friday I intimated that there were two matters which I wished to lay before the house at this time, both referring to the income tax act. I am bringing these before the house at this time because I know the minister is working on his budget, and I want to direct his attention to them. I want to cite certain injustices in the hope that they will receive serious consideration by the minister and that an attempt will be made to remedy these grievances.

The matter to which I now wish to direct attention is the taxation as income of capital used in the production of oil and the development of the Turner valley oil field in Alberta. At the outset let me make it clear that I am not quarrelling with the taxation of profits under the income tax act. What I do object to is the taxation as income of capital, capital that has been invested by the people in this country in the Turner valley oil field.

It takes about $225,000 to drill a well in Turner valley and to get production from the well. In the first place you have to pay the geologist. Then you have to purchase the oil lease, create and organize a company, sell royalties or shares to the amount of $150,000 or $175,000 to pay for the cost of drilling a well. You have to pay for surface rights, pay for roads, pay for drilling the well, pay royalties to the government, pay pipeline charges, municipal and school taxes, purchase production equipment, pay production costs, government taxes, conservation board assessment and office and general expenses. All of these items come to something like $225,000.

The life of a well when drilled is not long. You get the greatest production from an oil well when oil is first struck. During the first year you get a comparatively big production. During the second year you get much less, and by the end of the fourth or fifth or sixth year the production is so small that it is no longer profitable to operate the well.

The people who invest their money in drilling a well consider that they should be entitled to get back the money they have invested in the well. The government does

make provision to some extent for amortization, depletion and depreciation costs, but these costs are not allowed to be written off fast enough.

The instructions sent to the inspectors of income tax by the department are in part as follows:

> The actual cost of pre-production development, including casing (exclusive of the cost of property and surface equipment) shall be allowed on the following basis:
>
> 1st year, 30 per cent of cost
> 2nd year, 20 per cent of cost
> 3rd year, 15 per cent of cost
> 4th year, 12 per cent of cost
> 5th year, 10 per cent of cost
>
> Thereafter 10 per cent until cost fully amortized.
>
> Depletion will be allowed at 25 per cent of net profits from production after allowance of development charges and depreciation.

When a company starts out to drill a well no one can tell in advance what there is in the bowels of the earth. You may drill down to eight or nine thousand feet and get a "duster", a dry well. In that case no investor gets any of his money back. Or you may get a well producing two hundred barrels a day, and from such a well an investor can count on getting about one-third of his investment back, the balance being taken in taxes. You may strike a well which has an initial production—and it is initial production of which I am speaking—of four hundred barrels a day. In that event the investor may get two-thirds of his money back. The remainder is taken in taxes. A production of four hundred barrels a day is about what one can expect from the average well in Turner valley.

I suggest that this is unfair, unjust taxation. When the government revised the tax schedules last year the *Oil Bulletin,* an oil publication, called in a chartered accountant, a well-known authority on taxation, to make a study of the taxation situation. In his report as summed up by the editor of the *Oil Bulletin* this chartered accountant found:

> (1) Wells with initial oil flows of two hundred barrels per day would, during their productive life, fall short by between $170,000 and $195,000 of returning the cost of development (some $225,000);
>
> (2) Wells with initial flows of four hundred barrels per day (the approximate field average initial) would fall short by anything from $54,000 to $133,000 of returning costs.
>
> In brief, under existing tax schedules, no investor can hope to recover his original stake from Turner valley wells in the "average" and "below average" groups; he has a chance of getting his money back with perhaps a very small profit from wells in the "above average" group; and, if his well is fortunate in being one of the big wells with initial allowable of eight hundred barrels daily, he may make a fair profit on his investment.

[Mr. G. H. Ross.]

That is the finding of the chartered accountant who was engaged to investigate this matter.

I wish to read an editorial dealing with this matter which appeared in the Calgary *Herald* of February 5. It says:

> Under the present income tax regulations, a Turner valley well has to produce six hundred barrels of oil a day or more to be a profitable investment. There are not many of them.
>
> It is not surprising that under present conditions private investors are not keen to help finance well drilling programmes. If income tax concessions were granted, however, and the field price of crude oil were increased to a proper level, money would again be available for drilling purposes and thus maintain or increase production at a time when oil is vitally required by Canada.

At present the oil situation in Turner valley is desperate. Many rigs are idle. I am informed that there are twenty wells drilling at the present time as compared with thirty a year ago. The oil field is being taxed out of activity.

I suggest to the minister that it will be much better for everybody if this industry is allowed to survive. It will be better for the war effort, because we need the oil. It will be better for the government, because if they kill off the industry they cannot get taxes; if they allow the industry to live, a reasonable revenue can be obtained from it. It will be better for labour. It will also be better for investment, because a depressed industry will be built up and conditions in that area improved.

An order in council was recently passed, effective February 1, 1943, exempting from the war exchange tax and the tariff—

> All machinery and apparatus and parts thereof (including motive power and rope) for use exclusively in exploratory or discovery work in connection with, and development, depletion and production of petroleum, natural gas or water wells, or in prospecting for minerals; seamless, lapwelded and electric welded iron or steel casing, tubing and drill pipe for use in connection with water, natural gas or oil wells.

That is very fine as far as it goes, but I should like to have seen it go much further, and extended to the machinery which is necessary in order to separate the oil and gas which come from the well, and the machinery which separates the oil from various impurities, in order to enable something to be done in the way of refining the oil. If, however, the industry is to be allowed to live, the change made will be helpful and will be much appreciated by the industry.

A word with regard to prices. An article appeared recently in *Maclean's* magazine, reading in part as follows:

It is reported that the war transportation costs of bringing crude oil up the Atlantic seaboard are so high that the gross subsidy being paid by the Commodity Prices Stabilization Corporation is running at the rate of about fourteen cents a gallon.

There are thirty-five gallons of crude oil to a barrel, which means that a subsidy of $4.90 a barrel is being paid by the government. The Alberta operator is entitled to charge only one and a half dollars a barrel at the well head for his oil. Why is the government paying such a big subsidy for bringing in oil from the United States, and yet refusing to allow our operators to charge more than $1.50 a barrel for oil at the well head? I cannot understand it. If there is any reason, I hope the minister will give it to us. It seems to me that the government could help the industry a great deal by increasing to some extent the price of oil there.

During last session I urged very strongly upon the Minister of Mines and Resources (Mr. Crerar) and upon this house that there should be a ceiling on oil leases. I wish now to bring the matter to the attention of the Minister of Finance (Mr. Ilsley), particularly, in the hope that he will place a ceiling on oil leases. Prior to the outbreak of the war ten per cent was the highest royalty ever charged by any government in Canada on oil leases. If governments could get along without it before the war I submit they should get along without it now, in view of the urgent need for oil at the present time. But, someone may say, the government of Alberta is only attempting to impose an additional royalty of two and a half per cent on all oil leases, and that is not very much. However, I wish to point out that that two and a half per cent is on gross royalties, and it means a tax of about ten per cent on net royalties, so that it is a considerable burden.

I do not believe there is another industry in Canada which is used so badly at the present time as the oil industry in Alberta.

Mr. FAIR: Does the hon. gentleman not know that there are farmers in Canada?

Mr. ROSS (Calgary East): I am sorry; I did not hear the hon. member's question. If he will call around after the house rises I shall be glad to talk with him.

Mr. FAIR: I suggested that we have farmers in Canada who might be remembered also.

Mr. ROSS (Calgary East): I think the government could be much fairer to the oil industry than it is. I hope the minister will give very careful consideration to the matters I have brought forward. He is a fair-minded man; he has always shown that in the house; and if the injustice is once evident to him, and I hope it will be in this case, he will take the necessary steps to have the act amended so as to provide the necessary relief.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. SPEAKER: Perhaps the hon. member for Acadia (Mr. Quelch) would move the adjournment of the debate until the bill to be taken up is disposed of.

Mr. QUELCH: I move the adjournment of the debate.

Motion agreed to and debate adjourned.

WAR APPROPRIATION

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

The house resumed consideration in committee of Bill No. 6, for granting to his majesty aid for national defence and security—Mr. Ilsley—Mr. Blanchette in the Chair.

On section 1—Short title.

Mr. HANSON (York-Sunbury): I have a copy of the bill and I have also before me a copy of Bill No. 19 of last session, as passed by the House of Commons on March 26, 1942. I find that the two bills are substantially the same, except that in the bill under discussion, if I may judge from the hurried comparison which I have been able to make, there is a new section 4, "loans authorized". Perhaps when we come to that section the minister will give the reasons for the interpolation of this new section.

Mr. ILSLEY: Yes.

Section agreed to.

On section 2—Appropriation $858,000,000.

Some hon. MEMBERS: Carried.

Mr. HANSON (York-Sunbury): This bill has just been distributed, and I think the chairman should read the section.

Section agreed to.

Section 3 agreed to.

On section 4—Loans authorized.

Mr. CRERAR: Carried.

Mr. HANSON (York-Sunbury): I object. We have just received the bill. Hon. members have not had a chance to read it and this is a new section. I asked the minister, before the hon. gentleman who is leading the house was in his place, to explain this section when we came to it. Hon. gentlemen across the floor who are vociferously calling "carried" should restrain themselves, because that is about the only contribution I observe they are going to make to the bill. I ask to have the section read. What is the object of it?

Mr. ILSLEY: This is the loan section which appears in practically all the war appropriation acts. Evidently it did not appear in the supplementary war appropriation a year ago, but it did appear in the main War Appropriation Act of last session appropriating $2,000,000,000. I do not know why it did not appear in that supplementary war appropriation, but I assume we thought our borrowing authority was abundant without it. My recollection is that the supplementary war appropriation of a year ago was $135,000,000, and compared with the amounts we were voting it was small, and the section was not considered necessary.

Mr. HANSON (York-Sunbury): That may be the explanation.

Mr. ILSLEY: That is the explanation, yes.

Mr. HANSON (York-Sunbury): All right.

Section agreed to.

On section 5—Orders and regulations.

Mr. HANSON (York-Sunbury): I cannot remember the explanation given in previous years, and I have not had time to look it up, as to why it was necessary for the governor in council to be empowered to make orders or regulations. Has the minister that under his hat, I was going to say, or in his head?

Mr. ILSLEY: I believe that all the things that the governor in council was authorized to do, all that we could think of, are included in these enumerated subsections (a), (b), (c), (d), and (e). It would be necessary for the governor in council to have those powers, and I assume the general words at the top were put in to cover anything that was not foreseen. The subsections here cover a variety of acts which the governor in council should be authorized to perform. I should expect that this section would be found in all appropriation acts going back to 1915.

Mr. HANSON (York-Sunbury): I expect it is, but I could not remember the reason.

[Mr. R. B. Hanson.]

Mr. ILSLEY: The powers set out in the subsections are natural and necessary powers for the governor in council to have.

Section agreed to.

Section 6 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. VICTOR QUELCH (Acadia): Mr. Speaker, the speech from the throne emphasizes the greatly improved situation of the allied nations to-day as compared with a year ago. While the road to victory still may be a long, hard and rough one, nevertheless there need no longer be any doubt in the minds of the Canadian people as to our ability to achieve a final and decisive victory. However, it is essential for us to remember that winning this war is merely the first objective, the final objective being the making of a world peace under which it will be possible to bring to all people the greatest degree of economic and social security. It is well to remember that the soldiers of the last war made a very fine job of winning it, but that our statesmen and politicians made a ghastly failure of winning a peace that had any permanency attached to it.

If Canada is to play her part in helping to bring about that sort of peace, it is high time she put her own house in order. How can Canada be in a position to advise as to methods to bring about social security when she has failed so miserably in the past to provide that security for her own people? The speech from the throne lays a good deal of emphasis upon the need of guaranteeing to the peoples of the world freedom from fear and want. It is interesting to note that the speech from the throne of 1919 also laid a good deal of stress upon the need for the introduction of measures to provide for the welfare of the people. That speech reads as follows:

> Further important measures, designed to promote the welfare and prosperity of the people in the new era of reconstruction, social as well as material, upon which the world has entered, will be recommended to your consideration.

I note further that the speeches of the mover and the seconder of the address on that occasion also dealt with the need for the introduction of measures looking to the welfare and prosperity of the people. We know to-day how miserably those measures failed to bring about that sort of security. Have we any reason to-day to have any greater faith in the promises that are being made at this time with regard to post-war reconstruction? I suppose some people may feel a certain amount of confidence in the ability of the government to provide that security, as a result of the statement made by the Prime Minister (Mr. Mackenzie King) before the Canadian federation of labour on October 9 last, when he said:

> Fortunately, we are also learning that the only limit to our productive capacity is the limit of our resources, and our will and skill to use them to satisfy human need instead of human greed.

Apparently the Prime Minister has a new vision in this regard. Is it not strange, however, that he had to be in power for twenty years before realizing the truth of that somewhat elementary, though fundamental principle? We emphasized that fact consistently from 1935 to 1939 and were ridiculed for our pains. The interesting point to note, however, is that this is not a new principle. Its soundness was recognized from 1914 to 1919. We never could have won the last war if we had not recognized the truth of that statement. I recall David Lloyd George saying that all the money needed in order to fight that war would be found. He pointed out that wars were not lost through lack of money but only through lack of ability to produce. Then in 1919 Mr. Lloyd George, during the course of a speech regarding the promise of a new world, showed only too clearly that he recognized the soundness of that principle. I quote from a report of that speech which appeared in the *Western Producer* of January 7:

> Millions of gallant young men have fought for the new world, hundreds of thousands died to establish it. If we fail to honour the promise given them, we dishonour ourselves. What does a new world mean? What was the old world like? It was a world where toil for myriads of honest workers, men and women, purchased nothing better than squalour, penury, anxiety and wretchedness—a world scarred by slums and disgraced by sweating, where unemployment through the vicissitudes of industry brought despair to multitudes of humble homes; a world where, side by side with want, there was waste of the inexhaustible riches of the earth, partly through ignorance and want of forethought, partly through entrenched selfishness. If we renew the lease of that world we shall betray the heroic dead. We shall be guilty of the basest perfidy that ever blackened a people's fame.

I wonder if anyone would dare to say that the Right Hon. David Lloyd George was any less sincere when he made that statement in 1919 than the Prime Minister to-day when he talks about a new social order. Some might say, Yes, but we have had a severe depression since that time. But that statement of David Lloyd George shows that there were severe depressions before. Yet we know that according to his own words we have been guilty of the basest perfidy, because there has been unemployment and abject misery throughout this country.

It was undoubtedly the will of the majority of the people of Canada from 1935 to 1939 that better conditions should be brought about. Then what was it that thwarted the will of the people in a so-called democracy? I would say that the reason why the people were not able to achieve the results they wanted was on account of the fact that in the past we have not had a real, live functioning democracy. It is true we have had political democracy; that is to say we have given the people voting power, but we have not given them a similar degree of economic power. And political democracy without economic power is democracy in name only.

Let me try to explain what I mean by that statement. Democracy is largely a matter of degree, the degree to which the will of the people becomes supreme. Furthermore, the representative principle belongs to the very being of democracy. Then what are the checks on representative government that have in the past thwarted the will of the majority of the people? I would name three main checks: first, the constitution, second, the upper house, and, third, the direct intervention of the people. Of those three I would say the last is the only legitimate check on representative government.

The constitution I take first. I think we may say that where anything greater than a majority vote is required in order to amend a constitution, the will of a minority is enthroned. In many countries it takes two-thirds or three-quarters or even a one hundred per cent vote to change the constitution. When that is so you are allowing less than twenty-five per cent of the people to set aside the will of the majority. I believe ways and means will have to be found whereby an amendment of the constitution can be facilitated when the constitution stands in the way of the demands of the majority of the people. In that regard, however, I appreciate only too well that on various occasions the constitution has been used as an excuse for not bringing in social legislation that could have been introduced in spite of the constitution. In that regard I have in mind the old age pension. We could easily increase the old age pension to

thirty dollars a month provided the federal government would assume the responsibility of financing it.

The second check to which I wish to refer is the upper house. In that regard we have two extremes in different countries. In some both houses are elected by the people, and in others one house is elected and the other appointed. In the United States and the U.S.S.R. both houses are elected; in Canada and Great Britain the House of Commons is elected and the other appointed. It is undoubtedly true that where you have a body of men who have been appointed and given the power to set aside the will of the people as expressed by the members who represent them, you have a distinct weakening of democracy. I believe that the upper chamber has long outlived its usefulness and could very well be abolished. To people who say these men are getting on in age and need some financial consideration I would reply that they should be given the same consideration as we give other aged people, namely the old age pension.

The third check is intervention by the electorate; that is the right of the people periodically to change their government. Yet it is a strange thing that in spite of the fact that the people have that power we have not enthroned the will of the people. Let me examine that for a few minutes.

The party system is, I think, possible only in a political democracy. It is not possible in a totalitarian state. The party system itself should be the guarantor of economic democracy. The system was evolved as a protest against special privilege; yet strangely enough to-day we find that the two old-line parties have to a large extent become servants of the very people who benefit by special privilege. In the past the main difference between the two old-line parties was the tariff. I wonder whether any hon. member could give any clear definition of the difference between the old-line parties of to-day. I think it was the hon. member for Cape Breton South (Mr. Gillis) who stated that the only difference is that one is in and the other is out; in other words, the difference between Tweedledum and Tweedledee. The hon. member for Vancouver-Burrard (Mr. McGeer) in June, 1938, gave a very clear picture of the situation when he said he never thought it would be his misfortune to sit in a House of Commons where the leader of the opposition was more liberal than some Liberals sitting on the treasury benches. If I had been saying it I would have said, where some Liberals sitting on the treasury benches were more conservative than the leader of the opposition. Both statements mean the same thing. That statement was true in 1938. I believe it is even more true to-day.

When the two main political parties have no clear line of demarcation the result is bound to be a thwarting of the will of the people, because the people have no alternative vote. The result is that multiple parties come into existence, as we have them to-day. Real democracy, embodying economic as well as political democracy, is impossible under the two old parties as they exist to-day. I say that for this reason. Both parties are to a very large extent financed by the same interests. The people become befuddled by the party press and misguided by the independent press—independent only so far as party is concerned, not independent as far as their source of revenue is concerned. Multiple parties are therefore necessary in order to give expression to the progressive-minded people throughout the country. But I believe that the time is rapidly approaching in this country when there will be a realignment of the two main political parties of this country, a realignment representing two distinct ideologies. On the one side there will be those who believe in complete freedom of individual enterprise, rugged individualism, hands-off by the state, survival of the fittest; in other words, those who believe in a type of jungle law. On the other hand there will be those people who believe in a greater degree of intervention by the state in order to protect the people against exploitation by ruthless individuals and corporations. There you have two distinct policies leading to two distinct objectives.

In the first group would be what one might call the Conservative Liberal party, and in that party there will be those people who believe that the prosperity of a nation is to be judged by the size of the profits and dividends of the various corporations. It will be remembered that this is the definition which was given by a former Minster of Finance, Hon. Charles Dunning, in his budget speech in 1937. He pointed out at that time that Canada had reached an era of prosperity, and he said he based that statement upon the fact that the profits and dividends of various corporations had reached a new high level. He said that this was the only true criterion upon which one could base the prosperity of a nation.

In the second group there would be those who are socialistically minded, those who believe that the prosperity of a nation is to be judged by the general level of the well-being of the people and who adovcate a sufficient degree of government intervention to

provide that type of security. I believe that this division will come in the very near future, that it is definitely on its way. I do not believe that we shall have true democracy in this country until the second of these two groups has been placed in power. However, until that time arrives I think it is necessary that members on all sides of the house do everything in their power to get the government to remove some of the most grievous injustices which exist throughout the country at the present time in order to impress upon the people that they are sincere when they talk of a new social order. Furthermore, I think it is up to us to do our best to prevent them from taking steps that will endanger the success of the future peace.

I would say that the success of the future peace is bound to depend upon our ability to make it possible for all nations to give their people the greatest possible degree of economic and social security. The Atlantic charter is supposed to provide for that type of security. I would say that our ability to achieve that objective will depend to a large extent upon the degree to which we are prepared to adopt the principle laid down by the Prime Minister when speaking before the Canadian federation of labour. At that time he stated that the only limit to our productive capacity was our resources and our will and skill to use them. I have pointed out already that this principle is not new, that it was recognized back in the period 1914 to 1919. It is apparently recognized to-day; yet it was denied during the peace from 1919 to 1939. I am afraid there is every indication that it will be denied again at the conclusion of this war. There are many indications pointing to that very thing.

An important point to notice in that regard is that the statement made by the Prime Minister is only true just as long as there is a nationally managed currency. It would not be true if you were on a gold basis; it would not be true if you were on a gold standard or if you tied your currency to an international currency based upon gold. You are then introducing another restriction which has absolutely nothing to do with the productive capacity of the country.

Take the situation that developed in this country at the start of the war. At that time we were on a 25 per cent gold basis. It was recognized that if we were to have a total war effort it would be necessary to increase our production to its full capacity. Both the Prime Minister and the Minister of Finance said that no financial restrictions would be allowed to impede that war effort and therefore we were forced off the gold basis. There is not one dollar of gold behind our money to-day. Surely it must be evident that if it is impossible, on a gold basis, to maintain our production at its maximum capacity in order to put forward a maximum war effort, it will also be impossible to have a maximum peace effort if we are on a gold basis. We would be introducing artificial restrictions.

I do not wish to labour this point unduly. I am emphasizing it because there is every indication that a number of the united nations are intending to become a party to an international currency based upon gold. Among these nations we find the United States of America, Great Britain and apparently Canada. A year ago the Prime Minister denied this fact when I brought this question up in the house. I wonder if he is prepared to deny that fact to-day? I doubt it. This afternoon, when replying to a motion of mine for the production of certain papers, he stated that no commitments had been made, but he was not sure whether or not there had been any correspondence and he would have to get the permission of the United States and Great Britain before he could table that correspondence. Last year he said there had been no correspondence; this year he did not know whether there had been any. In so far as commitments are concerned, it must be remembered that one can say that there have been no commitments right up to the time the signature is placed on the paper. The commitments may be practically in existence to-day although nothing has actually been signed. Again I say that there is every indication that Canada has agreed to become a party to an international currency based upon gold. First of all I should like to refer to a statement which I read in the house last year in connection with the Rio conference. This was reported in the Edmonton *Journal* of January 21, 1940, and it reads as follows:

> Creation of a free international exchange currency to facilitate flow of goods and prevent delay in transactions. It would be on a gold basis and in addition to the American nations, Great Britain, China, the Netherlands, India and all British dominions would enter into the agreement. A pool of allied gold holdings would be creatsd. The Latin American countries would agree to peg their national currencies into the free international exchange currency.

I asked the Prime Minister whether or not Canada had any commitments, and he said that Canada had not any commitments and that there had not been any correspondence on this matter. It seems strange that it should be stated at the Rio conference that Canada had become a party or had agreed to such a proposal. At the same time I referred also to

a speech made by the chairman of the seven-man post-war reconstruction committee, Doctor Cyril James. A speech which he made in Philadelphia is reported in the Toronto *Daily Star* of September 17, 1940, as follows:

He declared that the United States gold holdings now exceeding $21,000,000,000 were at stake in the war and that their value would depend on who won. A British victory meant continuance of gold as the monetary medium whereas a German victory, as Doctor Funk himself recently made bluntly clear, would mean the setting up of regional autarchies in which gold would be useless except for economic decoration. Another definite reason, if any were required, for Canadians doing their utmost, in war loans and everything else, for the defeat of Germany! One of our greatest industries is gold mining and, to protect our economic order as well as our country and our homes, victory must be assured.

In commenting on that I pointed out that it was quite evident that Doctor Cyril James had a definite opinion that Canada was prepared to return to the gold standard after the war. The Minister of Pensions was in the house at that time and emphatically denied that there was any danger of that occurring. I wonder if the minister would still be prepared to deny to-day that Canada was playing any part in the introduction of an international currency based on gold.

I have two more quotations of recent date which clearly indicate that Canada is at present very much interested in this matter. I quote first from *Trend,* a Canadian News Letter, published at 231 St. James street west, Montreal. On the back page of its issue of February 5, 1943, under the heading "international currency" I read this:

1. Great Britain and the United States are agreed on the necessity for continued and rigid control of international currency fluctuations.

2. Plans are being made for creation of currency control machinery which will include extension of the "stabilization fund" idea and the redistribution of America's vast hoard of gold.

3. The currency rates of all countries will be tied together, and governed by the rate fixed for the British pound and the American dollar.

4. Leading nations will ascertain that such rates be maintained, regardless of adverse developments.

5. A new monetary unit—a "world dollar"—will be introduced for the stabilization of all moneys.

Canada will participate in this scheme of monetary rearrangement.

There does not seem to be any uncertainty with regard to that statement.

To come back to the government, another statement was made over the Canadian Broadcasting Corporation's network last year on behalf of the government that the Prime Minister wished to assure the people that just because "we were curtailing the production of gold it did not mean that the government had lost confidence in gold." What does confidence in gold mean if it does not mean confidence in the gold standard? When you say that you have confidence in gold it means that you believe in gold as a monetary unit. Quite evidently the Prime Minister did not appreciate what his own statement meant when he said that the only limit upon our productive capacity was our resources and our skill and will to use them and at the same time says that he has confidence in gold. You cannot use your productive capacity to the limit when at the same time you believe in that automatic limitation which would exist under the gold standard. I did not think it possible that there could be in the government to-day people who would be prepared to say they still believe in the gold standard. I recall the statement made by Lord Sempill in the House of Lords in November, 1941, that no progressive people anywhere believed in the gold standard, that the only people who believed in it—he should have paged the Prime Minister—were museum pieces and gold-bugs. Unfortunately in the past we have had too many elderly ostriches on the treasury benches who have dug their heads so deeply into the sands of reaction that they are unable to face the realities of life.

Here is a statement that merits serious consideration. It was referred to in the Montreal *Star* of February 2. It is the statement made by Sir Kingsley Wood, Chancellor of the British Exchequer. I quote:

Turning to the future of world trade, the chancellor said:

"We want to secure an economic policy agreed between the nations and an international monetary system which will be the instrument of that policy.

"This means that if any government is tempted to move too far either in inflationary or deflationary directions it would be subject to check."

Mark well the significance of that statement. An international authority is to have the power to check any programme of expansion in any country if it considered that expansionary movement as being inflationary. The international authority apparently would be the sole judge as to whether or not a country's programme was inflationary. Just imagine for one minute what would happen if on that international authority there were men of the type and mentality of the former Minister of Finance of this government, the Hon. Charles Dunning! I recall that time and again in this house during the period from 1935 to 1939, when he was pressed to start on a programme of monetary expansion so as to put unemployed to work in order to build up the

wealth of the country, he made the never to be forgotten reply that it would be crude inflation. That is what he always called it whenever we suggested that the unemployed be put to work on developing the resources of this country to provide a higher standard of living. I remember that at one time the actual sum of $200,000,000 was mentioned, and the Hon. Mr. Dunning became perfectly hysterical at the thought of putting $200,000,000 into circulation to put the unemployed to work. Yet to-day we are bringing down budgets of five and six billion dollars! But remember the Hon. Charles Dunning was held in very high esteem by financial institutions in this country from one end to the other, right through that period from 1935 to 1939. Presidents of banks, loan corporations and other financial institutions all praised the wonderful mentality and financial capacity of the Hon. Charles Dunning. That is undoubtedly the type of man you would have on your international authority, with power to prevent any nation from bringing into force a programme of expansion. It would be prevented on the ground that it was inflationary.

This is supposed to be a war, Mr. Speaker, between the democracies and dictatorships, but if this proposal is put into force we shall have an international financial dictatorship. We shall win the war but lose the peace, and in that event, in the words of the Right Hon. David Lloyd George we would be guilty of the basest perfidy that ever blackened a people's fame, and our sons' sons in less than twenty years from now might very well become engaged in another war, a civil war if not an international war. I have emphasized this fact because when we recall the tremendous sacrifices that were made in the last war and appreciate the tremendous sacrifices that are being made again to-day, we cannot afford to make the same mistake as we made after the last war. Some people will say: That is a matter for the experts to decide. Our troubles of the past have been brought about by these so-called financial experts, and I think it is high time that the people of the country use a little common sense themselves in dealing with the situation in order to make sure that an international financial dictatorship will not be imposed upon this country and other peoples of the world.

My time is rapidly passing. Before concluding, I should like to make a few comments on the amendments. We will support the main amendment; we will also support the amendment to the amendment which has been moved by the Cooperative Commonwealth Federation. I might point out that their amendment is very similar to a number of amendments which this group has moved in the house from time to time since the declaration of war. We have emphasized in the past that we believe in a pay-as-you-go policy. We should realize that the real cost of the war is being met to-day. We therefore believe that the financial cost should be met at the same time. Such a policy, a pay-as-you-go policy, would not reduce the standard of living of the people in the slightest degree. There is so much production available that production can still be made available to the people no matter what the government's financial policy may be. But the great difference between a pay-as-you-go policy and the present type of policy would be that by the end of the war we would not have increased our debt, instead of allowing, as we are allowing to-day, a small percentage of the people to accumulate claims, in the form of bonds, against a very large percentage of the future production of wealth. We contend that this is unfair, because our soldiers are now making the greatest sacrifice they should be called upon to make. When they go overseas they are making what should be considered the supreme sacrifice. Yet, as a result of the policy we have in operation to-day, when our soldiers, our sailors and our airmen come back they will be called upon to help pay the financial cost. We consider there can be no possible justification for that situation.

Mr. J. E. S. EMMANUEL d'ANJOU (Rimouski) (Translation): Mr. Speaker, my reason for speaking at this time, is that I wish to make my stand absolutely clear both before this house and before the whole country.

On March 26, 1940, the electors of the beautiful constituency of Rimouski conferred on me the great honour of returning me to parliament as their representative. Consequently, I cannot let this occasion pass without assuring them of my enduring gratitude.

I must sincerely say that my reelection by my constituents is due, in a great measure, to the fact that I have always been opposed to conscription. I was opposed to it in 1917, in 1940, and I am still more opposed to it in 1943.

My feelings and my attitude on the ticklish question of conscription have not changed; I remain an unshakable opponent of compulsory military service for overseas and no power on earth could incite me to alter by a single iota my firm stand on this knotty problem.

During the 1940 election campaign I ran as the official candidate of the King-Lapointe government, opposing conscription for service overseas.

I accepted the official Liberal candidature because I had full confidence in the leaders of the government who were then promising that compulsory military service for overseas would never be enacted in Canada by an administration under their leadership and as long as they would preside over the destinies of the country.

With every reason to believe in the sincerity and frankness of the Liberal leaders, I took the solemn pledge of voting, in this house, against any government who would attempt to enforce conscription for overseas service. I added that I would not hesitate a single moment to vote against my own party if it ever decided to enact compulsory military service for any place outside the Canadian territory. I took this solemn pledge to all my constituents and, God helping, I have kept it and intend to remain faithful to it in the future.

However, the leaders of the Liberal party, forgetful of their formal undertaking toward the electors of the whole country, altered their views and had the majority of the members of this house vote for the hideous conscription measure for overseas service.

First, the government submitted to the approval of parliament a bill authorizing them to hold a plebiscite to know whether they should be relieved of the anticonscriptionist pledges they had taken during the 1940 electoral campaign.

Realizing as I did that such a measure, if passed, would inevitably lead to conscription, I opposed it with the utmost energy and I voted against it with great readiness. The bill was passed by a very strong majority and the government took advantage of that fact to order the holding of a plebiscite on April 27 last. As a result of a carefully planned campaign, which took place over the radio and in the press, the government had an overwhelming majority of "Yes" votes in eight of the Canadian provinces, but the province of Quebec gave a huge majority of "No" votes, and I am proud to say that 94 per cent of the voters in my constituency replied in the negative.

What is more, Mr. Speaker, over 700,000 negative votes were registered in the rest of the country.

However, the government gave no heed to that warning, and such a landslide of negative votes did not impress them.

Therefore, a fortnight after the plebiscite, they requested the house to amend section 3 of the 1940 Mobilization Act, so as to extend compulsory military service for overseas.

After a protracted and acrimonious debate, the heinous conscription for service outside Canadian borders was passed by a majority of the members of this house. In keeping with the firm stand I had taken on the plebiscite bill, I voted against the government's amendment enacting compulsory military service for overseas. What the Hon. Mr. Godbout, premier of the province of Quebec, had called a "national crime" became an accomplished fact and the crime was consummated. I for one have the satisfaction of having done my duty, all my duty toward those I have the honour and the privilege of representing in this parliament. And to be consistent, I reserve the right to be at variance with and vote against the government whenever they introduce measures or bills conflicting with the principles for the defence of which I was elected and which I will continue to defend in this house.

Mr. Speaker, that is my position, my stand before this parliament and before the leaders of the present government.

Mr. Speaker, I should like for a few moments to deal with the agricultural question, which is of particular interest to me. Agriculture offers to-day our most alarming problem and as representative of an agricultural constituency, whose whole population has remained firmly rooted to the land, I feel it my duty to rise in this debate and defend its rights.

I personally believe that this government has been too tardy in doing its duty to the farmers of this country. Since the outbreak of hostilities, I have been of the opinion that the government did not take the agricultural situation seriously. But now that our military training camps are filled with farmers' sons they seem to realize its seriousness.

In Rimouski county, there are at least 1,400 young men in one military camp. Of these, two thirds are farmers' sons, notwithstanding the fact that during the last session assurance was given by the government that farmers' sons and farm workers would be exempted. That was merely a bluff. The farmers and their sons have been subjected to so many difficulties when claiming exemptions that very few, if any, have succeeded in getting them.

Nevertheless, farmers are being asked to increase their production, to produce more and more. I heard the other day a public speaker, an official of the Dominion Department of Agriculture, asking farmers to increase their production of pork and of all kinds of

live stock. He invited farmers to grow more potatoes and to increase their production by all possible means.

But how are farmers to increase their production when they are deprived of the needed help? The difference between agriculture and the war industries is that the first produces life while the latter produce death. Farmers feed not only the civilian population, but also the soldiers who are called to the colours. If our soldiers are to fulfil their duties efficiently, they must be fed and well fed. No matter how well they are equipped or armed, if they are given nothing to eat, what will be their value as soldiers in the defence of their country?

This session, the mistake made by the government since the outbreak of the war is claimed to have been realized and it is suggested that farmers and their sons be exempted from military service. A document signed by the director of the selective service and the Minister of Labour (Mr. Mitchell) says that henceforth farmers now living on the farm are to be exempted from military service. Is that merely a repetition of what happened last year, is that more bluff? I hope not.

However, if the government are sincere, if they really wish farmers and their sons to remain on the farm, I ask them to go somewhat further and to recall from training camps all the farmers and farmers' sons who are actually under training and to return them to their farms. This the government would do if they really wished to help agriculture which, everything considered, is the mainstay of the nation. The land is the great feeder and if the government really and sincerely wish to show a practical interest in agricultural matters, their first important measure should be, I repeat it, to return all enlisted farmers to their farms. In training camp No. 55, at Rimouski, two-thirds of the trainees are farmers' sons and I ask the government to return these young men to the farm instead of forcing them to pursue their military training.

A few days ago, certain individuals appeared in the constituency of Rimouski. In a hotel in Rimouski, there are, at present, 60 provosts—you may call them by whatever name you please—or military police hunting the defaulters and the deserters, those who failed to report for military service and those who deserted the training camp. I do not condone this policy. I remember too well what happened in 1917 and 1918. We then severely criticized the Union government, because they hunted farmers' sons even in the most remote forests of the counties and then incarcerated them in the common gaols of the county seats. I remember seeing 400 young farmers crowded in the Rimouski gaol for failing to report. I wish to ask why the government is acting in this way. Why are they sending these provosts or military police to terrorize our population by hunting farmers' sons who have failed to answer the call for military service in a training camp? What was wrong in 1917 and 1918 is not commendable in 1943, under a Liberal administration. Personally, I condemn this system.

Mr. Speaker, I listened to the speech delivered by the Right Hon. Prime Minister (Mr. Mackenzie King) the other day. He took pride in being able to state before parliament and the people that of all the allied nations, Canada, with a population of eleven million and a half inhabitants, was the one which had made the greatest contribution to the war effort. Well, Mr. Speaker, I do not think that is a matter for pride. Canada to-day has under arms 700,000 men. She has supplied to her allies not only food but war weapons. Finally, as was said by the Prime Minister, she has made a greater contribution than any other country. Well, this is a proper time for thinking more than ever before, and I wish to say for the second time that we have a good opportunity not only to tell our farmers and their sons to remain on their farms, but to authorize those who are now in training to return home, to go back to the farm. In so doing the government will realize that agriculture is of prime importance and that, more than ever, Canadian farmers must have some consideration from the government and the people's representatives.

Now, Mr. Speaker, even though we are at war, the situation can be faced from a practical standpoint. Mine is not the only constituency where there are rural mail carriers. That is true of most constituencies. I understand that those mail carriers obtain their contracts by tender. That is no reason for paying them an insufficient salary. That is no reason for starving them. Most of these people, especially in these times, and in the winter season, labour under great difficulties, and for them as for the whole population, the cost of living has increased. Therefore, I make a special appeal to the Postmaster General (Mr. Mulock) asking him to consider the case of our rural mail carriers, whose services are extremely valuable to the public, and I am convinced that the Postmaster General will try to improve their condition. The mail service is also inadequate because in some remote sections of Rimouski, mail deliveries

are made only once or twice a week. That is not adequate. I have often asked for more frequent deliveries, but was told: "This is war. Let us win it first, and we will then deal with that matter." Well, Mr. Speaker, after the war the world will not come to an end, and in the meantime those people must live.

When a billion dollar gift is made to England and a further gift is being considered, I fail to see any good reason for the post office department not granting the legitimate claims of these rural mail carriers in my constituency.

Mr. Speaker, I wish to congratulate my friend the energetic member for Gaspé (Mr. Roy) for having brought to the attention of the house to-day a question in which I am deeply interested. He spoke of the newly created national war labour board. Even since I became a member I have noticed how in Ottawa French Canadians were being flouted, how no opportunity to ignore their rights is overlooked and in the present instance, I believe the government has been ill-advised in setting up a new national war labour board without appointing a single French Canadian on it. It seems that for one member out of three, namely one-third of the representation on that board, to have been a French Canadian would not have been exaggerated. I was hoping that the government would show more fairness to my compatriots. In this instance, I regret to find that the government has overlooked the fact that English and French Canadians enjoy equal rights in this country guaranteed by the pact of confederation. It is never too late to mend one's ways and I hope the government will appoint a French Canadian to represent us on that national war labour board.

I have made these remarks, Mr. Speaker, with the utmost frankness and I believe I can state as I resume my seat that I have fulfilled my task and I feel satisfied that I have done my duty.

Mr. G. H. CASTLEDEN (Yorkton): Mr. Speaker, the speech from the throne falls naturally into two main divisions: first, our progress in the world war and, second, the social problems at home. In both these spheres there are certain aspects which will bear watching very carefully by every Canadian. We remember what happened in 1918, and how it formed the basis for the catastrophe that we are facing in the world to-day. In just the same way what we do in 1943 may easily form the basis for another catastrophe in a few years, with an interlude which will be nothing but a period of rationed poverty, unemployment, want and fear. We must take steps now to prevent that. Frankly, we can see very little hope either for the prevention of the world war of 1960, or for the solving of our other problems under the old administrations, for the simple reason that neither of the old parties will recognize the fact that basic and radical changes must come about in the economic order.

On the war front magnificent retreats and disgraceful surrenders have been fewer on the western and southern fronts. On the Russian front conditions are much more hopeful. The lifting of the siege of Stalingrad, the recapture of Rostov, the recent brilliant successes of the Russian winter offensive, are sources of the greatest satisfaction to us and the greatest hope for the allied cause. When the history of this world war is properly written I think it will be said that democracy was saved in 1942 at the gates of Stalingrad. In contrast, however, we had the disgraceful rise of Darlan to power in Africa. Fortunately his rise was cut short, but such things give the world cause for serious thought. There is evidence that there are Quislings in the allied nations; that the Chamberlains have heirs and successors; that the Cliveden set and the Oswald Mosleys are still at large. We have had allied conferences at which China and Russia were not represented.

Canadians are making sacrifices on many fronts. Canadians deserve the right of proper representation in order to bring forward the Canadian point of view at the peace conference; and at that conference these allies to whom I have referred, Russia and China, must sit round the table and have something to say in the establishment of peace and the reconstruction of the world. We must face the possibility that the Atlantic charter may easily become as empty a gesture as the fourteen points of President Wilson in 1918. There are three basic things of which Canadians must make sure at this time: first, that this war will not end until fascism and nazism are completely destroyed; second, that those internationally responsible for this war are brought to justice and prevented from carrying on their plans; third, that the foundations are laid for economic democracy throughout the world as one means of preventing a recurrence of this catastrophe and one step toward giving the rights of the common man to all people. Already there is evidence that there are too many people, even within this country of ours, who fear real social change just as much as they fear Hitler.

The second phase of the speech from the throne deals with the problems of social security here at home, in these words:

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.

Apparently the government imagines that already we have some large measure of social security. Words like those in the speech from the throne are not sufficient. We must look to the acts of the government for proof of its sincerity; and it is not to be wondered at that the people of Canada are sceptical when they hear phrases such as these used by governments which have administered this country since its inception, and under which this wealthy land has been brought to a condition of debt and destitution. In no land on the globe have the opportunities for good living been more abundant, but nowhere has the failure to provide a good living been so complete. Canadians as a whole consider that they have been completely duped by the old, wealthy and powerfully backed political parties of Canada. Since confederation the administrators of Canada have done two things effectively. In the first place they have handed over the resources of this dominion to privileged groups, and in the second place they have fortified these groups in their position by establishing laws to protect their powers to continue their exploitation.

Such administrations cannot institute real social reform. What is their record? To-day the farmer in Canada finds himself hopelessly in debt. His insecurity is complete; there is fear on every side. No matter how he toils, there is no assurance that his toil will provide him with anything like a decent standard of living. Now in war time he finds that the prices of many of his commodities are frozen at levels which are below the cost of production. He is constantly urged by this administration to continue the production of his goods; he is encouraged to go into mixed farming and to grow more coarse grains.

On March 24 last he was assured by no less a person than the Prime Minister that his labour would be kept on the farm. These are the words of the Prime Minister, as reported on page 1567 of *Hansard* in dealing with the farm labour problem:

On the other hand, the growing scarcity of labour on the farms and the increasing importance of maintaining, and indeed of increasing food production, has been recognized. This has been accomplished by a fundamental alteration of the policy regarding compulsory military training and service where such service touches persons wholly or mainly employed in agriculture. Up to the present there has been a general obligation to serve, and the responsibility for proving a case for postponement of service has rested with the individual. Under the new regulations, farmers, farmers' sons and agricultural labourers will normally not be obliged to undertake compulsory military training and service. It is realized, however, that in a limited number of cases, men on the farms are not, in fact, essential agricultural workers. If it is established to the satisfaction of the national war services boards concerned that such persons are not essential workers in agriculture, they will continue to be called for service in the appropriate age groups.

What do we find? I should like to read a letter I received the other day which illustrates the fact very well. It reads:

My son Peter—got his call and pass on the 26th of January stating that on 1st February he was supposed to be in Regina. He just sent it back asking for a postponement. Then on February 5 this call or pass came back saying he was to be in Regina on February 8. So went on the 8th.

There is something I would like to know why is it so that Peter my only son I have, and he has no father, just him to work half section of land and do everything still support me and my daughter; and other families around here with three or four boys in one family to work and yet that have a dad able to work. They got their calls before my son and they are still home. Some sent calls back like my son for about two months and had no answer. Some asked for postponement and got it. Why my son had only a week's time between the sending of the call back and receiving it. It sure is hard to understand.

My husband died and I was left alone with young children my son being only nine years. He supported me and my daughter from the age of sixteen years.

Mr. McNIVEN: Did he put in an application for postponement?

Mr. CASTLEDEN: He did. I should like to read what was reported in an editorial in the Halifax *Chronicle* on February 1.

On the other hand, the president of the maritime federation of agriculture declared recently, upon his return from Ottawa where he attended joint meetings of federal and provincial agricultural officials, that a conflict of ideas among the heads of those agencies entrusted with the administration of the many phases of food production and distribution was largely responsible for the present state of confusion. This confusion, Mr. Oulton added, was causing additional trouble for the farmer rather than helping in the solution of his problems.

Instead of having a definite, clear-cut policy which would assure each agricultural unit which maintains a certain production that it would be guaranteed some labour on that farm and that labour would be left to it, what do we find? The farmer is left in uncertainty and insecurity. There is no definite policy at all; it is entirely up to these boards. The Prime Minister promises one thing and the boards

do something entirely different. Cases similar to that which I have cited can be repeated by the dozen. When a farmer does not know how long his labour will be left to him, when his labour will be called up, how can he possibly plan mixed farming or the raising of cattle? Constant insecurity; constant uncertainty! The farmer has to put in all his applications for bonus. After being assured that the government wants all the coarse grain he can grow, he gets busy and grows one of the greatest crops ever produced. But now he finds that he cannot deliver it. He also finds that his wheat crop cannot be delivered. On the day the house opened the Minister of Trade and Commerce (Mr. MacKinnon) informed the Canadian people that the wheat delivery quotas in many parts of the country were now up to fourteen bushels an acre, but he did not tell us how many hundred thousands of farmers living in those areas where that quota is established cannot deliver that crop because there is no room in the elevator.

Most Canadian farmers are in debt. That is a problem which will have to be solved before we provide social security for the people of Canada. In many instances one-third of the crop must be delivered in the elevator in the name of the creditor. The farmer produces his crop. He puts it in the granary if he has one. He has done everything he can to pay off his debt. He tries to deliver it but is not allowed to. Surely he has paid his part of the bargain. But he still has to pay the interest on the money he owes until the law permits him to deliver his grain. You see how well the laws are set up always to protect capital. Sometimes, in cases that I have had brought to my attention, he is threatened with foreclosure by the mortgage company for not delivering the creditor's one-third of the crop. But he is not allowed to deliver it; there is no room in the elevator. He has done everything in his power, but he is tied hand and foot.

What is the position of labour? Wages are frozen at levels which represent an income of less than $1,000 a year for eighty-five per cent of the wage-earners in Canada. In Ontario they were frozen as low as fourteen cents an hour in some instances. Basic rates of wages in some of the essential industries in Quebec are from twenty-four cents to thirty-five cents an hour. What has the worker to look forward to? When the war is over, the bonus will be taken off in the interest of the employing class of Canada. That is why there is unrest in Canada. Labour in many instances works seven days a week, with no holidays, no security for the future. Therefore there is unrest and absenteeism. This government pays lip-service to the right of the workers to organize, but at the same time every stop-block that can be invented is placed in their way to prevent them from organizing. The industrial workers of Canada are filled with confusion; they are frustrated. That is not the spirit which will produce the goods and things needed in this war. The government should bring down legislation making recognition of organized labour and the right of collective bargaining compulsory on every employer in Canada. That is what is done in Great Britain.

Then take the matter of old age pensions. The young and the old, the blind and the crippled, and those who cannot take care of themselves should be the first care of every nation that calls itself civilized and that hopes to have the people look to an administration for social security such as we are told about in the speech from the throne. The most glaring example of the social attitude of the administrations of Canada in the past has been the neglect of these people who are unable to provide for themselves. I should like to read from a letter from one of these men; it will state the matter more plainly than I can myself. It reads:

Dear Sir,—

I am writing to you to complain of the attitude of the dependents' allowance board. We raised our grandson from childhood and who is now in the R.C.A.F.

We have applied for dependents' allowance and as we are both old age pensioners we are informed that they cannot do anything for us.

If this is all they can do after we have given up for the service the boy who helped to support us in our old age, then there is nothing for us to do but lay down as we are not getting the nutrition that we need. This is how we are placed. Out of our joint pension of $40 per month we have $20 rent monthly, light and heat to provide for, so you will readily see what we have left for food, etc.

It means that unless something is done for us that our home will have to be broken up and our hopes of eventide disappear.

Our only son (married) is overseas with the R.H.L.I. and now the grandson is with the R.C.A.F. Our all given to freedom's cause. Myself veteran of world war No. 1.

It is not gratitude or anything else on the part of the allowance board that is shown us. We are only asking for what we consider the right thing for our sacrifices.

What can people expect in the way of social reform when this happens?

Take the field of education, for instance. The failure to establish minimum standards of education and compulsory education throughout Canada for children up to the age of sixteen years is a thing which cannot be

endorsed by thinking Canadians. The federal government should undertake to see to it that every Canadian is provided with an opportunity to obtain education; that it be made compulsory for children to attend school at least until the age of fifteen years. Furthermore, this government should see to it that the young people of our nation are given an education enabling them to do their part in service toward their fellowmen. Government subsidies and bursaries should be available for our young men and women who show ability in the schools. Some day a government will sit in those benches, a government that realizes that the brains of the young people of a country are the finest national resource and asset of any nation. Some day the training of those young people will not be dependent upon the wealth or poverty of their parents, upon whether rain happened to fall on a farm for two or three years.

Mr. McNIVEN: Were not such bursaries provided in 1938?

Mr. CASTLEDEN: How many young men or young women in Canada leaving our public or high schools have had an opportunity to continue their education in a higher field? In the field of social service, Canada's care of its war veterans of the last war and the policies of the soldier settlement board are a blot on the administrations of this country.

There is evidence already that the veterans of this war, even under the highly lauded scheme of the present administration, are suffering hardship and neglect which should not exist. I came across this case in my own constituency. A young man still in uniform happened to be at one of my meetings. I asked him what he was doing now and he told me he had been discharged. I asked him why and he said he had been a motorcyclist overseas, but that during manoeuvres he had been side-swiped by a truck and had suffered a severe fracture of the bone above the left knee. He said that he had been sent to hospital, but that unfortunately cancer of the bone had set in and he had been returned home. He had been undergoing treatment, and when I asked him what pension he was receiving he said none at all. I asked if he had received a clothing allowance and he said he had. I quote from his letter:

> I have received 28 or more treatments and have not received any since, only that I had to report back at the hospital in Regina every month since. Received the treatment in Regina Grey Nuns hospital. They quit giving me treatments on October 16.
>
> I have spent on travelling, November 16, $8.10 and on December 18, $8.10, and now again on February 18 will cost me another $8.10, which will amount to $24.30 on travelling alone and expenses besides cost me $7.50.

In another letter, he says:

> Why should they cut my pay off and not start my pension as I was in to see them once about it and wrote twice and no answer or anything? What would be your opinion? Also they took my overcoat and overshoes away.

When I drew this matter to the attention of the board here I must say that they took immediate action. They arranged for an immediate investigation of the case and placed the man on temporary one hundred per cent allowance, and the authorities were notified. Any government with such a long record of failure in the social field does not deserve nor will it retain the confidence of the people.

For those who are so smugly satisfied with what our governments have done in the past, I should like to read an extract from a pamphlet entitled, "Health on the March" which was issued by the Canadian federation of agriculture. In dealing with what has been done in New Zealand it said:

> The results of New Zealand's plan for social security are already showing a great increase in the birth rate. For instance, when the labour government came into office, the birth rate was at its lowest level, 16·17 per 1,000 of population. In 1937, it rose to 16·64; 1937 saw a further rise to 17·29; 1938 to 17·93; 1939 to 18·73. After the maternity benefit was introduced in 1940, it rose to 21·19; and 1941 to 22·81.
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> The story told by these figures is a tribute to the labour government, in a period in which the birth rate is still declining in most countries of the world. There has also been a decline of absenteeism in industry, due to illness; and an increased rate of production.
>
> This is a lesson to us. Here we are, with the heritage of one half of a continent, and a totally inadequate population to develop it. You would think that we would have come to our senses long ago, and developed our human resources to the utmost.

Referring to the soviet union, the writer states:

> From a condition of revolution, famine and disease; utter poverty; with 90 per cent of their people unable to read or write, they sprang from the age of candle-light, skipped the gas-light age, and emerged into the electrical age in a few years. What has been accomplished since 1922 is almost unbelievable to us, who are accustomed to the slow process of evolution of capitalist states.

And again:

> It seems to me that the following four points represent the most characteristic features of the soviet health system. 1. Medical service is free and therefore available to all. 2. The prevention of disease is in the foreground of all health activities. 3. All health activities are directed by central bodies, the people's commissariats of health, with the result that 4. Health can be planned on a large scale.

There can be no doubt that the soviet system of social insurance is infinitely superior to any insurance system in capitalist countries. The costs are what they should be, part of the cost of production. The benefits are infinitely greater than under any other insurance scheme. The worker is guaranteed complete medical service, he is given social security. He is entitled to it because, after all, he is creating the values that make such a scheme possible.

Mr. DOUGLAS (Weyburn): Who wrote that?

Mr. CASTLEDEN: A former minister of health of the Alberta government, I believe. That is the soviet union, the country that is doing so much to save democracy to-day, the country that is showing such surprising reserves. The Canadian people, learning this, will not go back to the old regime of unemployment and want. The men who return from this war where they have risked everything to save and extend the democratic way of life will not be frustrated in their efforts to obtain a decent livelihood. There will be no constitutional difficulties placed in their way, difficulties laid down by the dead hand of the past in such things as the British North America Act. The laws of the land made to protect financial and industrial exploiters must be changed in a democratic way to suit the new order.

The hon. member for Cape Breton South (Mr. Gillis) seems to have started a sort of blitzkrieg in the house when he proposed representation in the House of Commons for the armed forces and recommended that the elections act should be amended to that end. I endorse what he said in that regard. The war of 1914-1918 was won on the battlefield, but the peace was lost to the politicians and the international bankers. I believe that the armed forces should have representation in the House of Commons. They should be permitted to nominate their candidates freely and to have free discussion of the issues within their own units. That was denied to them before, although they had the right to vote in the election of 1940. Their representation in the house should be in the same ratio of population that determines the election of members in the various constituencies throughout Canada. In this way we shall get the opinions, hopes and aspirations of the rank and file of the men and women of the armed forces who are doing their bit so nobly to-day. We want their voice heard in the reorganization of the world.

The old economic order is utterly incapable of giving security or freedom from want and fear. Economic democracy must be established. By that we mean that the resources and the machinery of production of the nation must be democratically owned by the people and operated for the people. Then each person will be given his share of the nation's wealth in cultural advantages and economic security to satisfy his needs, and that in turn will be the incentive which will draw from each according to his ability to give. The economic and social well-being of the people will be the first duty of the state. Then and then only will there be an end to fear and an end to need. Then we shall have a state where fear cannot exist, and where health, education and recreation will be a national achievement. Then the old and the young, the crippled and the blind, shall live without fear, and those who work, being the creators of all wealth, shall have a claim on that wealth to satisfy their human needs before capital be permitted to take its toll. Such a programme determined by Canadians in annual democratic conventions, democratically controlled by those who toil in Canada, is the aim and objective of this party. A democratically elected council in the province of Quebec recently discovered that the milk distribution in its area was ineffective and wasteful. They decided to set up a municipal milk distribution plan. The farmers who supplied the milk then got more for their product; the people who consumed the milk got the milk cheaper; the people with the lower incomes got more milk, and they are the ones who need it most. I suppose my hon. friends to my right would call that socialism. Well, if that is socialism, I am pleased to be called a socialist. To those who fear such a programme, who fear for the rights of property, I will give this assurance: They will be permitted to own anything except the right and the power to exploit their fellow men.

The amendment which has been moved by the Cooperative Commonwealth Federation reads:

And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service.

Those are the principles which we must follow in time of war if we are to fight a full and proper war, and when this war is won those are the principles which, being established in a democratic way, will make possible equality of opportunity in time of peace, just as there should be equality of sacrifice in time of war.

Mr. D. A. McNIVEN (Regina City): Mr. Speaker it is not my intention to run the whole gamut of the speech from the throne or to embark upon a review of world events. The speech from the throne has been discussed at great length, and it has been approved and condemned, eulogized and criticized. It has been called apt and inept, depending on the mood of the speaker and his political complexion. I intend to discuss but three paragraphs of the speech from the throne, and to discuss them briefly because there will be another opportunity to develop them at greater length.

At the very outset I should like to express my personal thanks and my own appreciation to the hon. member for Davenport (Mr. MacNicol) for his continued interest in western Canada and in the province of Saskatchewan. The hon. gentleman has employed the time during the recess in visiting our western provinces in order to cultivate an all-Canadian viewpoint, and from personal experience he has found on the rolling prairies a home for countless millions in the future. And that hope is based upon what? He there finds the finest and largest continuous stretch of good agricultural land that lies out-of-doors anywhere. He has carried his explorations further. He has come to agree with us who reside on the prairies that ours is a badly balanced economy. In northern Saskatchewan, following those two great rivers, the North and South Saskatchewans, he has found potential power sites which will support industry to be established in the years to come. He agrees with the hon. member for The Battlefords (Mr. Gregory), who described the gas fields that have been developed at Lloydminster, which could and should be used as a basis for industrial development; with the hon. member for Maple Creek (Mr. Evans), also from our province, who knows all the deposits of pottery and building clays inexhaustible in their extent; with the hon. member for Wood Mountain (Mr. Donnelly) in whose constituency are to be found huge deposits of china clays equal to the best to be found in the county of Kent, England; and with the hon. member for Moose Jaw (Mr. Ross) who will take ten minutes off any time to elaborate upon the deposits of firebrick clay to be found in his constituency, and who will tell you, along with the hon. member for Davenport, that all the firebrick used in the fire boxes of the engines of the Canadian Pacific and Canadian National railways in the west are manufactured south of Moose Jaw. If we go further south into the constituency of Assiniboia, the hon. member (Mr. Tripp) rejoices with us that in his constituency there are twenty billion tons of lignite coal, with an overburden of from 40 to 150 feet. The value of that coal is emphasized in a little book I hold in my hand entitled "Brown Coal and Magic". It tells the story of how the brown coals of Australia have been developed and used to support cities of half a million, and their whole industrial development is based upon that coal. There is in the Estevan area a potential development of power in unlimited quantities. Not only that, but the coal we have in southern Saskatchewan is superior to that of Australia. Australian coal has a moisture content of 65 per cent, and ours has a moisture content of 30 per cent. Once again may I point out that the whole industrial development of Germany is based on the brown coals of that country. I need refer only to the dye industry and the chemical industry. We have not even scratched the surface of this great potential natural resource.

Not only has the hon. member for Davenport done us the honour to which I have referred, but he has done more, and I thank him for it most sincerely. He has come to eastern Canada and told the story to the sceptics, to the men and women who here, a few years ago, would have given the land back to the Indians. We invite him back to our province, and we shall be glad if he will continue his speeches in eastern Canada. I can assure him that he will have an ever-growing and ever more appreciative audience.

There is a passage in the speech from the throne to which I should like to make a brief reference. I do so because it is the subject-matter of many communications to myself, many editorials and news items in the newspapers and, I would say, it is uppermost in the minds of ninety-nine per cent of the taxpayers of this country. The passage is as follows:

> 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.

In the popular mind and in the newspapers that plan is associated with the name of Beardsley Ruml, and in so far as the United States of America is concerned it is properly associated with him. But in Canada that plan should be referred to as the Ilsley plan, for in the budget of last year the principle of that plan was introduced, and came into effect on the 1st day of September. For that reason I welcome the passage in the speech from the throne which indicates further progress of the pay-as-you-go policy in the matter of personal income. It will afford relief to a

very large number of people who do not like to be in debt to anyone, even to their own government.

I should also like to make a brief reference to another matter referred to in the speech from the throne:

> 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.

I will not enlarge upon that at any great length, for practically all of those who have preceded me have spoken on it and have agreed with the substance of that declaration in the speech from the throne. In that regard the hon. member for Yorkton (Mr. Castleden), who preceded me, was no exception; but I must say that the nature of his remarks was decidedly different from the great majority of the contributions to this debate. I know the hon. member quite well; I also know the hon. member for Mackenzie (Mr. Nicholson) and the hon. member for Weyburn (Mr. Douglas); I delight in having conversations with them, and I assure the house that in my personal conversations with these three hon. members they do not give birth to such statements as we hear from them on the floor of the house. Let me recall some of the remarks which have been made by the hon. member for Yorkton. He speaks of destitution, of Canadians being completely destitute. He speaks of lack of sincerity. He speaks of no assurance of living or of security. He speaks of frustration. He speaks of a blot against this country. He speaks about complaints. He speaks about a long record of failure. One would imagine, from what he has declared just within the last thirty minutes, that he and those associated with him had a monopoly on success, but I assure you, Mr. Speaker, that that is very far removed from the fact. Why, sir, he called upon this government to institute a minimum standard of education, and he criticized them severely because they had thus far failed to introduce a standardized system of education. Apparently he is not familiar with the British North America Act, which gives the provinces exclusive jurisdiction over education.

Mr. REID: And I hope it stays there.

Mr. McNIVEN: The hon. member for Yorkton uses that as a pretext to criticize this government; and then, when I pointed out to him that bursaries and scholarships were provided in the dark days of 1937 and 1938 he said, "And what did they amount to?" I want to tell him that the educational institutions of Canada are being widely used by our young men and young women.

Mr. CASTLEDEN: Would the hon. member permit a question? Could he give me the approximate percentage of students who leave the public and high schools of this dominion and who ever reach a university?

Mr. REID: Do not answer that.

Mr. McNIVEN: I will not attempt to. But I know of a great many students who, but for the assistance they have received from scholarships granted by this government and by the various provincial governments, would have been denied an university education.

Again, the hon. member speaks about health standards. I am quite ready to admit that they are not perfect, that they are not as good as we would like them to be. But the tone of all the utterances, both here and elsewhere, of the group to which my hon. friend belongs,—C.C.F.—is that nothing of that kind is being done in this country. All the hon. gentleman has to do is to go to our own province, where for eighteen years tuberculosis has been treated free of charge, in two public institutions, with the result that our province enjoys one of the lowest mortality rates from tuberculosis of any province or similar area in the world. Our cancer clinic is open to all those who cannot pay. I recall that a few years ago the hon. gentleman cited one isolated case, just as he did here this evening, wherein, he said, some individual had been refused medical treatment. In reply I described his remarks as an insult to the medical profession of our province. I repeat that to-day. We have in our province, in the men and women belonging to the medical and nursing professions, including those engaged in the hospitals, just as fine a body of men and women as will be found anywhere.

Mr. CASTLEDEN: Does the hon. member know how many there are?

Mr. McNIVEN: Yes; and I would say that fully half of them are to-day in the armed forces. I know that fifty per cent of the doctors from my own city have enlisted.

The hon. gentleman, too, deprecates the fact that provision has not already been made for soldier representation in the House of Commons. In that connection I suppose he would charge the government with lack of sincerity and suggest that they do not desire to recognize the soldiers' rights. But I say, sir, that the province from which he comes

was one of the first to recognize the soldiers in the last war and did give them representation.

Mr. CASTLEDEN: On a point of order, the hon. member for Regina City stated that I deprecated the fact that there was no representation of the armed forces in the house at the present time. That is not my statement and I should like to have it withdrawn.

Mr. SPEAKER: That is not a point of order.

Mr. McNIVEN: Well, sir, I want to repeat that in the fall of 1916—

Mr. CASTLEDEN: On a point of order—

Mr. SPEAKER: What the hon. gentleman states is not a point of order. It is a denial.

Mr. CASTLEDEN: I ask that the hon. member withdraw it.

Mr. GARDINER: He did not say what the hon. gentleman says he said.

Mr. SPEAKER: The hon. member has not stated anything against the hon. gentleman except to offer an opinion with regard to remarks which he made, and that is perfectly in order.

Mr. CASTLEDEN: I did not make those remarks.

Mr. McNIVEN: I repeat that in the fall of 1916 or in the spring of 1917 the Saskatchewan legislature made provision for soldier representation in that legislature. Liberalism recognized it as a principle then, and three members were elected, two from the active forces in France, and the third from those on active service in England. So that the hon. member does not have to go beyond the confines of our own province to find full recognition of soldiers' rights in the matter of representation.

The party to which I belong, as well as the province from which I come has expressed itself recently on this matter of social security, and I cannot do better than read to the house a resolution that was passed at the annual meeting of the Saskatchewan Liberal Association on January 12 with regard to the subject.

Mr. GILLIS: What year was that?

Mr. McNIVEN: 1943.

Mr. PERLEY: After the Winnipeg convention.

Mr. McNIVEN: If I may deal with the interrupters in order, substance of the interruptions being the same namely, the suggestion that it was a last minute conversion to the policy of social security, may I ask the hon. member for Qu'Appelle (Mr. Perley) to take the hon. member for Cape Breton South (Mr. Gillis) into the corridor after the house adjourns, and tell him what has been done in the way of social security in our own province over the last twenty-five years. Let him tell that hon. gentleman of the policies introduced there. They do not go as far as we would have them go, I will admit, but the principle has been recognized, and it will be developed and carried along until the day comes, we hope, when proper provision will be made for all those who find themselves in unfortunate and difficult circumstances.

Mr. ROWE: There was not much progress until the Winnipeg convention.

Mr. McNIVEN: If the hon. member for Qu'Appelle will take the hon. member who has just interrupted and give him a lesson in what has taken place in our province he will not be so satisfied as to the merits of his position.

Mr. ROWE: We talked it all over at Winnipeg.

Mr. McNIVEN: Then if they talked it over at Winnipeg I give the hon. member from our province credit for bringing his party up to the standard which has already been attained by the Liberal party.

Mr. ROWE: Give him the credit he deserves, so long as we arrive.

Mr. McNIVEN: I hope you do arrive. We shall welcome help in any direction which will accomplish a measure of social security for those who deserve it and are unable to provide it for themselves.

Mr. ROWE: I expect the hon. member will be with us before it is over.

Mr. McNIVEN: When I read this resolution by hon. friend will wish that he had had a better lesson before he reached the Winnipeg convention. This is the resolution:

Whereas the present and future generations are greatly indebted to the pioneer for much of what we enjoy to-day;

And whereas the interests of Canada are best advanced by a healthy and robust citizenship;

And whereas the youth of Canada constitute its greatest asset;

And whereas the home is the foundation unit of every worth-while citizenship;

And whereas national strength is achieved proportionately as a nation assumes and per-

forms its maximum duty to the aged, the pioneer, the unfortunate, the youth and the home:

Therefore be it resolved that the council of the Liberal association for the province of Saskatchewan unequivocally pledges the Liberal party of Saskatchewan to a policy of social security effective immediately, and the Liberal party will recommend to the Saskatchewan and dominion governments that such a policy of social security, without limiting the scope of such policy, shall include:

1. An immediate increase of $5 in the monthly payment presently payable under the Old Age Pensions Act, and that a study of prevailing conditions applicable to the old age pensions be forthwith undertaken to determine the schedule of monthly payments which will provide an improved standard of living.

2. An increase of the maximum annual income of the pensioner under the Old Age Pensions Act from $360 to $500.

3. A progressive reduction in the age limit now fixed by the Old Age Pensions Act in order to provide openings in employment for the men and women now in the armed forces of Canada and likewise those engaged in war work.

4. An adequate allowance to widows with small children and in particular those with large families to enable such widows to devote their time and attention to the care and upbringing of their children.

5. An increase in the allowance presently made for each child under the mothers' allowance act.

6. A substantial increase in the schedule of payments now made to sightless persons, together with improved facilities and greater opportunity for the training and advancement of those sightless persons who are below the age limit.

May I pause here to make this observation. It was this government that in 1927 introduced old age pensions. It was this government that, in 1937 or 1938, provided pensions for sightless persons. And now members have the temerity to charge this government with lack of sincerity and lack of consideration. It has not done all that we should like to have done, but surely it is not subject to that charge in any event. To continue:

7. That a dominion-wide system of compulsory old age insurance be worked out and adopted at the earliest possible date with a variable age of retirement.

8. That a dominion-wide system of compulsory contributory health insurance, or alternatively a dominion-wide contributory plan making provision for medical care and hospitalization be worked out and made effective at the earliest possible date.

9. That the present scheme of unemployment insurance be carefully supervised in order to iron out existing inequalities and to extend its benefits to an ever-widening circle of employees.

And that for the purposes aforesaid the provincial and dominion governments assume by agreement their fair share of the financial responsibility involved, or alternatively that the government of Canada obtain the necessary authority by way of amendments to the British North America Act to enable it to introduce legislation designed to give the widest possible security to the aged, the unfortunate, the youth, together with the largest possible measure of protection for the homes of Canada.

[Mr. McNiven.]

There stand the Liberal party of Saskatchewan, prepared to implement those parts of this scheme that lie within their jurisdiction. They have not carried it to the length they would wish, but they are looking confidently to the time when adequate provision will be made for those who are unable to take care of themselves and when the Liberal party of Saskatchewan will be in a position to implement that programme in its entirety.

With regard to those who have criticized this government concerning old age pensions, I should like to hear from the Minister of Finance (Mr. Ilsley) as to what, if any, representations have been made to him by the provinces since he declared in this house in November, 1941, that he would be willing to receive and consider any representations that might be made by all or a majority of the Canadian provinces for an increase in old age pensions. Not so long ago I saw in the press that the eastern provinces had not made any such representations though, if I know the Minister of Finance as I think I do, once having made that statement he will stand by it; and when the Canadian provinces, whose responsibility it is to care for aged persons, come to the dominion government they will be received by a gentleman who will listen to their plea. I am in favour of an increase in the old age pension. I have great respect for the pioneer, for the old man and the old woman, and I do not think we in this house, or the young men and young women of this country, should ever be allowed to forget the contribution that has been made to the development of this country by those old people. Much of what we enjoy to-day in our cities, our towns, our villages, our schools, in connection with our highways and so on, we owe to the enterprise, initiative, courage and financial contribution of many of those men and women who have since fallen upon evil days.

I was interested in reading a pamphlet issued by the much maligned public information department, called "Canada and the People's War," which I find replete with information. It gives an historical survey of the development of the armed forces and the industrial life of Canada, and after a perusal of this pamphlet there is no reason why every man and woman in this country should not be fully informed as to what Canada at war has accomplished. Canada has been at war for some forty-one months. A hurried review of the twenty years that preceded the declara-

tion of war reveals that Canada had no foreign policy as this is known in other countries. Canada maintained no diplomatic service in the European capitals, nor was Canada concerned in any of the intrigues that went on there. Time and again during five years preceding the war the Prime Minister (Mr. Mackenzie King) stated that we have no commitments in Europe. Canada was not anxious to secure an improved position in the capitals of the world by arranging for the marriage of the Prime Minister, or the first leader of the present opposition, Viscount Bennett, or the Minister of Pensions and National Health (Mr. Mackenzie), into some of the royal families of Europe.

This country had no desire for territory which any other country possessed. Aggrandizement was not part of our policy, no matter what party was in power. Ours was a policy of being willing to trade, a policy which might be summarized as that of the open hand and the friendly gesture, a willingness to trade with anyone who would trade with us on a reasonably equal basis. For such a policy Canada needed no great armada, no immense standing army, no great aerial fleet, no great industry for the manufacture of munitions and warlike supplies. For these reasons Canada, in common with the other twenty-eight united nations including Great Britain and the United States, was caught totally unprepared for war. At that time the Prime Minister of Great Britain said that it would be three years before the democracies would be ready to meet the hun on his own terms. The Prime Minister of this country concurred in that statement, and made it a fundamental, primary principle of his policy that we should have unity at home as a pre-requisite to a maximum, balanced, continuous war effort from the beginning of the war until peace finally returned. That, sir, has been accomplished in splendid fashion, well within the time indicated by the hon. gentlemen. I distinctly recall during the last three years many people criticized this government for being slow, unwilling, wasteful; for lacking sincerity in the prosecution of the war. But to-day many of those critics are wondering in hushed tones if this government has not undertaken too much, if it has not embarked upon too great a programme for twelve million people. This afternoon we heard the hon. member for York-Sunbury (Mr. Hanson), who was one of the severest critics of the government, give expression to a statement of that kind.

I started to say that this is a people's war. We find that in the three years of which Mr. Churchill spoke 721,000 of our young men and women have rallied to the colours. We find that our output of munitions and the impedimenta of war has an annual value of about 3·7 billion dollars. We find that over a million people, of whom 145,000 are women, are employed in industry, and therefore we in this house, irrespective of our political affiliations, can join in paying tribute to the manner in which labour has worked with capital and capital has worked with labour in order to produce a continuous flow of munitions to the various war zones. Truly, sir, it is a people's war. Then, too, we come to the production of food on a threefold front—food for the civilians of this country, food for the armed forces of this country, and food for the nations, the allies of this country. Canadian farmers have responded to every call and have produced in unbelievable quantities, which thanks to our fleet and our convoy system have been going across the Atlantic in an endless chain. I want to pay my tribute to our farmers for what they have accomplished and also to pay whole-hearted and sincere tribute to the Minister of Agriculture (Mr. Gardiner) for his guidance and planning and direction of that effort which has given such surprising and marvellous results.

Then in the matter of finance, there is scarcely a man or woman in this country who three years ago would have believed that Canada could bear and would submit to taxation in the huge amounts now required to meet our war expenditures. There are very few who would have even suggested that this country was capable of producing the immense sums of money which have been subscribed for the three victory loans. When we realize that Canada's vote for war purposes in the fiscal year 1942-43 with the supplementary estimates is approximately three times the entire amount spent by Canada in the whole of the last war we have some measure of the accomplishment of the Canadian people in financing this war. Truly, sir, it is a people's war, and the taxpayers of this country have responded nobly.

Every province is making its comparable contribution to this meritorious result, not even excepting the province of Saskatchewan, which has been so loudly berated this evening. Sometimes, because of the addresses delivered from time to time during the last six or seven years from the C.C.F. section of the house our province has become known as the "orphan Annie", the poor relation, the unwanted child, of the Canadian family; some even go so far as to say, give it back to the Indians. But in those self same three years of which I speak, our province had recruited to the end of October 53,900 soldiers for the

armed forces, and recruits have been pouring in since then at the rate of twelve hundred a month. I mentioned a moment ago that this is a people's war, irrespective of class, race or creed, and is so regarded in our province. There comes to my mind a citizen of the town of Wolseley, a French Canadian with seven sons, all of them in the armed forces, and Rudolph Deutcher, a German farmer at Odessa with eight sons, of whom six are in the armed forces, the seventh in an important war industry and the eighth impatiently waiting on the calendar until he can join his brothers. I think of a Jewish family at Kamsack with five sons in the armed forces; I think of old Mr. Reinlander in Regina, born in Russia, with four sons in the armed forces. My mind goes back to that sunny afternoon of August 8 with the Prime Minister present in our city when two women were presented to him—Mrs. Muirhead, of Estevan, of Scotch-Irish origin, and Mrs. Uren, of Regina, both she and her husband born in Austria. These two women were presented to the Prime Minister and received from him his personal thanks and the thanks of the people of Canada because each of them had six sons and two sons-in-law in our armed forces.

I am using only a few illustrations, but I have no doubt every hon. member can multiply, times without number, illustrations such as I have used. I want to emphasize again that in our province and, I believe, in every province, this is a people's war, irrespective of class, race or creed.

This province of ours, sometimes known as the "orphan Annie" province, has been pictured as the special domain of the mortgage companies. What I protest against most vigorously is that the other side of the picture is never given by the C.C.F. section of the house. For their information and the information of hon. members generally I say that we in Saskatchewan are proud of our province, and I am going to put on the record some statistics in order to show what has been accomplished in the matter of production and the increase in the last three years:

	Production in bushels	
	1939	1942
Wheat	271,300,000	335,000,000
Barley	26,000,000	92,000,000
Oats	112,000,000	255,000,000
Flax	1,250,000	10,500,000
Rye	9,300,000	15,000,000

As to cattle, hon. members will remember the year 1937 when 375,000 head of our cattle were slaughtered because we had a complete crop failure on account of the drought. In 1939 Saskatchewan marketed 172,865 head of cattle, and in 1942 marketed 256,186. As to hogs, listen to this: in 1939 we marketed 312,188; in 1942 we marketed 964,622. In the same period the annual marketing of sheep has increased from 63,807 to 88,908, and the production of creamery butter has increased from 25,000,000 pounds to over 41,000,000, pounds.

The farmers of Saskatchewan heard the call. Canada required butter, and they answered it by an increase in production of nearly 100 per cent. In 1935 our production of honey was a little over a million pounds. In 1942 it was approximately five million pounds. In lumber our production for 1939 was 37,974,000 feet, and last year it was 125,853,000 feet.

With regard to coal, of which I spoke a little while ago, the production in 1939 was 959,595 tons, and in 1942, 1,299,891 tons, or an increase of 340,000 tons, and there are people all over western Canada who are grateful, on nights such as this, for that increased production.

Mr. R. W. MAYHEW (Victoria B.C.): If I fail this evening in extending the usual compliments to the mover and the seconder of the address, it is not on account of a lack of respect for those two hon. gentlemen, or for the uniform they wear; it is not because I have not a full appreciation of the contribution which they have made, but simply because so many previous speakers have paid compliments to them in a manner which I could not do. Therefore I shall let it go at that. Because of the time at my disposal I will change almost completely what I had intended to say. I should like to finish before eleven o'clock. I had hoped to use practically all my time on the speech from the throne itself, because I consider that this document will go down in history, either as one of great credit to this government or as one that will condemn it.

The other evening the hon. member for Vancouver East (Mr. MacInnis) said that it was a barren statement, but I do not agree with him. I think it has everything in it to make us proud. If we follow it out it will make for us a great nation, one of which we shall be proud, one worthy of the sacrifices of those who have gone before and of those who are fighting for us at the present time. But if we allow trivialities and politics to interfere with our path of progress, then we may easily expect confusion. I think we can say of this, to use the words of Robert Service:

> The choice is ours, to make or mar
> To count the ties, or drive a motor car.

If we choose to follow what is set out in the speech from the throne we can make out of it something worthwhile. But I shall not

say anything more about it at the present time because I want to deal with some other matters.

One thing about which I want to make my position clear is the pay of our junior officers in the army. The other night the hon. member for Calgary East (Mr. Ross) had something to say on this subject, with all of which I agreed. But there are some things he did not say which should be said. Most of the young men going into the armed services are leaving positions of importance. Many of them are professional men, and they are sacrificing much in the way of remuneration in order to do their duty. They are the type of men upon whom we must depend for leadership; they are the type of men whom we would want our sons to follow when they are in the army. We should not expect such men to make a double sacrifice or more than is necessary. I think this government could well afford to exempt these junior officers from payment of income tax. I have before me a statement giving the net pay of all officers in the army from colonel to class C sergeant, covering single men, married men, married men with one dependent, and married men with two dependents. I should like to have the privilege of placing this on *Hansard*. The statement is as follows:

Net Available Monthly Income

	Single	Married	Married (1 Dependent)	Married (2 Dependents)
Lt.-Col.	$185 89	$235 07	$249 73	$264 49
Major	154 02	197 48	212 72	227 86
W.O. class I Grade A	150 56	190 56	202 56	214 56
Captain	133 67	175 11	190 35	205 27
W.O. class I as referred to income tax amendment	133 43	173 33	185 33	197 33
W.O. II grade A	117 10	152 10	164 10	176 10
Lieut.	108 58	147 80	163 52	179 32
S/Sgt. class A	98 85	133 85	145 85	157 85
2nd Lieut.	96 97	135 02	150 74	166 46
Sgt. class A	89 73	124 73	136 73	148 73
Sgt. class B	82 12	117 12	129 12	141 12
Sgt. class C	74 51	109 51	121 51	133 51

I do not like to present a statement of this kind without offering some suggestions as to how it can be brought about. I know that in offering these suggestions I shall probably be open to criticism by some of my own friends. I contend that when a man is willing to go into the army and wear the badge "Canada" on his shoulders, once he is found to be physically fit to go overseas, from that time on he should be exempted from payment of income tax. This creates a difference between the man who is in the army and not able to go overseas and the man who is in the army but able to go overseas.

I know those who are at home are doing a mighty fine job; they are making sacrifices the same as the rest of the citizens of Canada, but I do not think they have any right to complain. I do not wish to belabour this point any further because I understand that the Minister of Finance (Mr. Ilsley) will have something to say about the Ruml plan. Probably the solution of this problem will be found in that plan, so that I shall leave the matter at this point.

Mr. COLDWELL: Would the hon. member include merchant seamen as well as young officers in his plea?

Mr. MAYHEW: I certainly would; I would probably put them first. I am glad the Minister of Pensions and National Health (Mr. Mackenzie) is in his seat because I should like to refer to those soldiers who have been discharged from the army on account of tuberculosis. There are two men in the hospital at Victoria who went before the medical board, were attested and examined by the doctors, including X-ray examination of their chest; they went into the army and served for some months, I think for a year, and are now in hospital suffering from tuberculosis. They get no pension or allowance, although they do get treatment. I realize that a number of these men are receiving hospital treatment as well as compassionate allowances.

I have made inquiries about this matter; I have seen Doctor Kincaid, who is in charge of tuberculosis in the provincial government at Victoria. He is an authority on this subject, and he advises me that there is very little excuse for this disease not being determined at the time of enlistment. He says that science has gone far enough that we can determine this pretty well. I think we have reached the time when the onus of proving that a man's health has been impaired, that

he has contracted tuberculosis on account of military service, should not be his responsibility but should be the other way around; that the government should have to prove to the soldier that he did not contract the disease while away. These boys get their hospitalization. But when they leave they have no money, and they are compelled to go into the labour market and find themselves a job. They can last only a short time, and then they come back into hospital in a worse condition than before. In the meantime they have been a menace to the health of the people in the community. I know that the Minister of Pensions and National Health is sympathetic, and I hope he will bring in some amendments at this session to cover that situation.

I wish to say a word about old age pensions. It does seem too bad that these old people, many of whom have helped to lay the corner-stones of this country, have cleared our farms and helped to build our railroads and practically all the institutions we have, should find themselves living to-day on a bare subsistence. Their allowance is not enough in many parts of this dominion to enable them to live in comfort. British Columbia recently made some advances to give these old age pensioners an extra five dollars a month, and I think the old age pensioners in that province are probably as well cared for as in any province, but I suggest to the Minister of Finance and to the government that at this time they should give these old people the cost-of-living bonus. There are many others whom I should like to see receiving the old age pension. I have spoken of that before. Every time I have spoken in this house I have expressed my opinion that we should have in this country a compulsory, contributory, all-in pension system.

There is one other point I wish to make, particularly because I see the Minister of Agriculture (Mr. Gardiner) in his seat. I want to congratulate him upon the speech he made the other day and upon his work as Minister of Agriculture. But I was surprised to learn to-day that his department is not going to give the guarantee which it has formerly given in aid of seed growing in Canada. The people of my district are very much concerned about that. Prior to the beginning of the war most of our seed was grown in the old country and exported to Canada, but at the start of the war the dominion government, in cooperation with the provincial governments, guaranteed a price for certain vegetable seed. I understand that sixty per cent of our vegetable seed is grown in British Columbia, and a good deal of it is grown very close to my own home. Our people are concerned about what they are going to do, not particularly about this year's crop, but about the crops of future years. It takes two years to grow this seed. British Columbia thought that this was a matter of national concern and that the dominion government should guarantee the whole subsidy for the growing of seed, but apparently the dominion government is not prepared to do that. I understand that the seed branch at Ottawa sends out men, and when they find a farmer with a suitable piece of land for growing seed they tell him how to go about it and guarantee to take at a guaranteed price, all the seed he produces, but up to date they have never had to buy any of that seed because there has always been a sufficient sale for it without calling upon the dominion government to buy it. I understand that now the dominion government is not going to give that guarantee, but I hope I am wrong.

Mr. GARDINER: If I might just make a remark, I think the intention is to follow the same plan this year as we followed the previous year, but we have not agreed to pay the whole cost which was asked by the provinces.

Mr. MAYHEW: My time is passing and I want to say a word or two on shipbuilding. In 1940 I advocated in this house a programme of shipbuilding. That programme was not started for nearly a year afterwards. But when it was started it went very much farther and very much faster than we expected it would go. Our province is now building more than double the amount of ships that we expected it would, but still that is not enough. We need merchant ships; we need ships that will convoy them across the seas; we need ships that are going to patrol our coasts; and we have not sufficient of any of these three types of boats. I am going to suggest, and I think it is time, that we consider the advisability of converting some of our man-power and some of our steel into the building of ships. We do not need to go very far from Ottawa to find along the railway tracks quite a quantity of materials which, for lack of shipping, we are unable to ship across the seas. True, Mr. Churchill said that we were gaining; that in spite of all the sinkings we had over a million and a half more tons of shipping now than we had six months ago. But I think we should put shipbuilding first on our programme at this time. We should spend every effort upon it. We have at the present time plants wihch are turning out tanks and munitions. If they had to stop and idle for a time in order to allow the steel they use to be used

for shipbuilding, they could readily resume work when more munitions were wanted abroad. I do not see much sense in raising huge crops and manufacturing huge quantities of war materials if we find it difficult to transport them across the water. We should devote our efforts at the present time to building more ships. We also need a good many more boats than we now have for our coastal patrol. Almost daily, I was going to say, but that would be an exaggeration, but every week since I have been here someone has written or wired to me saying "the government is going to take my boat for some other purpose than commercial enterprise."

To be quite frank, without wishing to be too critical of our government, I doubt whether the three departments have yet made up their minds as to how much equipment and how many patrol boats are needed on our coast. They will hand out an order for a couple of boats here and a couple of boats some other place, and our yards are running in a hit-or-miss fashion without any programme. I believe it is time that we asked the government to formulate a programme and I would be failing in my duty as the member for the city of Victoria if I did not say so. We need an adequate coast patrol, because all our dangers are not yet behind us.

In conclusion, I will say a word or two about the income tax situation. I shall not discuss it at any length, because I believe that the Minister of Finance will bring in a change as regards the collection of at least the personal tax, and I hope he will also introduce some change in the matter of collecting the corporation tax. I suppose this will be along the lines of the Ruml plan; I hope it is. There is one suggestion I wish to make to him. At the present time he is collecting twenty per cent of the excess profits tax and treating it as a loan to the government. But the people from whom he is taking it have nothing but their own statement as to how much that is. I suggest to him that he could issue some kind of scrip to show what these people have paid in the way of a tax which will be returnable. A better way of doing it than the way it is done at the present time would be to treat the tax as an interest-free loan from the corporations, to be returned to them upon condition that each corporation, after the war is over, submits to the government a plan of development which will modernize or extend its plant, and which is satisfactory to some regional board established by the government for that purpose. The total amount will be a good many million dollars. It would be the first step toward increasing the amount of labour which will be needed in this country for building or modernizing industries, and, probably, for operating the plants when they are ready. Think, for example how large an amount would be available in connection with our railways alone. I do not think we want the money to be paid in to the government at the present time merely to go back into our hands. I say this although I happen to be a manufacturer, one of those fellows who apparently are not thought worthy of much respect from some quarters in this house. Nevertheless I do not believe the majority of the people wish this money to go back to the corporations to be split up as a melon among stockholders; they would like to feel that it would be put to work for the good of the country and in particular for the good of the district in which they live.

I should have liked to make some observations in connection with rehabilitation matters, but I have sweated enough about even rising to speak at all to-day, and I would rather end my speech here than adjourn the debate, knowing that I would have to rise in my place again to-morrow.

On motion of Mr. MacKinnon (Kootenay East) the debate was adjourned.

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

Tuesday, February 16, 1943

The house met at three o'clock.

THE ROYAL ASSENT

Mr. SPEAKER: I have the honour to inform the house that I have received the following communication:

Government House, Ottawa,
February 16, 1943.

Sir.—I have the honour to inform you that the Right Hon. Sir Lyman Poore Duff, acting as deputy of His Excellency the Governor General, will proceed to the Senate chamber to-day, Tuesday, February 16, at 5.55 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
F. L. C. Pereira,
Assistant Secretary to the
Governor General.

PRINTING OF PARLIAMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a message be sent to the Senate to acquaint their honours that this house will unite with them in the formation of a joint

committee of both houses on the subject of the printing of parliament, and that the members of the standing committee on printing, viz., Messieurs Bertrand (Terrebonne), Bonnier, Bourget, Casselman (Grenville-Dundas), Chambers, Chevrier, Corman, Crete, d'Anjou, Denis, Dubois, Durocher, Edwards, Emmerson, Esling, Evans, Fauteux, Ferland, Fraser (Peterborough West), Furniss, Gillis, Goulet, Grant, Green, Healy, Hlynka, Hoblitzell, Hurtubise, Kuhl, Leader, MacDiarmid, MacKinnon (Kootenay East), MacLean (Cape Breton North-Victoria), McGregor, McNevin (Victoria, Ont.), Mills, Moore, Mulock, Nicholson, Purdy, Rhéaume, Ross (St. Paul's), Sinclair, Sissons, Soper, Tripp, Tucker, Tustin, Weir, White, Whitman, Winkler and Wood, will act as members on the part of this house, on the said joint committee on the printing of parliament.

Motion agreed to.

LIBRARY OF PARLIAMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a message be sent to the Senate to acquaint their honours that this house has appointed the Honourable the Speaker and Messieurs Adamson, Aylesworth, Black (Chateauguay-Huntingdon), Bruce, Cardiff, Casselman (Grenville-Dundas), Castleden, Coldwell, Emmerson, Eudes, Factor, Farquhar, Fontaine, Fournier (Maisonneuve-Rosemont), Gershaw, Goulet, Graham, Green, Hansell, Henderson, Howden, Hurtubise, Jaques, Jean, Lizotte, Macdonald (Halifax), Mackenzie (Neepawa), MacKenzie (Lambton-Kent), Macmillan, Marier, Martin, Mayhew, Moore, Poirier, Pouliot, Purdy, Raymond, Reid, Rickard, Ross (St. Paul's), Thauvette, Warren, Winkler and Wood, a committee to assist his honour the Speaker in the direction of the Library of Parliament, so far as the interests of the House of Commons are concerned, and to act on behalf of the House of Commons as members of a joint committee of both houses on the library.

Motion agreed to.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Monday, February 15, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, in rising to make a brief contribution to this debate it gives me great pleasure to welcome back to this house the hon. Minister of National Defence (Mr. Ralston). He is a very active minister and I predicted that something would happen to him if he did not take things easier, but I was not thinking of an accident of the kind that did befall him. In January he came to visit the military units in my city. It was a cold day, although not quite as cold as it is to-day. He was reviewing the troops when the thermometer registered 21 degrees below zero with a thirty-mile gale. I went up to call on him and I prophesied a severe attack of pneumonia if he did not watch his step. We are glad indeed to see him back, restored to health and ready to take up the onerous duties he has to perform.

I desire to make some brief reference to the speech from the throne. It is rather colourless; there is nothing very startling in the government's programme. Nearly all the major proposals have been anticipated already by the general public and by the press. I am glad to know that we are being spared the indignity of another plebiscite and that sort of thing; so that I shall not devote much time to a discussion of the subject matters referred to in the speech, although some of them require elucidation.

Reference is made to a joint committee representative of Canada and the United States to coordinate the efforts of the two countries in agricultural production. I regretted that the Minister of Agriculture (Mr. Gardiner) did not touch on this important matter during the course of his remarks. I am not condemning him; I am simply saying that the house and the country should be told at the earliest possible moment just what these proposals are.

There is also the matter of the Canadian war supply board. In the resolution standing on the order paper in the name of the Minister of Finance (Mr. Ilsley) reference is made to the establishment of a Canadian war supplies allocation board. I understand that the Minister of Munitions and Supply (Mr. Howe) is to be the chairman of that board, and that it is to be made up of members of the cabinet. We shall await with considerable interest the statement of the minister in this regard. I assume he will make it at an early day, possibly on that resolution if not during this debate. The house should be told just what this proposal is and what is intended. It is a new departure, a departure that carries with it implications of great good in the common cause. More than that I shall not say at the moment, except that I shall await with interest the government's proposals.

Then there is the paragraph written by the Prime Minister (Mr. Mackenzie King) in the seclusion of his own sanctum sanctorum. He utters this pious hope:

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.

I think we can all reecho that. But as to the ways and means of doing it we are left entirely in the dark. How is it to be accomplished? We are not told. May I remind the Prime Minister and the members of this house that in a magnificent address delivered within the last few days, to which I am sure nearly all of us listened, the President of the United States told his people and the world at large that private industry and private enterprise would provide the great bulk of employment after the war, to be supplemented by appropriate congressional legislation and action. He made bold to make that assertion, and so it will be in Canada, notwithstanding all the isms and all the talk that is going around in this and that circle as to the world that is to be. There is nothing that will take the place of private enterprise in our economic system.

I have not looked into the constitutional history of the development of what is known as the speech from the throne, but my memory indicates that it had a definite purpose in the days of long ago. To-day it is a truism to say that quite often the speech from the throne is used as an instrument to conceal rather than to reveal the government's intentions. I think that can be said with some degree of truth with respect to this speech from the throne. I have sometimes wished it were possible under our constitutional set-up that our speech from the throne could be patterned on the address which the President of the United States gives to his nation at the opening of a congressional session and in which he dilates upon the state of the union and gives a lead to the nation. I quite appreciate that with us this may not be possible, since we have not in Canada the same separation that there is between the legislative and executive functions in the United States. This is just a suggestion which arose in my own mind, because I have been convinced that the speech from the throne does not mean very much in Canada. I am certain that there is great opportunity for improvement.

I should like to turn for a moment to a consideration of the war position. As I read the speech, more than once, I felt that sufficient emphasis had not been placed upon the fact that this world-wide war has not yet been won. I believe the Prime Minister during the course of his remarks in this debate endeavoured to bring us back to a sense of reality, but I am afraid, and I hope I will be pardoned for saying so, that the Canadian people do not listen very much these days to the Prime Minister with respect to matters of that kind.

Some hon. MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): That is true notwithstanding the "ohs" that greet me now. Because of his vacillating policies the Canadian people are not impressed as they ought to be when the Prime Minister strikes a note of warning. Be that as it may, and it is a matter of opinion—

Some hon. MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): What is the matter over there?

Mr. MACKENZIE (Vancouver Centre): What is the matter over there?

Mr. HANSON (York-Sunbury): There is nothing the matter over here. Let us have a little quiet.

In most of the speeches in this debate, if not all of them, I have sensed a lack of appreciation of the fact that the end of this devastating conflict is still far off. It would seem that some of us are more concerned with post-war conditions and political manoeuvring than we are with the vital task of winning this war—and that goes perhaps for all of us. For three long years Britain and her dominions were on the defensive. Then the great United States came into the conflict. In November last, and not until then, with the invasion of North Africa we began to see a gleam of light over the hill top—the end of the beginning, as Mr. Churchill so aptly put it. Since then in Russia, in the southern Pacific, in Africa and in other theatres of war our gallant forces have steadily gone forward. But I suggest to hon. gentlemen that the victory is still far ahead. One thing has emerged, and perhaps we can be in agreement on this, that as the allied nations have taken the offensive the danger of invasion of this continent is receding. But we have not yet won the battle of the Atlantic. The U-boat menace—and I want to be careful in what I say about this—is as great to-day as it was at any other time in the history of the war. The battle of Tunisia is not yet won; it is only beginning. I predict it will be a long and a hard battle, but it is a battle which must be won before there can be a successful opening of a second front in Europe. It may be months before Rommel is driven into the sea, as Mr. Roosevelt so graphically predicted the other night. Notwithstanding the magnificent, the marvellous progress of the Russian armies, the battle of Russia is not yet won. Our gallant Russian allies have not yet recovered all the territory that nazi Germany took from them in

the summer of 1942. But I am happy, as I know we all are, to pay tribute to them for the magnificent victories which they have already won over German arms at Stalingrad and elsewhere, and to wish them godspeed on their way.

While it is all right to talk about the world that is to be after this conflict is over, and to begin now to plan to win the peace, I say with all the earnestness at my command: let us concentrate on winning the war; let us keep our eye on the ball; for winning the war is the first and foremost objective of this nation and of every other one of the allied nations. All other matters are in point of time and in substance relatively unimportant.

On this issue of the winning of the war the position of the party to which I have the honour to adhere is clear and unequivocal, and always has been, and please God always will be until the last gun is fired. I have proclaimed that objective many a time during the three sessions I had the honour of leading this party. From that objective I have never wavered and this party has never wavered. Recently at Winnipeg this party reaffirmed its position in the following words—I am going to put them on *Hansard* so that all who read may understand:

> We pledge to the men and women in the services at home, abroad and at sea, support to the limit of our resources, to the end that they shall be adequately supplied with reinforcements, equipment and munitions of war in order that they can and shall be so employed in cooperation with our fighting allies that Canada shall make her due and honourable contribution to a common and complete victory.

There is nothing equivocal about that. And further:

> Recognizing that the world struggle in which Canada is engaged requires a total war effort, we believe in compulsory national selective service, and that all those selected to serve in the armed forces should be available for service wherever required. We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry, and finance, as well as man-power, and that our aim should be at all times to bring about so far as human means can achieve it, an equality in sacrifice.

We stand by that declaration, Mr. Speaker, and by it this party shall be judged. We believe in the principles enunciated in those two paragraphs, and we commend them to the people of Canada.

With many of the topics raised in this debate, I have not time to deal, but I cannot refrain from making a brief reference to the speech delivered the other evening by my old friend the member for Richelieu-Verchères (Mr. Cardin). What I shall have to say in this regard is said in all kindness and without intent to wound or to injure; I hope no word of mine will be constructed as having been so intended. I regret that the hon. gentleman is not in his place to-day.

First let me say that with many of the views which the hon. gentleman expressed, those, for example, relating to methods of government by order in council while parliament is in session, those relating to certain regimentations and forms of control, and especially those relating to the supremacy of parliament, I am in hearty accord. But I was much pained at what he said near the conclusion of his address, in what I believe was the main portion of his address, with respect to Canadian participation in this war. As I heard him I thought: This is isolationism in the nth degree, this is isolationism stark naked and unashamed, I wondered whether his views reflected those of his compatriots whom he represents in this House of Commons. If they do, then let us say good-bye to national unity in Canada; for it indicates a dangerous situation which must be faced by every one of us who loves Canada and desires to see it prosper, everyone who would like to see the two great races in this country go forward hand in hand to build up this country and have it do its full duty. If the views which he expressed are the considered opinion of the people who sent him here, there is not much hope for this nation. The school of thought which he represents in that connection is as far apart as the poles from the school of thought to which I adhere in this great conflict. I shall not say more in that regard, except that I regret the attitude on the part of the hon. gentleman, and I regret it the more if he represents any very considerable body of public opinion in his province and among his compatriots.

But, on reflection, I am not really surprised. As a student of public affairs I know, and we all know, that since 1917, for more than twenty-five years, he under the leadership of my right hon. friend taught his people day in and day out that Canada, if ever called upon to fight in battle, should think and fight only for her own defence and for her own salvation. That, I submit, is an unworthy attitude.

Mr. MACKENZIE KING: I take exception to my hon. friend's statement when he attributes to myself a point of view such as he has just described. It is not correct.

Mr. HANSON (York-Sunbury): Well, I am content to leave the matter to the judgment of history and the public.

Mr. MACKENZIE KING: So am I.

Mr. HANSON (York-Sunbury): All I would add is that the Prime Minister has changed but my hon. friend the member for Richelieu-Verchères has not changed; and the chickens are coming home to roost.

I should like to refer briefly to the speech of the Minister of Agriculture (Mr. Gardiner). The minister made an able but, may I say, an ex parte defence of his administration in the agriculture department and the food situation in Canada. A calm reading of that speech will disclose many fallacies in his argument. I have only time to refer to one or two. On the question of shortages and surpluses I put this conundrum to the house after listening to the Minister of Agriculture; when is a surplus not a surplus? When is a shortage not a shortage?

Mr. GARDINER: Read the speech.

Mr. HANSON (York-Sunbury): I have read the speech. I did the hon. gentleman the honour, or—I will put it this way—I did myself the honour of listening attentively to his speech; I read it as well, and as I say, it was an able but ex parte exposition of his position. We really have only one great surplus in this country, and that is of wheat and other grains. We have no large surplus of butter, but we have a sufficiency. It is apparent that, for reasons, there is a shortage of beef, but I suggest that if the price ceiling policy of the government were not so sacrosanct there would be an ample supply of beef in this country.

What is happening? The hon. member for Elgin (Mr. Mills) intimated the other day that there was a black market in beef.

An hon. MEMBER: He quoted the *Globe and Mail.*

Mr. HANSON (York-Sunbury): Is there a black market in beef? I know this, that if the wartime prices and trade board will allow the price of beef on the hoof to rise to twelve cents a pound there will be an ample supply for everybody. And why should not the farmer, the primary producer, who has gone for so many years without his fair share of the national income, now, at a time when there is an abundance of purchasing power in this country, get a fair return for his beef?

There is no shortage of butter, but the butter situation is spotty. There are shortages in some communities and surpluses in others. In my own province there is no shortage of butter, but a grave injustice is being done to one-half of the producers of butter in my province by reason of a system under which the price structure is being buttressed by the bonus system. Half the production of butter in New Brunswick is through the creameries, and half is home processed butter: the one is given the advantage of ten cents per pound bonus on butter fat, and the other class of producer is denied it.

An hon. MEMBER: Let them send their cream to the butter factory.

Mr. HANSON (York-Sunbury): All right. I examined that position. How are you going to send your cream to the butter factory in a country which is filled with snow and where the roads are not ploughed? How are you going to divert channels of trade which have been built up for fifty years? Something has to be done to redress the grievance of half the butter producers in the province of New Brunswick, and if it is not done there will be trouble in store for somebody. The party across the floor was licked once on butter, and history might repeat itself. They are slipping, but they don't know it.

Mr. ROWE: I think they realize it now.

Mr. HANSON (York-Sunbury): I do not wish to say anything more on that point, because I am just realizing how short my time is.

There is another topic, however, to which I desire to refer, and that is the man-power problem. I see the Minister of Labour (Mr. Mitchell) in his seat. It will be recalled that on March 23 of last year the Prime Minister, after voting down the amendment I had the honour to move in this house three or four weeks previously setting forth a substantive, affirmative motion which would lay down a definite principle for dealing with this question of man-power *qua* agriculture, industry and the armed forces, announced the establishment of the national selective service and defined its scope and policy. Coupled with that announcement, or at about the same time as that announcement was made, came the appointment of Mr. Elliott Little as director of national selective service. Mr. Little came to Ottawa amid the acclaim of the government and all the government propagandists. Most people, I fancy, thought that the government did have a real policy in relation to this vital question of man-power, and they were expecting to receive and ready to receive a definite lead on the question. I have no doubt that when Mr. Little came to Ottawa he too thought that the government had a policy. At all events I believe he entered upon his duties with the good will of everybody, including, if I may say so, organized labour itself. The next step in this tragedy of errors was the man-power speech which the Prime Minister

delivered over the radio on August 19, in which he told of an extension of that policy. I quote his words:

. . . in order to put every competent man and woman to work in essential industry.

I believe I am correctly quoting him. Mr. Little went to work. We had a new minister of labour under and with whom Mr. Little was to work. I ask this question in view of the disclosures of last summer: How much help did Mr. Little get from his minister?

Mr. MITCHELL: All the help he wanted.

Mr. HANSON (York-Sunbury): All he wanted? Well, that is a question which is in the minds of many, and the minister's affirmation that he got all he wanted does not prove the case. Did Mr. Little have the full support of the administration and his minister? I put that query to this house. If one believes what Mr. Little says, he did not have it. Now, what did happen? The minister instead of staying and supporting Mr. Little took a jaunt to Europe and left his job.

Mr. MITCHELL: I do not think it is fair to say it was a jaunt.

Mr. HANSON (York-Sunbury): A trip to Europe, then.

Mr. MITCHELL: No more than my hon. friend's trip to Europe.

Mr. HANSON (York-Sunbury): Oh, yes; but I had not the responsibilities of the Labour department on my shoulders, and the minister had. I pause here to say to the minister that it was very natural, very human, that he should want to go to Europe after he had risen to the dignity of a privy councillor and Minister of Labour in this country. It was natural that he should want to go to his own home town.

Mr. CRERAR: Very necessary too.

Mr. HANSON (York-Sunbury): Possibly it may have been for one reason, but I suggest to the Minister of Mines and Resources (Mr. Crerar), who has interrupted me, that it was necessary that he should stay at home and work out the government's policy on national selective service, and that was not done. Mr. Little told the sad story in his lengthy memorandum made public on the return of the minister and on his resignation. I have not the time to go into all the details, but that statement shows conclusively that the man-power policy of the government as announced by the Prime Minister was a delusion. The government had no real policy.

If it had, it refused to give governmental direction, and that is one of the charges Mr. Little made against this administration; and what was called a man-power problem was really a man-power muddle. I am not coining these phrases; these phrases were coined by the oldest liberal journal of the maritime provinces, the Halifax *Chronicle*, in discussing this matter. And a muddle it has remained ever since. That is the consensus of opinion of the people of Canada.

The Prime Minister, so far as I can recall, has never made any statements publicly since the Little resignation. I was given to understand by press reports that he was having the memorandum studied by a group of experts. Recently, in the month of January, a report was published that the Prime Minister had sent the Minister of Labour a letter requesting detailed answers to nineteen pertinent questions relating to Canada's man-power situation. The minister the other day verified that statement, but tried to laugh it off by saying that it was merely a routine matter. Was the letter ever sent? If so, what were the nineteen questions and what were the answers? I do not know, as a matter of fact, that the letter ever was sent, but it would be a matter of tremendous interest to the people of Canada if they could see the questions and the answers. So far we have had very little enlightenment from the administration. Some slight hint, I am bound to say, of the attitude of the ministry was given by the Prime Minister in this debate, when he intimated in veiled language that it was not easy to transfer labour from one branch of industry to another in this country. But apart from that we have been kept in the dark, and I do say that elucidation of this whole matter should be given to the Canadian people. It should be brought out into the light of day.

True, we have a new national war labour board under Mr. Justice McTague, and I pause here to say that in my view, so far as the chairman is concerned, the government could not have made a better selection. I am not quite so certain about the other gentlemen. I am going to reserve judgment until we see what their performance is. My own view and, I believe, the view of public opinion in this country, is that the government refuses to deal realistically with this problem, one of the great problems before the nation. It has adopted a policy of hedge and compromise, and that has emasculated the whole selective service plan.

I am indeed glad to see the Minister of National Defence (Mr. Ralston) in his place to-day, because I am concerned about the reinforcement position of our troops overseas.

For three years the Canadian army has been in training in the old land. It has not yet been in action. That is no fault of theirs. We are told that they are the best trained and equipped army in the world, and that is high praise. I hope it is true. I believe it is true in large measure, but the fact remains that they have not been in action, and when the testing time comes, as come it must, be it soon or late, this whole question of reinforcements for the fighting units of our army overseas becomes of paramount importance.

If the casualties are as high as they were at Dieppe, or even if they are half as high as they were at Dieppe, what is the position of reinforcements then? In the last war, I am assured, for every fighting man in the trenches it was the objective of the Canadian authorities to have one hundred per cent reinforcement man for man, so far as that was possible. That was the target aimed at; that was the objective. I do not say that it was always reached, but I am told by those who have knowledge of military matters that that should be the ratio. What is the ratio to-day? We have never been told and we should be told. The information should be given.

There are certain questions which I desire to put to the Minister of National Defence. I shall not expect him to answer them to-day or to-morrow. When the war appropriation bill is before the house I hope he will answer them fully, so that we, the people's representatives, may understand what the true position is. I believe it is in the national interest to put these questions to the minister, and that they should be answered, so that the house and the country may know exactly what the man-power situation is as it affects the armed forces.

In 1942 our army establishment consisted of an active army overseas, the home army, and the veterans' guard, and it was greatly increased in that year. We have now six divisions overseas and two in Canada—

Mr. RALSTON: Five.

Mr. HANSON (York-Sunbury): I thought there were six. However, together they constitute a huge army for this little nation of eleven and a half million people. These are my questions:

1. What is the total establishment for these divisions (a) in fighting men, (b) in auxiliary units?

2. How is that establishment being maintained?

3. How many men have been requisitioned during the last fourteen months, say since January 1, 1942?

4. How many men have been actually received in the training centres in that period, (a) as volunteers for the active army overseas, and (b) draftees who have not volunteered?

5. How many men have been returned from overseas and discharged from the army because of disabilities and unfitness since the first division went overseas? I fancy the number is rather large and I am surprised at it.

6. What is the number and quality and extent of the training of the men who are sent to replace them?

I may tell the minister frankly, I have heard some disquieting rumours about the character and quality of the training of men who have been sent overseas as reinforcements and additions to the troops. I have heard that some of them had not completed their four months' basic training. I know that if they are not put into action at once they will complete their training in England, but I suggest that every man sent overseas in a reinforcement unit should have at least his basic training in Canada if that be possible.

7. Most important of all, what is the ratio of reinforcements or replacements, (a) overseas, and (b) in Canada, to the number of fighting men in the divisions overseas?

8. If the Canadian army goes into action in an invasion of continental Europe, how long can the present ratio of reinforcements or replacements be maintained under the present set-up?

9. What is the present position of voluntary enlistment?

10. In the event of Canada's army being engaged in large-scale action in Europe or some other major theatre of war, can its establishment on the present basis be maintained, at what rate and for how long?

These are searching questions. It is my conviction from what I have been told that if the Canadian army is engaged in any large scale action, say in an invasion of Europe, and the casualties are even half what they were at Dieppe, where I believe casualties and prisoners went as high as sixty-seven per cent, the ratio of reinforcements will be exhausted in a month. That may not be true, but I should like to know. If it be true, what then? It is our responsibility, I submit, to the men in the active army overseas, and to the people of Canada who are so magnificently supporting them, to get the facts and to be in a position to know and to urge upon the government appropriate action; for when the testing time comes these trained

reinforcements will be needed and needed at once. And they must be trained men. Canada must not fail these men.

Mr. SPEAKER: I am sorry to have to inform the hon. member that his time has expired.

Some hon. MEMBERS: Go ahead.

Mr. HANSON (York-Sunbury): I do not like to ask the indulgence of the house, but there is one other matter with which I did want to deal.

Some hon. MEMBERS: Go on.

Mr. HANSON (York-Sunbury): I thank the house for its indulgence. I will not trespass too much on the good nature of the house in the days to come.

After three years Canada has done well in certain aspects of her war effort. I rather attribute that to the urgings and promptings and proddings that we gave to the government for three long years. I am proud of the little Royal Canadian Navy, even though it has not any capital ships. I know some of the personnel of that navy.

Mr. MACKENZIE KING: They have sunk a good many submarines.

Mr. HANSON (York-Sunbury): Yes, I said I was proud of them, although they had not any capital ships. But you cannot run before you can walk, and you cannot walk before you creep. I am proud, very proud, of the contribution of the Royal Canadian Air Force. I think our greatest contribution in fighting capacity has been in the noble lads who have gone—I was going to say to every theatre of war—from the Royal Canadian Air Force. I saw them in action myself in England, and I know something of the character and temper of the men who are operating day in and day out at great danger to themselves. The casualty lists that come to us daily tell a more eloquent tale of their heroism than any words I could summon to my assistance.

May I say to the Minister of Munitions and Supply (Mr. Howe) that Canada is now in her stride in production, and any meed of praise that is coming to him personally he can have from me. But the greatest praise should go to private industry—and by private industry I do not mean only executives and management; I mean for the most part executives, management and labour. There have been bottlenecks in production; I know of some of them. At times I have known of bottlenecks in the production of aircraft. I have never splashed it on the pages of the newspapers, but I have taken the opportunity to write occasionally to the director of aircraft production, and he has been good enough to tell me of some of the troubles in connection with production.

I wish to deal briefly with this amendment of our socialist friends. I shall not read it, but I call attention to a phrase in the body of the proposed amendment in which the leader of that party refers to the powers contained in the National Resources Mobilization Act and their application to war industries and financial institutions "in the same manner" what is the significance of those words—"as they are being applied to the mobilization of man-power for military service"? If he means in the sense that men have been bludgeoned into the active army overseas under false pretenses, I am not in agreement; for I know some of the methods that have been employed to get men to enlist as "volunteers" in the days gone by. I wish before this debate is over he would elucidate just what he means by that phrase. I am at a loss to know what he does mean.

Mr. COLDWELL: The meaning is obvious.

Mr. HANSON (York-Sunbury): I do not think it is. The truth of the matter is that there is nothing new in this amendment to the amendment. It is in effect a repetition of the principles underlying the policy outlined by the leader of the socialist party at the last session. But behind the principle enunciated by that amendment is his proposal that in the first two years after the war is concluded the government of this country shall spend five billion dollars to provide against unemployment. I suggest that that proposal is wholly political, that it is looking for the votes of the people. He does not tell us how that money should be raised or to what it should be devoted. It is the most colossal bribe ever offered to the people of Canada. The intention is to bribe the people with their own money; that is what that proposal means, at all events to me. Therefore it is wholly political.

Does the hon. gentleman think that government spending will cure unemployment? Let him look at recent history, not of this nation alone but also of Britain and the United States. It was tried in Britain and was condemned. Mr. Roosevelt tried it in the United States on a colossal scale, and it failed.

Mr. COLDWELL: What did you do in 1932?

Mr. HANSON (York-Sunbury): We tried it on a minor scale and it failed. It will never work; government spending can never under our economic system take the place of private enterprise. It can help.

Mr. COLDWELL: How would you do it, then?

Mr. HANSON (York-Sunbury): I wonder if the hon. member heard President Roosevelt last Friday night, when he stated unequivocally that private initiative and private enterprise would supply employment after the war, and that if it could not take up the full slack, then congress by legislation and otherwise would devise ways and means of taking up the slack. That is the attitude of the greatest national leader of the United States since the time of Lincoln. But government spending is not the cure for unemployment—and, by the way, neither is the Beveridge plan. They are mere palliatives. It is an aid to private enterprise and private initiative, but it is in no sense a substitute.

I suggest that under any democratic system private enterprise is the only effective agency that can give full employment, and you cannot have private employment under a system of controlled governmental regimentation such as my socialistic friends visualize. You cannot have a successful system of private enterprise unless it is a system of free enterprise, controlled, if you will, against abuse and exploitation, but free to engage in useful production with the aid of governmental action and supervision.

Mr. NOSEWORTHY: Why has it failed so far?

Mr. HANSON (York-Sunbury): It has not failed. It has had its weaknesses; but your *ipse dixit* that it has failed does not prove that it has, and never will. Believing thoroughly in that system, I propose to vote against the subamendment.

Mr. L. O. BREITHAUPT (Waterloo North): Mr. Speaker, I should like first to address a word of welcome to the Minister of National Defence (Mr. Ralston) who is back in our midst to-day. All hon. members agree that he is a busy man. Sometimes we think he is too busy; certainly he does not consider his own physical welfare. From time to time he visits Kitchener, the city from which I come, but on those visits he moves so rapidly that one can scarcely see him for dust. Particularly is this so when he visits No. 3 training camp of the Canadian Women's Army Corps. His visits of inspection are always a source of inspiration.

In spite of the suggestion that all frills be eliminated from the debate, and that the usual congratulatory references to the mover and the seconder be dispensed with, nevertheless in view of the fact that this is my first speech from the floor of the house and that the mover and the seconder are members of the armed forces, I am sure that under the circumstances even the leader of the opposition (Mr. Graydon) will excuse me if I transgress in this respect. Both the mover and the seconder are to be congratulated upon their splendid and eloquent addresses. I think it was most appropriate that two soldier members of parliament should have been selected to fill so ably this important assignment.

A personal note about the mover, the hon. member for Grey-Bruce (Mr. Harris) will, I hope, be permitted. On his recent return from overseas the hon. member had as his cabin mate a near relative of mine who is a captain in the Scots Fusiliers of Canada. He had not had the pleasure of meeting the hon. member prior to that crossing. Reports he gave me upon his return to Kitchener respecting the good character and high ideals of the man he had the pleasure of meeting and with whom he bunked only serve to bear out the earlier impressions the hon. member for Grey-Bruce has already made upon all hon. members of the house. Undoubtedly similar favourable reports as to the character and high ideals of the hon. member for Brome-Missisquoi (Mr. Hallé), who so ably seconded the motion, could be given by those from his native province who know him best.

Personally I am strongly convinced that the great body of men in the armed services who are fighting our battles should receive not only our unstinted praise and thanks for their great sacrifices, but as the opportunity presents itself should be further honoured by being placed in high positions in the government of our country. My suggestion in this connection is that Lieutenant-Colonel Merritt, V.C., of Dieppe fame, be named to fill one of the existing vacancies in the upper house. Surely a man of his type would be a valuable acquisition to the parliament of Canada, particularly in the post-war period when men of his calibre and courage can contribute so much to the stabilization which will then be so necessary.

The Prime Minister (Mr. Mackenzie King) is noted for progressive innovations, such as the appointment of the first lady senator. Who can doubt his wise choice in this connection? I am sure he will not consider it out of place if I make a suggestion which I feel will be equally progressive and popular with the people of Canada. I trust he will give this matter his early and favourable consideration.

Just a word about the riding of Waterloo North, which I have the honour to represent. It is the historic constituency which first sent our present illustrious Prime Minister to the House of Commons. He was born in Kitchener and it was from his native city that he first

came to Ottawa to represent the good people of that great industrial and agricultural riding. As a small boy I well remember his first vigorous campaign there. If you will permit me to say so, Mr. Speaker, election fights of those days had a far more interesting rough and tumble tone and a far greater interest was manifested on behalf of the voters in exercising their franchise, than campaigns of recent years in which the radio is so extensively—perhaps too extensively—used. In passing I cannot help contrasting the elections of yesteryear with those of to-day, particularly municipal elections in which there is an alarming lack of interest on the part of the voters in the exercise of their democratic rights. I am told that in a municipal election recently in Toronto less than twenty-five per cent of those entitled to vote took the trouble to go to the polls. This general matter was recently given careful study by the council of Kitchener, and recommendations were made to the various governments in this respect. It is to be hoped that some remedy for this apathetic trend will be found at an early day.

To come back to Waterloo North, may I tell the house how proud the people of his native town were to have had the honour of first sending to parliament their native son, our present Prime Minister, and how proud they still are of his grand record of achievement in the many years of unselfish service he has given to his country since that time. Their justifiable pride is enhanced by the fact that he has a longer record of government leadership than the head of any other allied nation. As he himself said in jest the other day, "Prince Albert now has the best of representation". I can assure you Mr. Speaker, in all earnestness, that this opinion is shared by the good people of Waterloo North, who heartily concur in this jocular observation. Undoubtedly as time goes on some move will be originated in the Prime Minister's native riding, in which I hope the whole of Canada will be privileged to assist, to recognize suitably the fact that it was there he was born and it was there he spent his boyhood days.

The riding from which I hail has been the battleground of many hard-fought campaigns. I cannot let this opportunity pass without also paying tribute to the splendid service rendered to his country by my immediate predecessor, the Hon. W. D. Euler, former minister of trade and commerce and now a member of the upper chamber. In the discharging of his duties in numerous portfolios of government there was not a more conscientious or able minister. Others who have preceded me were Mr. J. E. Seagram and Mr. W. G. Weichel. It makes me very humble indeed and conscious of my great responsibility when I consider the men who have previously represented Waterloo North in this house.

Much has been said in this chamber during this debate about the plight of agriculture and the unhappy lot of the farmer in these strenuous war days. Fortunately the farmers in our district have developed mixed farming over the past years, to perhaps a far greater extent than in many other parts of the country, and therefore one perhaps does not see as much distress there as has arisen in other parts of Canada where a similar technique has not been developed to the same extent. It is gratifying to note that with the much larger shipments of hogs, cattle and dairy products from the west, along with the higher prices received for them, mixed farming is developing rapidly and continued improvement can be looked for throughout the country.

I have recently been in touch with members of the wartime prices and trade board and the Minister of Agriculture (Mr. Gardiner) in connection with the butter fat subsidy being paid to the producers of dairy butter. I am pleased to be able to say that while this matter was overlooked in the original butter fat subsidy, it is now being considered. It is hoped that announcement will be made soon and the plight of these farmers overcome, particularly in view of the fact that under the coupon system the farmers would receive coupons when they sold their butter, which coupons could be used as a basis for settlement so far as the subsidy is concerned.

I notice in connection with the beef shortage that it has been announced recently that freight subsidies will be paid in connection with the shipment of western cattle to the eastern market to relieve this shortage. These shipments will augment the supply of beef in the more thickly populated provinces of central Canada. This is an intelligent move and fine as far as it goes, but it appears to me from information I have gleaned from many farmer friends that this is only a palliative. They say that the beef shortage would be very quickly overcome if the price were set immediately at the May figure instead of registering periodical advances as the season progresses. Whether this will be done without puncturing the all-important price ceiling, I am not aware, but if it can be done I think it would be a tremendous relief so far as the beef situation is concerned.

Apart from any other benefits which would accrue, there are undoubtedly others worthy of consideration. First, shipments would be coming to the market before the ravages of

the warble fly had reached peak proportions on winter stable-fed cattle. Second, the hides from these cattle would be freer from grub holes caused by the warble fly and as a result would be much superior to those hides taken off later in the season. They would produce leather and shoes much more suitable in quality for high-grade leather footwear for the armed forces. It is a well known fact that a serious hide shortage as well as a beef shortage is developing in this country, and unless steps are taken promptly to ensure a greater flow of cattle to the killing floors and an increase in imports, if necessary, of raw materials from South America, a situation will develop which will be most embarrassing so far as the providing of footwear to the armed forces is concerned.

While provisions have been made for postponement of military service for farmers and essential war workers, in the opinion of many these provisions did not go far enough. In order to ensure continuity of effort these postponements should be changed to exemptions, the future status to be changed only in case the present needs of the armed forces for farmers and war workers become more urgent than at present. By making this change our producers could plan a much better flow of war production than is now possible with farmers and war workers living in constant uncertainty.

I think most hon. members are interested in the controls and administrations that have been set up, and I would not be fair to the people of my constituency or to the people of Canada as a whole if I did not register their strong disapproval of some of the rulings of certain of the administrators who hold positions of war-time control. It is the general feeling that far too large a percentage of these temporary appointees are ruling with an iron hand and without consultation with those affected or with those who know the answers to their problems. They are entirely unmindful of the fact that in a democracy, for whose rights we are at present engaged in a life and death struggle, the people and their representatives are entirely disregarded and dealt with in a far too arbitrary manner.

Recently one of my constituents came to Ottawa to discuss a matter with one of the control officers. He was given a fair hearing but he was told that in no case would it further his cause to bring with him the representative of his constituency. I do not know whether other hon. members have had the same experience. None of us is looking for additional work in these strenuous days, but I do think that in matters in respect of which the member can be of help to his constituency, he should be allowed to go to see a controller or administrator.

There are far too many examples which might be cited at this time, but the outstanding regulation concerning which one hears perhaps the most violent objections is the fifty-mile bus limit regulation. The unnecessary inconvenience caused to many passengers, particularly those in the armed forces who are on leave and those in essential war industry, is in my opinion entirely unnecessary. If it is necessary to curtail further the use of gasoline and rubber, it has been suggested that the travelling schedules be amended by having fewer buses run, but let those which are running carry passengers to their destinations and eliminate the present practice of discharging them from the bus into snowdrifts or wherever they happen to be.

There is another matter which I think might very well be considered by the Minister of Munitions and Supply (Mr. Howe). It is a ruling which I believe has greatly impeded our war effort. I refer to the extreme restrictions on the taxicab business in Canada. It may be argued that these restrictions are necessary in view of the shortages, but I strongly maintain that this branch of transportation should be one of the last to suffer so extremely. Surely the services it renders are more important than those rendered by many other forms of transportation, and I would urge the minister to reconsider this matter so that at least the taxicab operators can increase their fares to a level commensurate with the additional costs and present hardships.

In the remarks made by the Prime Minister (Mr. Mackenzie King) recently I was pleased to note his assurance to this house that appointees in the various control departments would in the future to a far greater extent than in the past be responsible for their actions to their ministers and to parliament as a whole. This is a very welcome announcement and one which will be received by the people of Canada as a necessary and constructive development. I believe that the large majority of Canadian citizens appreciate the splendid work and many personal sacrifices which most of these gentlemen are making, and if the few cases are dealt with as the Prime Minister has suggested I think all reasons for complaint on this score will be quickly removed.

I want to say a word about the civil service. I think it is only proper that at this time we should pay high tribute to the civil service as a whole. I have come in contact

with a great many members of the civil service, both here and in my travels throughout the country, and have noted not only that they are faithful in discharging their regular peace-time duties but that many of them, motivated by high patriotic principles of service, have willingly undertaken additional responsibilities. They are doing a splendid job, and many of them are discharging duties far beyond those of their original positions. But I think the time has come when we should not only pay tribute to the civil service but see that they are paid a proper remuneration for the work they are doing. Many of the civil service do not receive the cost of living bonus. These are matters which might be very carefully considered so that the civil service can get a much better break.

Coming to the speech from the throne, I see much in it to commend itself to the people of Canada. I cannot agree with the hon. member for York-Sunbury (Mr. Hanson) that it is an indefinite document. Personally I think it is clear and terse. It leaves no doubt as to what it means with respect to the various policies it mentions. I am pleased to note that it forecasts a further expansion of the Royal Canadian Navy. The remarks of the hon. member for York-Sunbury with respect to the Royal Canadian Navy may be considered, I think, as damning it with faint praise, but he tried to make up for that by saying later on that the navy had done a good job. In my observation, Mr. Speaker, the Royal Canadian Navy has done a splendid job under the very able leadership of the Minister of National Defence for Naval Services (Mr. Macdonald). Undoubtedly the submarine menace is the greatest we have now to contend with. I believe that the navy and the merchant marine should be increased to the greatest possible extent so that we may have more and more ships not only to transport war supplies but to protect our own shores, and let us have these ships without delay.

The speech from the throne states also that parliament is to be asked to make further grants towards Canada's making her utmost contribution to the winning of the war. These are desirable and necessary, and no doubt will be cheerfully agreed to by all parties in this house.

I am also pleased to note, in spite of what the hon. member for York-Sunbury has said, that the government is making further efforts to economize in other directions wherever economies are possible. Buildings and tracts of land temporarily required by the services should in my opinion in future be rented and not purchased. I am convinced that both large and small economies can still be effected which would ease considerably the lot of the overburdened taxpayer. I do not see the sense in purchasing many buildings for the different departments if we can get along by renting buildings. This trend towards buying new buildings should be carefully considered, and buildings should only be purchased where it is absolutely necessary to do so.

In a conversation recently with me the Minister of Finance (Mr. Ilsley) indicated that there was far too great a tendency for many departments of the government to place their financial requirements on his doorstep, on the assumption that they could readily and easily be taken care of. While the Minister of Finance and his capable aides have done a splendid job in achieving their various financial objectives, nevertheless I believe that their burdens in this connection should be eased to the greatest possible extent. The Minister of Finance is doing a splendid job and it is up to every spending body in the government and to every member of this house to support his efforts and those of his aides. I am convinced that if the spending departments not directly connected with the war effort will continue to make strenuous efforts to cut down unnecessary expenditures the tax burden will be very materially lightened.

I want to say a word about the pay-as-you-go income tax plan. I am glad to see that the speech from the throne contains the forecast that further measures will be introduced to alleviate the present situation in regard to outstanding income taxes accumulated from previous years. This announcement has been well received by all classes of the community. I have received a great many petitions from working people in my riding who to a man are favourable to having this change made in collecting the income tax. It is to be hoped that when legislation is brought down dealing with this matter no discrimination will be shown and that all taxpayers will receive the same treatment. I hope that the legislation will provide for complete cancellation of back taxes.

While I am on the subject of finance I wish to make a suggestion to the minister, and that is that when the new budget comes before us for consideration provision will be made for returning to the former method of collecting income taxes from employees through what was known as the national defence tax plan. I think some similar plan should be adopted now, because the present system is too complicated and too cumbersome, particularly for

workers who are not accustomed to keeping books and accounts. I submit that a straight deduction in the form of the old defence tax, instead of the present complicated method, would materially reduce the serious trend towards absenteeism in essential industry, and that a greater incentive to stay on the job would accrue to the worker.

I cannot let this opportunity pass, Mr. Speaker, without congratulating the Minister of Finance and his able assistants upon the policies adopted by this government for price control and controlling inflation. That the policy pioneered by this government has been remarkably effective is indicated by the fact that from November 1, 1941, the high point prior to the imposition of the price ceiling, to December 1, 1942, the official cost-of-living index in this country has risen by a little more than two per cent, while in the United States, where controls have not been as effective as here, the corresponding increase has been nearly ten per cent. Compare this truly remarkable record with conditions that existed in the last war. The Canadian cost of living then rose in a similar period by more than twenty per cent. While one hears many fair and unfair criticisms of the government, it is regrettable that one hears so little of an achievement in price control which is truly outstanding, not only in Canada but in other countries, none of which has been able to surpass Canada's record, let alone equal it.

Just a word, in closing, about social security. The indication in the speech from the throne that a select committee from the house will soon be appointed to examine and report on questions of social and health insurance is timely, highly desirable and has met with public approval. I feel, however, that timely and desirable as these all-important objectives are, the winning of the war and the defeat of the axis powers with the utmost dispatch is still objective number one, and must be pursued with relentless determination. But I wish to congratulate the government upon having taken the initial steps to bring about a greater measure of social security for the people of Canada in the post-war period. This government has done much in the past to improve living conditions through progressive—I might say liberal progressive—legislation, such as unemployment insurance and other similar acts. And now, by the introduction of legislation which will provide in the final analysis a still greater measure of freedom from fear and want than has ever been experienced in the history of the country, it has shown its direct interest in and its ability to deal with such all-important subjects affecting the everyday life of our people, and at the same time to foster free enterprise and individual initiative. I am sure that such a measure will be well received by the people of our great country who share with me the basic belief that Canada, having demonstrated clearly through her production record in this all-out war effort and through the energy and resourcefulness of her people, that she can carry on and finance successfully, by the same token should be able in peace time to plan and produce so that all her citizens shall have the right to employment and to a share in the heritage to which they are so justly entitled.

Mr. FREDERIC DORION (Charlevoix-Saguenay): My first words in this house are words of thanks: thanks to you, Mr. Speaker, for the kindness you have shown me since I have been here; thanks to the hon. members of this house whom I have had the privilege of meeting in the course of the last two weeks, for their hearty welcome; thanks especially to the hon. members for Gaspé (Mr. Roy), Témiscouata (Mr. Pouliot) and Laval-Two Mountains (Mr. Lacombe), who dared to come and help me during my recent electoral campaign; but thanks over and above all to the electors of Charlevoix-Saguenay for the magnificent support which they gave me on the 30th of November last.

I wonder whether all hon. members have a true knowledge of the constituency which I have the honour to represent. May I be allowed to give a short description of it so as to complete if necessary the information they already have?

If we look at the map we can see that it is the largest constituency in the dominion. It starts from Chateau Richer, a place situated fifteen miles below Quebec on the north shore of the St. Lawrence, and it goes as far as Labrador, over eight hundred miles farther. It encloses all the northern part of the province of Quebec from the St. Lawrence to Hudson bay and Hudson strait.

I must tell the house that this very large area of our country has not yet been developed as it should have been, owing to lack of means of communication. In the western part, that is to say west of the Saguenay river, we have roads, and one railroad which goes as far as Murray Bay. In the eastern part, east of the Saguenay river, which is the larger area, we have just one road about a hundred miles long, as far as Comeau bay, and beyond that we have only the water and the air as means of communication.

I know, Mr. Speaker, having been informed by experts, that our country possesses great natural resources. There are huge water powers,

rich mines, wonderful forests, and in numerous places the soil can be cultivated to great advantage. The best and probably the only way to provide this country with the necessary means of development would be to build a road along the north shore of the St. Lawrence. In this regard I wish to draw the attention of the government to the fact that the building of such a road would be very useful for the defence of our country and for the help of our allies; in fact it could be used to carry food and war materials to the Atlantic coast and to Newfoundland. Would it not be the safest way to provide the eastern military stations with the necessary equipment, food and war materials?

Furthermore, this road, which would be very useful for military purposes during the war, would also be immensely advantageous after the war. It does not happen very often that we have the opportunity of undertaking military works which will become necessary improvements after the war. The building of this road is one of them. That is why I urge upon the government that they consider this project and execute it as soon as possible.

Now, Mr. Speaker, allow me to tell you that this constituency is inhabited by over 65,000 right-minded and peaceful people whose only desire is to devote themselves to their country and their families. They love this country which has been built up by their forefathers and to which they are loyal. They like the democratic system under which we are living and they want to keep it. They have fought in the past for the maintenance of their rights, their creed and their tongue, and having been successful in preserving them, having no attachment to any other part of the world, they are deeply rooted to the soil out of which they themselves, like their forefathers, have extracted their living, and they are not much interested in international disputes. They understand, however, that we are now fighting for the safeguarding of democracy, and they are willing to share the war effort in so far as it does not annihilate altogether their national patrimony. They believe that the right definition of democracy has been given by Lincoln, as follows:

> Government of the people, by the people, for the people.

They believe also that, as was expressed by Mr. H. E. Manning, K.C., a few months ago:

> The essence of democracy is respect for the rights of minorities. In their contempt for the rights of minorities lies the iniquity of totalitarian systems. Beware lest in the heat and stress of war we trample upon the rights of minorities. If we do we shall have cast away the thing for which lives are being sacrificed and fortunes squandered.

We believe also that if our efforts to-day must be directed towards the winning of the war, we must not forget that we have to prepare for the post-war period. The publication of the Beveridge report containing a programme for social security in Great Britain has aroused world-wide interest. In the United States the national resources planning board has placed a somewhat similar programme before President Roosevelt, calling for extension of social security measures. The technical adviser of the board, Mr. W. J. Cohen, recently said, commenting on the Beveridge report:

> If Great Britain during her life and death struggle can find the time to undertake during the course of the war a comprehensive evaluation of her whole social security system, then surely we can follow a similar course. It is becoming increasingly clear that an extended social security programme is as necessary to victory as is production of guns and ships.

The people of Charlevoix-Saguenay, like the people of the whole province of Quebec, desire earnestly the establishment of a true national unity throughout Canada, unity not only in words, but in facts, unity not only in war time but also in peace time. They want to remain what their fathers were at the time of the building of the confederation, that is to say, the partners of their English fellow citizens, and not their inferiors. They want to do their utmost to attain the object our fathers had in mind, the building of a great nation.

On this point, may I be allowed, Mr. Speaker, to tell this house that we in Canada must at last attain our unity not in regimentation, but in a balanced, well-knit cooperative diversity. Otherwise our historic and present mission will not be fulfilled. Lord Tweedsmuir said five years ago:

> Canada can never be quite like her neighbour, and that is all to the good; for it means that she has a specific contribution of her own to make to North American civilization. I like to think of her, with her English and French peoples, as in a special degree the guardian of the great Mediterranean tradition which descends from Greece and Rome, and which she has to mould to the uses of a new world. I want to see her keep her individuality; for that is of inestimable advantage, not only to her, but to her neighbour.

If we, the members of this parliament, followed these wise admonitions, I am sure we would contribute to the settlement of many internal misunderstandings.

We must not forget, either, that we are here to participate, as representatives of the people, in the government of this country. But,

looking around me, since I have been here, and trying to find out what we had to do, I came to the conclusion that most of our privileges had been vested in numerous boards and commissions. We have built up an enormous bureaucracy; we have administrators of every conceivable trade appointed by the wartime prices and trade board; we have controllers of every kind. We have different boards and different administrators giving conflicting orders and conducting duplicated and triplicated investigations of the same thing, and we have an immense amount of red tape. What is worse, many of these administrators and controllers are young men without experience, and are the real makers of the laws of this country.

Think of it just a moment, and see if it is fair and reasonable that our whole economic system should be in the hands of these dictators. The people of this country are not satisfied with this state of things, and the government should bring in the necessary corrections.

Even if our efforts and our energies must be directed towards the winning of the war, we must not forget that we shall have to live again in this country after the war. We must, if our political system has failed to bring us all the satisfaction we wanted, do our utmost to improve the situation. This is the reason why, in September 1941, at the suggestion of the hon. member for Gaspé, a few hundred people, from all parts of the province of Quebec and from all ranks of society, met in Quebec and adopted the following resolution:

> This meeting expresses the wish that the efforts of the people of Canada in this war be rewarded with success; and this gathering prays the Almighty to stand by our armies and those of our allies in order that a definite victory be achieved.
>
> Our country will then enjoy a lasting peace which will favour the full development of the vital forces of the various technical groups and will foster an intimate collaboration among them, this to be achieved in a spirit of constitutional liberty and social justice; thus paving the way to the creation of a truly and exclusively Canadian nation.

This resolution contains a real programme which could and should be accepted by all true Canadians.

Before closing my remarks in English, I cannot refrain from referring to a declaration made the other day by the right hon. the Prime Minister (Mr. Mackenzie King), which was reproduced in big headlines by some newspapers. He was referring to the sinking of enemy submarines by Canadian corvettes. Addressing himself to members sitting in this corner of the house he was asking us if we were not proud that a corvette manned by Canadians and bearing the name of the city of Quebec was able to sink an enemy ship on the waters of the Mediterranean. As this argument did not press upon me very strongly, I really could not prevent myself from smiling. It was then that the Prime Minister added:

> Yet at this critical time, of all times, hon. gentlemen in the far corner opposite find it necessary to separate themselves from colleagues in their province in order to support an isolationist view with regard to the war effort of Canada! Their action does credit neither to themselves, nor to their province or to our country.

I thought at the time he was addressing himself to the hon. members sitting to my left, but the following day I noticed in the papers that my name was connected with those of the members for Beauharnois-Laprairie and for Beauce, and therefore that the public was under the impression that I too was pointed at as supporting an isolationist view.

I must state, first, that I am not associated with the hon. members who recently formed this new political group called Le Bloc Populaire, and I have not to come to their defence. But speaking for myself I wish to say that I have no lesson of loyalty to receive from anybody, because during the last war, instead of travelling through the United States, I enlisted at the age of nineteen in the Royal Air Force. I went and served overseas and I came back with my commission of lieutenant in the imperial army. To-day my only son, who is twenty years of age, student at law at Laval university, voluntarily enlisted two years ago in the Canadian Officers' Training Corps. I think that settles the question.

Furthermore I found it very peculiar to hear the Prime Minister speak about isolationists. I wondered whether he did not remember what he and his colleagues had been telling the people of the province of Quebec during the last twenty-five years. I do not hesitate to declare that considering the attitude taken by the Liberal party during this period of time, no member of this party has the right to accuse anyone from the province of Quebec of being an isolationist.

(Translation): Mr. Speaker, even if I could speak English as readily as French, I would make it my duty, on the occasion of my first speech in the house, to say in French what I have to add to my previous remarks, in order to stress the officially bilingual character of the house.

A few moments ago, I enumerated the reasons why the electors of Charlevoix-

Saguenay have put their trust in me, on November 30 last, and I wish to complete this statement.

First, my election constitutes an evident proof that the citizens of the province of Quebec refuse to support either of the two older parties. After forsaking the Conservative party, they long held to the hope that the Liberal party would guarantee the accomplishment of their legitimate yearnings. They honestly and loyally put their trust in the leaders of the Liberal party in their province of Quebec, who strongly condemned the Conservative external policy and promised that a just and fair solution would be found to the internal problems; they now realize to what extent they have been deceived.

After having, for 75 years, been tossed between "reds" and "blues" with the only result of serving as stepping stones to power, and without any advantage to themselves, they have become wary and, although not sure of the political orientation they will ultimately adopt, they have decided, for the present, to support men, who, having broken with old ties, can offer them guarantees of sincerity and above all, unselfishness.

If the citizens of the province of Quebec have reached this point, which I may call a strategic turn in their political history, it is because they have understood that their representatives in the past had been but a minority in both old parties and had been incapable of upholding their interests and, unfortunately, too often unequal to the task.

The French Canadians intend to play the part assigned to them in both political fields of the country. In the dominion field they want the spirit of the confederation pact maintained. They ask for no more, but they are insistent on this point.

Is there, in this whole country, a single man who could honestly claim that in the dominion government, the French Canadians get their rightful share? And is not this truer than ever since we have resorted to be governed by commissions? Let us review the list of these dictators who presently control the economic life of Canada, without any responsibility to the people through their representatives, and let us examine whether the French Canadian element gets its rightful share.

I do not claim that the solution of this problem lies in the granting to French Canadians of a few positions in the civil service or in the various dominion departments. This matter goes much deeper.

What is needed is that, through actual and active sharing of responsibilities by French Canadians in the government of the country, our whole economic set-up should show plain evidences of the dual character of our institutions rendered necessary by the two racial elements making up the Canadian nation.

They want the representation in this house to be proportionate to the populations of the various provinces, as provided by the confederation pact. In my opinion, the government should, at this session, introduce a bill to effect such a redistribution of the electoral seats. Otherwise, we shall once again tear up another section of the confederation pact.

They claim that Canada, in its international relations, should be guided solely by the interests of its inhabitants; not as has so often been the case in the last 50 years, by the interests of some other nation.

They realize that Canada is an American country and that as long as its leaders endeavour to manage its international affairs as though it were European, they will never attain the object intended by the Fathers of Confederation.

They also claim that Canada should assume its proper place in the Pan-American Union and thereby reap all the privileges enuring from association with natural allies.

Indeed, whether we want it or not, in spite of the ready communications, which have lately brought all the nations of the world so much closer together, it remains true, nevertheless, that on each side of the Americas, there are oceans which will always have to be reckoned with, especially when we consider that, at the start of the present war, a 20-mile-wide channel has been enough to halt the ravaging hordes of the German dictator.

In the same train of thought, I take this opportunity to state that we are wondering why we are still allowed to have our legal problems solved by the Privy Council in London. The right of appeal to the Privy Council constitutes, in my way of thinking, a vestige of the former domination of the mother country over her colonies and I feel that this right of appeal should be abolished.

In the provincial field, I repeat what I said a few moments ago: all that the French Canadians want is the enforcement of the confederation pact. Unfortunately, jurists and politicians have not always been of a mind as to the proper interpretation of the British North America Act, respecting the relations between the provinces and the central government.

Two theories have been vigorously upheld. There are some who claim that the central government has precedence over the provincial administrations; they take the view that the confederation act is an act passed by the

Imperial government and accepted by the contracting parties; the others say that it is a contract based on an agreement concluded by the provinces in 1867. This last theory has been brilliantly defended by a number of legal and political lights; it has even been accepted, in a certain measure, by the courts of law, at different times.

In the course of an enquiry held by a parliamentary committee, in 1935, to consider ways and means of amending the constitution, certain opinions have been expressed from which I shall quote the following extracts:

Hon. Mr. Veniot: Confederation is not based entirely on the Quebec resolutions.—

Mr. W. S. Edwards (Deputy Minister of Justice): I know.

Hon. Mr. Veniot: Because the Quebec resolutions make provision for certain jurisdiction on the part of the provinces which at the time of confederation when the act was passed in Great Britain were not included; for instance, jurisdiction with regard to immigration, and certain other matters such as fisheries were given to the provinces by the Quebec resolutions. When the Act of Confederation passed these were transferred to the dominion; and further than that, it must be understood I maintain that it was a strict agreement between the provinces.—

And Mr. Edwards added:

I agree with you, that it was an agreement.

Although I believe that the right of appeal to the Privy Council should be abolished, I am evidently not questioning the ability of the legal gentlemen sitting on that court. So that I have no hesitation in seeking a solution for our outstanding problems of the moment in the opinions which they have expressed. In this manner I have found in the rulings of the Privy Council arguments in favour of this second proposition regarding relations between central and provincial authorities.

In the case of John Deere Plow Co. versus Wharton there is mention by the Privy Council of a political agreement.

In the reference of the Initiative and Referendum Act, the Privy Council states that the constitution of Canada was adopted in 1867 by the Imperial Parliament in order to give effect to the wishes expressed in the resolutions adopted at the Conference of Canadians held at Quebec in October, 1864.

In the case of Edwards versus Attorney General for Canada, the Privy Council, referring to the B.N.A. act, mentions that it is a case of compromise.

Again, in the reference concerning Regulation and Control of Aeronautics in Canada, the Privy Council once more mentions a political compromise.

Another theory has been put forth in recent years, known as the theory of Institution, and here is what an eminent Dominican sociologist, Reverend Father Delos, has to say about the definition given by Georges Renard:

An institution, says he, is the result of a communion of men in an idea, it constitutes the body, the reality, the being born of this communion. An idea to be realized, a purpose, "establishing solidarity between them who entertain it together or successively"; a community of purpose arising between contemporaries and successive generations. An institution, again according to Mr. Renard, is an idea supported by appropriate ways and means of eventual establishment, of realization, through the assumption of shape and objective being. . . . It entails the giving of an internal statute and organisms permitting external action, a coming into being as a social body enjoying internal life and external activity.

This doctrine has been upheld by men whose functions afforded them more than most others opportunities for a close study of the mechanism of the British North America Act. I would quote the opinion given by a journalist, Mr. Léopold Richer, which is to be found on page 125 of *"Notre problème politique"*:

We regret that up to the present our jurists should have offered commentaries on our national constitution which on the whole are rather superficial, oftentimes even of a controversial nature. It is not sufficient to state that our constitution is a legislative act; its nature, its finality and its origin must also be accurately defined. Nor is it sufficient to contend that the British North America Act does or does not constitute a contract or to dispose of the matter in a few pages.

But, for practical purposes, I am convinced that we are bound to conclude that the Canadian confederation was established, following an agreement between the various provinces and that, consequently, we must always consider the legitimate aspirations of each group forming the constituent elements of the dominion.

Although each province is interested in safeguarding its rights and privileges as conferred by the British North America Act, for the province of Quebec it is of essential and paramount importance. As a matter of fact, the history of the province of Quebec begins 100 years before that of the other provinces. We cherish special traditions; our culture does not spring from the same sources and our civil law differs from that of the other provinces. We have, therefore, a very special ethnical character and that is why the citizens of Quebec are so anxious to safeguard the autonomy of their province at all costs, so that they may keep what they cherish above all else and thus avoid, in another field, useless arguments and dissensions.

Unfortunately, in the last few years, and especially since the beginning of the war, this provincial autonomy has been severely assailed.

Under the urgency of war, the dominion government has passed a number of laws curtailing the activities of the provinces to a large extent. We are often told that this centralizing policy is of a temporary character only; however, I must frankly admit that this statement, in itself, does not constitute, in my opinion, a sufficient guarantee of an eventual return to normal conditions at the close of the war.

For these various reasons, the citizens of the province of Quebec, fearing, more than ever, that their provincial autonomy might disappear, are averse to supporting the old political parties who have both, each in its turn, shown tendencies toward centralization.

Once more, I say that they wish to cooperate with their English-speaking fellow-citizens. They are ready, as they were in 1867, to extend to them a loyal offer of cooperation in the erection of a great nation. They claim, with reason, that cooperation between the various elements of our population, when properly understood, does not mean assimilation, but the very opposite.

In conclusion, I ask my English-speaking fellow-citizens not to judge the ideals actuating the citizens of Quebec from reports that are too often fantastic. I believe these ideals are perfectly and briefly described in the following few sentences taken from the concluding remarks of a lecture given by Father Lionel Groulx, at the Monument National, in Montreal, on September 16, 1942:

> Let us re-create our economic, political and national solidarity. Yes, doubtless, we form only a small, a very small people. We are reminded of this fact often enough, at the present time, when we are ceaselessly told that minorities have to submit to the harsh rule of majorities. But we know that, in the eyes of God, nations are not valued by their material, political or military strength, but by the nobility of their souls. And our faith, as well as our history, teach us that, in heaven, there is a merciful and generous Providence for the small nations who have the strength to accomplish their mission.

Mr. M. E. McGARRY (Inverness-Richmond): Mr. Speaker, in rising to make a few remarks this afternoon I wish first to associate myself with hon. members who have extended hearty and well deserved congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. The efforts of these hon. members was an outstanding example of having the right men in the right place, saying the right things. Those hon. members not only represent vital civilian communities in the dominion, but are representative of the Canadian forces who to-day in the different theatres of war are fighting for liberty.

I do not wish to trespass upon the time of the house by going into any detailed description of the commendable progress made by the Canadian people in their war effort. The Prime Minister (Mr. Mackenzie King) and many other hon. members in their speeches have given factual and detailed analyses of our war effort. I am sure every hon. member and each intelligent person across the country knows the history of our successful programme, and I am equally sure each is proud of it. It is an achievement whereby, in four short years, Canada has been transformed from a state of military unpreparedness to the third greatest arsenal of the world. Not only is this a splendid achievement by the people of Canada, but it stands as a lesson to the whole world, because it reveals that we must have had first-class management by the ministers in charge of our war programme. Our war effort has given evidence of Canada's unlimited resources, and has shown the willingness and ability of our people to utilize our resources for the nation's good.

If we were to accept what we read in some parts of the press, and what we hear in some speeches both in and out of the house, we would think there was much disunity in Canada in connection with the carrying out of our war effort. I believe if we survey the facts any such idea will be driven from our minds. We will find that in every province of Canada thousands of our young men have enlisted voluntarily and have shown their willingness to serve in any theatre of war. Then, we must not forget the part played by our brave women, some of whom have left lucrative secretarial and clerical positions in order to enter industrial plants for the purpose of releasing young men for the armed forces. Then, comparatively old men, men beyond middle age, men who experienced the hardships and horrors of the last war, are voluntarily standing in arms to defend our shores. Men and women are giving freely and generously, not only of their savings but of their earnings. These offerings amounting to huge sums are given to assist Canada in her gigantic war effort. We find to-day that the taxpayers are accepting without murmur the burdens which are placed upon them by way of taxation and which, as the war goes on, will become greater and greater. We find that our people are not complaining about the restrictions and rationing which are im-

portant elements in our war effort. To-day the housewife is obliged to accept inferior substitutes for commodities which were available in peace time. She has had to deny herself the use of certain utensils which would make her work easier and more expeditious.

The travel of business men and pleasure seekers has been reduced to the minimum, but we hear very little murmuring about this. In many instances the present volume of business of industrial employers is only a fraction of what it was prior to the war. Many of these men—there are some in my constituency—have been obliged to fold up but we hear very little complaining.

Does this indicate disunity? What does this generosity, this tolerance, and this willingness to pay indicate? Does it not reveal that our people are intelligent and that they realize that the winning of the war is the all-important thing? Does it not reveal that they realize that their money would be no good if we were overrun by the hun? They realize that the sacrifices and inconveniences which they are suffering to-day are as nought compared with the serfdom, tyranny and butchery to which they would be subjected if our allied forces did not succeed in turning back those who would be world dominators. All these things show clearly that our people are united, and show that they are capable of cooperating with the other powers to carry on this great effort. I believe that when the history of the world is written one thing that will stand out among the records of all countries is that in proportion to population Canada has contributed more to this war effort than any of our allies.

We hear sometimes that there is a lack of preparedness for the aftermath of this war. I believe, and I imagine almost every Canadian believes, that while the successful prosecution of this war should be uppermost in our minds, we must have some thought for the day when the thousands of men and women now employed in industrial work revert to their peacetime pursuits. There must be some planning for that time. Prices will drop from the dizzy heights of war time down to the lower and stable levels of peace time. We must plan if we are going to avoid the terrible depression which we experienced after the last war, some of the pangs of which were almost as bad as anything we have experienced during this war and many of the results of which have not entirely disappeared.

Has our government taken any notice of this? What do we find? Three months after war was declared in 1939 this government established the wartime prices and trade board. We all know the effect of that. As a result of the control there has been over prices we are not looking to-day on the disgraceful spectacle we witnessed in the last war when men grew fat on the sacrifices and blood of the nation. The government has been doing a little planning all along. Take, for instance, the land settlement act. We all know what a failure the former act was. It was nothing more or less than a racket, but under the amendment, which is remedial in character, security is now accorded to the settler and he knows that he will be sustained on his land. The present regulations provide that the land must be up to a certain standard of production and that the man who goes on the land must have some experience as a farmer. In fact, it does the very thing the old scheme failed to do, namely, put the right man on the right farm.

There are also the compulsory reemployment regulations. These were introduced by the government during the last war. It may be difficult to figure out just how effective they will be in the solution of the unemployment problem, but they will help to solve that problem. There is also the Unemployment Insurance Act, a remedial measure to provide for our unemployed. Without doubt the coffers will be full after this war is over, and at least some temporary relief will be provided for the unemployment situation.

All these things go to show that the government has been planning from the inception of the war for the aftermath of the war. We who have faith in our Prime Minister, we who have faith in our government are happy to learn of this splendid forecast of future planning. We hear a great deal about planning for the future and about planning for social and economic security. In the flood of literature which the post-war economic problem has engendered there is some that is constructive and far-reaching in scope, but if we examine it all closely we find that much of it is doctrinaire and speculative.

If we are going to talk about economic security we should know what it means. There is a great difference, and we must differentiate between what is government regulation and what is cramping and regimentation. Judicious regulation is splendid, but rigid regimentation which cramps and stultifies is quite different, and I would say that the government in taking charge of matters which will be conducive to economic security had better limit itself to doing the things that private enterprise cannot do and leave private enterprise free to do what the government itself cannot do. There is no doubt, and I think we have a good example of it in our own government, that a government can create

an environment in which economic progress can be accelerated; but, on the other hand, regimentation stultifies the whole process of economy. What we want is a balance between the two; and if ever we needed a balance in this Canada of ours, if ever it was needed in this world, it is now when the ship of state is riding on such a stormy sea. I have every confidence that the government, which has carried on its war programme in such a splendid and commendable way and made such a success of it, even while planning for the problems of the post-war period, will see to it that in its planning for social and economic security a proper balance will be maintained between government enterprise and private enterprise. I have every faith that after this "red" reign is over, our democracies will become much stronger as a result of their common experience, and that when they enter the council chamber of the world Canada will take a prominent part and will cooperate with her allies in regard to peace measures just as splendidly as she has cooperated with them in the prosecution of the war to victory.

I do not wish to be considered too regional, but I have a few local matters which I wish to submit to the government, and I will cite them now so that if the ministers directly concerned are not at the moment in the house they will be able to read my remarks in *Hansard*. On several occasions I have brought these local matters to the attention of the various ministers.

First, I would ask the Minister of National Defence for Air (Mr. Power) to consider a matter which I have brought to his attention before. I refer to the establishment of an airport in the vicinity of Port Hawkesbury. We have there a large tract of land, and the topography and soil make it in every way suitable for an air base. It is on the direct route of the Trans-Canada airway. In the last couple of months there have been incidents which might cause the minister to look upon this suggestion favourably. Within one month four planes have crashed in that neighbourhood, and on each occasion the planes hovered over that area attempting to find a landing place. An emergency landing field at Port Hawkesbury not only would be of benefit to war planes, but after the war would be a splendid emergency landing field for commercial planes.

I would ask the Minister of National Defence for Naval Services (Mr. Macdonald) to consider seriously the establishment of a naval port at Port Hawkesbury in the strait of Canso. I have before me a resolution from the town of Port Hawkesbury pointing out what must appeal at least to the Minister of National Defence for Naval Services. The whereases in the resolution are as follows:

1. Our harbour is such that ships of all sizes are afforded safe anchorage.

2. The property already surveyed has already a sea wall established which gives a sufficient frontage and depth of water that will enable ships to lay to in safety.

3. Railway facilities adjoin the property, a siding being already established.

4. Fresh water for supplying ships easily available from an artesian well already established.

5. Gas, fuel oil as well as aviation gas storage tanks also established near the property operated by the Imperial Oil Company.

6. Grounds surrounding site could easily be made available for drill, etc.

7. Marine railway with machine shop available here which should be of priceless value during the present crisis.

8. The serious economic situation prevailing in our county and considering the fact that no benefits have accrued on account of war activities should, we think, be a deciding factor.

9. We as a committee offer our services in any way we could be of assistance in helping during these trying times.

10. The old-established firm of boat builders is situated close by, where any necessary repairs could be effected.

We submit these facts with the hope that your decision will result in our having established here a base that will be practicable from every point of view.

I have on several occasions spoken to the Minister of Munitions and Supply (Mr. Howe) about the development of a magnetic iron ore deposit in the district of Glencoe in my constituency, and I would again ask him now to give this matter a little more consideration. We have also a deposit of tungsten in the northeastern end of Margaree district. I hope the house will pardon me for trespassing on its time in bringing these matters to the attention of the various ministers, but it is difficult at times to consult them in their offices. I would ask them to give these projects further consideration because I believe they would all be of great value in our war effort and, further, I think some recognition should be given of the splendid contribution which has been made to the war effort by the people of my constituency who, proportionately, have contributed as much as, if not more than, the people of any other constituency.

Hon. H. A. BRUCE (Parkdale): Mr. Speaker, I should like first of all to congratulate the Minister of National Defence (Mr. Ralston) upon the splendid recovery he has made from his recent serious accident. I am sure it is a great testimony to the skilful services which he has received from members of my profession in the city of Ottawa.

May I also congratulate the Prime Minister (Mr. Mackenzie King) upon his selection of a distinguished soldier to fill the position of Minister of National War Services (Mr. LaFleche).

The minister has made a number of patriotic speeches which have appealed to a large number of Canadians and with which I am personally heartily in accord. I am sure he will bring to this house a great deal of valuable assistance in the carrying out of our work.

I was pleased to note in the speech from the throne that some form of health insurance is forecast to be dealt with during the present session. It will be recalled by many hon. members that on several occasions during 1941 and 1942 I brought in an amendment to the Unemployment Insurance Act with the object of securing information upon which the government could base a national health insurance bill. I believe they have benefited by the suggestions I made, in that they have gathered a great deal of information which I understand is now ready to be presented to the select committee which has been appointed, and from which I hope a suitable measure of health insurance will emerge.

Might I recall to the hon. member for Swift Current (Mr. Graham) the circumstances under which that great statesman Sir John A. Macdonald adopted the name "Progressive Conservative." There were in Upper Canada the High Tories, under Sir Allan Napier MacNab, and the Moderate Conservatives under Mr. Macdonald; and then there were the Moderates and the Clear Grits. The Clear Grits were so called by their leader Mr. George Brown because, he said, they were all sand and no dirt—clear grit all the way through. The continual uncertainty of government with so many parties led Sir John Macdonald, on February 9, 1854, to attempt an enlargement of his party, when he stated:

> Our aim should be to enlarge the bounds of our party so as to embrace every person desirous of being counted as a Progressive Conservative.

He succeeded speedily in his objective. Almost the only opposition in Upper Canada was from George Brown's Clear Grits, who later on changed their name to the "Reform" party; but a few of that party were dissatisfied with Mr. Brown, and they became the Baldwin Reformers, and ultimately emerged the Liberals. To-day we have the Hepburn Liberals and the King Liberals, and in this house we have been watching the gradual disintegration of the Liberal party. The first to break away was the Canada party in the southeast corner, formed by the hon. member for Laval-Two Mountains (Mr. Lacombe). Then there was formed the Bloc Populaire, headed by the hon. member for Beauharnois-Laprairie (Mr. Raymond). There is still a rump of this party who have not as yet crossed the floor of the house but who broke away from the Prime Minister on Bill No. 80 of last session, to amend the National Mobilization Resources Act, 1940. Then there is the group of some forty Liberals led by the hon. member for Richelieu-Verchères (Mr. Cardin), to whom the hon. member for York-Sunbury (Mr. Hanson) referred this afternoon. We are not quite certain as to the present position of the hon. member for Richelieu-Verchères. Is he still a follower of the Prime Minister or not, and where do these other forty men who joined him stand now?

According to the Prime Minister, however, the Progressive Conservatives have still another crime to answer for, namely, that of having frequently changed our leader. I say to him that this is the best proof that we are a truly democratic party, whereas the only way in which the members of his party can register their dissatisfaction with his leadership is by breaking away and forming the new groups to which I have just referred.

May I remind the Prime Minister that the choice of Mr. John Bracken as our leader was the logical outcome of the policies adopted at the Winnipeg convention, which were perhaps partly inspired by the meeting at Port Hope. What better proof could the Canadian people have of the sincerity of our intentions to put these progressive policies into effect than the selection as our leader of a man whose very name is symbolic of all that we stand for. What he has accomplished over a period of twenty years in the way of progressive legislation and good government in Manitoba, those who know him believe he will succeed in doing in a larger field for the good of all.

I wish to speak for a moment about the seriousness of the farmers' plight. It has already been emphasized by a number of hon. members during the last few days. In my opinion the farmers are the backbone of the country and they have certainly had a raw deal. One-third of the total cost of living is for the food which the farmer produces. Although there is a demand, on account of the war, for all he can produce, he is prevented from making a fair profit which would enable him to pay some of his accumulated debts—perhaps the mortgage on his farm—to improve his equipment and repair his buildings. Farmers work longer hours and receive less return for their labours than anyone else. The increased difficulty they are finding in securing labour, even at a cost two or three times as much as

it was at the beginning of the war, makes it hard for them to carry on even without a profit, and has forced a great many farmers in Ontario, and I am sure elsewhere, to abandon their farms. Old-established herds of dairy cattle have been dispersed, and the farmers have had to sell their implements, often at a loss, and abandon their farms because they cannot possibly carry on as a result of lack of labour, and in addition, through lack of ability to make both ends meet. All of this would have been avoided had the government courageously adopted compulsory selective service in 1940. Thirty-one per cent of Canada's population consists of farmers whose average annual income in the fifteen years prior to 1940 was one thousand dollars. To-day the farmer's least experienced helper can leave him and get work in a munitions factory for double the wages which the farmer can afford to pay.

In this country, the primary industry of which has been farming, we have had bacon, beef and butter shortages. These shortages have been explained by the necessity of sending large quantities of these products to England. This, in my opinion, is a very unfair excuse. Surely, in a great agricultural country like Canada, if we had had proper planning there would have been ample supplies, not only for Great Britain but for ourselves, without rationing.

I wish to say a word about nutrition. In a letter from the Prime Minister, published as an advertisement in the press under the heading "Canada's nutrition programme", we are told that every effort has been made by the government to ensure that, despite war conditions, there shall be an adequate supply of essential foods for all our people. But the speech from the throne speaks only of exploring the farm situation. These two statements do not tally. Exploring will not give the working man a lunch-pail with good beef sandwiches made with buttered bread, or a good rasher of bacon for his breakfast. These things he is at present unable to get in spite of the nutrition programme heralded by the Prime Minister. What use is it to tell people what nutritious food they should eat when they are unable to procure this food? It is on a par with another government advertisement from the salvage department asking housewives to save fats, and thereby assist in providing forty million pounds of needed fat, when they cannot buy bacon or pork and only a limited amount of beef from which they could secure such fat. It does not quite make sense.

Since bread is still the staff of life, it is highly desirable in these days, particularly when there is a food shortage, that we should see that all our citizens get bread, but bread of the highest nutritional value, especially in so far as essential vitamins are concerned. May I suggest to the government that they establish still another control, and make it illegal for bakeries to offer for sale more than the two types of bread which meet this requirement, namely, first, vitamin B, white bread, Canada approved, and second, whole wheat bread. As to the respective food values of different kinds of bread, the public are hopelessly at sea, and since it is in the national interest that our citizenry maintain a high standard of health and efficiency by eating the most nutritious foods, this can be assured them only by making it impossible for them to purchase any other kind. The most nutritious breakfast cereal is the old-fashioned coarse oatmeal upon which our Scottish ancestors were brought up, and yet it seems a strange circumstance that one cannot buy coarse oatmeal in any grocery store in Ottawa or Toronto, so I am informed. One can, however, secure this oatmeal in feed stores at six cents a pound, and it is not only a nutritious food but the most palatable of all breakfast cereals.

There are a great many prepared foods made and put on the market. Many emanate from Battle Creek and other places, and the only value in them is that they act as a vehicle to convey real food in the form of cream or milk to the individual who eats them. Nevertheless, on account of the tremendous amount of advertising, they have not only fooled the public into purchasing them as beneficial food but have made huge fortunes for those who invented them.

Growing dissatisfaction about food shortage has resulted in a demand made in this house by several members for a ministry of food. While I agree that something should be done in this regard, I do not agree with the suggestion of the hon. member for Trinity (Mr. Roebuck), or the hon. member for New Westminster (Mr. Reid), that the Minister of Agriculture (Mr. Gardiner) should fill this post. Shortage of food for civilian consumption in this great agricultural country constitutes a national emergency of the first magnitude. It has been emphasized over and over again that one of our greatest contributions to the war should be supplying foods to Great Britain and our allies as well as to the countries of Europe and Africa which will soon, I hope, be liberated from nazi domination. It is hardly necessary to say that this food scarcity is the result of a shortage of farm labour, and this in turn has been caused by the muddling of man-power

by a government which I fear thought more of its political future than of the welfare of the country, and refused to face the issue of compulsory selective service. This manpower muddle called forth from Mr. Elliott Little. the former director of selective service, the statement to which the hon. member for York-Sunbury (Mr. Hanson) referred this afternoon, namely, that in the fourth year of war we find ourselves with no clear direction from the government on man-power policy, and with quite inadequate organization to achieve a total and balanced war-power effort.

The resignation of Mr. Charles Vining from the wartime information board causes one to reflect upon the type of information which would be of the greatest value to us in the United States. Most of us recall that after the last war the question of war debts owing to the United States was used as a reason for isolationism. We know there is a great deal of criticism of Canada in the United States owing to the refusal of our government to send draftees for service wherever the enemy is to be found, whereas in the United States, after Pearl Harbor, this was immediately put into effect. This criticism has been accentuated as the war goes on and will place Caanda in an unfavourable position at the peace table if it continues.

Is it fair to our war industries, to our farmers, or to our forces to continue this vacillating policy of political expediency when our very existence is imperilled? Farmers are asked to produce more food this year than they did last year; yet they have more difficulty with labour this year than they had last, and therefore, I fear, they will be able to produce much less. One cannot turn farm production on and off like an electric current by turning a switch. No amount of manpower can produce sides of bacon in less than a year. Although operating a farm I speak for a city constituency, which will be the first to suffer from a food shortage. The city consumer therefore is vitally interested in the farm labour problem. The city consumer includes workers in our industries, and they as well as the soldiers and airmen need an abundance of food. Does not the cutting of the army ration by twenty-five per cent recently indicate that we are close to a serious shortage of food? This problem must be met and met immediately if the situation is not to deteriorate still further and if we are not to let Great Britain and our allies down. It gets back to the problem of our having two armies, one overseas and the other of home defence draftees, which again is the result of the government's unwillingness to impose compulsory selective service.

I therefore suggest as an emergency measure that all those draftees in the home defence army who will not go active be put into a labour battalion, distributed among the farmers on April 1 next and remain on the farms until the crop is harvested in the fall. At the present time they constitute a waste of manpower; they are not helping to win the war; but in a labour battalion, helping in the production of food, they would be usefully employed in a war industry. If by any chance there are more than enough to supply the farm needs, the surplus could be used in some other war industry, but since our farms are said to have been drained of 250,000 men I doubt whether there would be much of a surplus.

The greatest promise that we can hold out to the starving conquered countries of Europe is that of providing them with food as soon as they are liberated. What faith will they have in our promises when they learn that we have had to ration ourselves, that even here there is not enough food to go round?

I have just to-day received an answer to a question I put on the order paper at the beginning of the session, regarding a report which is alleged to have been presented to the government or to some of its key men here in October, 1940, by Mr. Charles Burton, president and general manager of the Robert Simpson Company Limited, Toronto, on the vital question of food supply. I have just received sessional paper No. 146 purporting to reply to my question. It consists of twenty-one pages, and I submit that this is a great waste of material in war time. Each sheet duplicates the same question and has taken up the time of some official, and they are all answered in the same way, "no", or "nil". If we had adopted in this house or adopted now the suggestion made a few days ago by the hon. member for St. Lawrence-St. George (Mr. Claxton) that there should be a change in the procedure of the house so that questions could be submitted one evening and the next day ministers would give their answers in the house, this would be much more satisfactory. If they had given this answer to me to-day, I would then have asked them if this plan was not submitted to some of the key men in their departments, and I venture to say that the answer would not have been no, because I think it is a well-known fact that there was such a plan submitted. As a matter of fact I have a copy of that plan and should like to have it put on the record if Mr. Speaker will allow me to do so.

Mr. Burton made this report after wide travelling in western Canada during which he made a study of the whole economic situation

and all possibilities through the channels open to a company which sells to and buys from all types of Canadians throughout the dominion. Although there are many able men in Canada, it is doubtful if any of them get the clear view of what is happening or will happen economically in every part of the country that is obtained by a man whose managerial ability has placed him at the head of a great institution such as Simpson's or Eaton's. Such a man has to know, and his advice in keeping Canada solvent cannot be lightly disregarded. President Roosevelt recognized this fact when he conscripted Donald Nelson, one of America's greatest buyers and sellers, to help his government.

Will you call it six o'clock, Mr. Speaker? I am now going on to another subject.

Mr. SPEAKER: We are just waiting for the Gentleman Usher of the Black Rod, who will be here in a moment. Would the hon. gentleman prefer to continue at eight o'clock?

Mr. BRUCE: I will say just a few words now and then discontinue.

The munitions industry has been organized single-mindedly for output, and I should like to say, successfully organized. Why cannot we do the same thing for food? When we hear proposals for a ministry of food it should be clear that the matter is urgent. Mr. Burton's plan of wheat disposal was intended to hasten the solution of other problems as well. He suggested using the enormous surplus of wheat to produce animal food. I ask the government why this plan was ignored, even though it was only presented to some of the key men belonging to some of the ministries? It would seem that this country is being run like a big business without a general manager.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Honour, the deputy of His Excellency the Governor General, desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the senate.

And having returned.

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bill:

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

At six o'clock the house took recess.

[Mr. Bruce.]

After Recess

The house resumed at eight o'clock.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. BRUCE: In Canadian War Orders and Regulations, volume 1, number 4, of February 1, 1943, will be found the announcement of the reappointment of a board of civil servants headed by Doctor W. C. Clark, over which the Prime Minister (Mr. Mackenzie King) presides, to consider questions of rehabilitation.

Are we to understand that this board is to supersede the committee on rehabilitation and post-war problems headed by Professor James of McGill university? This newly appointed board appears to consist of the same group of civil servants who imposed upon the country the economic bureaucracy and price and wage control principles which have been subjected to so much criticism. It is the same group of men, very worthy, no doubt, who were in the same position of influence during the depression, men who then said that we could not afford large-scale undertakings on account of lack of credit. Will there be a greater amount of credit available after the war? The hon. member for Richelieu-Verchères (Mr. Cardin) was right when he said that parliament was being side-stepped, for here we have another example of an important committee being appointed upon which there is not one member of parliament.

If this means that business is to be subjected to the control of these professional theorists, I fear it will have the effect of drying up all business enterprise and that the post-war reconstruction period will get no help from business. Is it not time that the government made plans for large-scale public works to be undertaken as soon as the need arises after the war? If the government has no plans, it is surely high time they made them. I submit, however, that instead of economists from the finance department and the Bank of Canada, the men who are best qualified for such a job are experts from the departments of Public Works and Trade and Commerce, and like departments, who should be able to bring forward large-scale plans which should form a

foundation for reestablishment and reemployment. I have no doubt that provincial and municipal governments could be interested also in the development of plans of their own for public works, if assured of assistance by way of subsidies from the dominion government.

If the government takes the lead in matters of this kind, private business will automatically and speedily make its own contribution. The ultimate result would probably be that for every dollar spent by the government on public works, private enterprise would spend ten. If, on the other hand, these economic "high-brows" are to tell business what it is to do, I venture to say that not ten per cent of private enterprise will cooperate.

The principal trouble with Roosevelt's New Deal in the 1930's was that, instead of confining his efforts strictly to public works, which were out of the field of private endeavour, he entered into all kinds of projects, which had the effect of destroying the confidence of business people. I fear that the appointment of this committee, while well-intentioned, no doubt, will be inimical to the best interests of our war effort—certainly a detriment to labour and the farmer.

After the disturbance of the public mind caused by strikes in some of our steel plants, which strikes must have interfered with our war production, it was refreshing and encouraging to read the advertisement in the Hamilton *Spectator* of January 23 last, published by the employees of the Steel Company of Canada at their own expense. It was a fine expression of independent labour. The C.I.O. unions have become notorious as trouble-makers in war industries. We all remember the strike of C.I.O. workers in the automobile plant at Oshawa in 1937. It is an organization which came into Windsor fresh from acts of violence in the United States, and there began at once defiance of constituted authority. In spite of this, the Prime Minister has appointed its solicitor and sponsor, Mr. J. L. Cohen, as the representative of labour on an industrial court. I wonder whether the labour unions will accept this without a protest and, as the *Globe and Mail* said in an editorial yesterday:

> If C.I.O. methods are to be reproduced in this code, industry in Canada may as well prepare for the end of stability and the people for the sort of chaos introduced in the United States.

No one, I am sure, would quarrel with unionism in this enlightened age, but those of us who have watched the policies and tactics of the C.I.O., will not confuse this organization with any real honest labour movement. I do not believe that the cause of the worker will ever be permanently advanced by such dishonest practices and low ideals of fairness and decency as those which seem to guide the C.I.O. effort.

I should like to pay a tribute of respect to the employees in the plant of the Steel Company of Canada for this evidence of their loyalty, for in these days of strikes and unrest one is apt to forget that there are many workers who wish to be let alone to do a good job of work to help our war effort, and who object to being pushed around by C.I.O. organizers.

Mr. E. G. HANSELL (Macleod): Mr. Speaker, I believe I read somewhere recently that a ceiling should be placed upon platitudes. I think it was the Ottawa *Journal*, which said editorially that the growing propensity of our political leaders to use all sorts of vague, high-sounding words and phrases without attempting to define what they mean has become a pest. The speech from the throne delivered in 1943 at the commencement of this session differs very little in this regard from any other which his excellency has read during previous sessions in which this country found itself under Liberal party administration. I fail to see in the speech from the throne anything that will positively guarantee security to our armed forces when they return after the battle is over. In fact, there is very little mention at all of the returned soldier. I read merely these few lines from that part of the speech which seems to deal specifically with the returned soldier:

> 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.

It stops there. It seems as though this is the very best that the government can put into his excellency's mouth to tell the people's representatives in parliament what the government will do for those who spill their blood, or offer to spill their blood on the battlefields of Europe or in some other theatre of war. These young men who, we have often said, are the cream of the land, offer their all. I ask through you, Mr. Speaker, what are we now offering them? A noted journalist has written a book entitled, "The Time to Act is Now." The time is now. If we are to do anything for our returned men, the time to act is now. Yet what are we doing for them? When a young man returns he is offered the magnificent sum of nine dollars a week until he can find some remunerative employment. It is about time that we should be ashamed of ourselves to offer a man who has offered his life a sum of money which is not equal to the wages of an office boy.

While the speech from the throne was being read there was an elderly lady in my office. Her husband fought in the last war, and she has been living on charity and relief ever since. We are asked to discuss this speech from the throne which offers nothing to the returned men, but we have the audacity to say that we are giving them nine dollars a week. The startling thing is that parliament seems to be powerless to do anything about the matter. We have not come to the place where we in parliament can positively guarantee, without any uncertainties whatsoever, that when the boys return they will be given absolute security.

I wish to remind the house of what the hon. member for Trinity (Mr. Roebuck) said the other day in this particular debate when he was speaking on the same subject. He was pleading for better treatment of the widows of those who had fought in the last war and had since died. He said, as reported in *Hansard,* at page 141:

> I think I can speak for every private member on this side of the house . . .

He could have said he spoke for every private member in this assembly, but he said:

> I think I can speak for every private member on this side of the house, when I say that the dire necessities of these soldiers' widows should be relieved, and relieved immediately.

There he was voicing the sentiments of the private members on the government side of the house; yet there they sit, helpless, powerless, impotent to move their own government on behalf of the widows of returned soldiers I felt like asking him at the time, Do you mean to say that although all the members of the opposition, combined with the members on the government side of the house, want something which is most reasonable and most desirable, they cannot get it from the government? That is just the position. I wonder what has become of our parliamentary institution. Instead of being a parliament of the people which represents the views of the people and asking the government to put those views into practice, we find that it is the parliament of a party, where the government of that party says, "This is the legislation which parliament must accept and pass. You must do it because we say so." Instead of parliament telling the government what legislation should be passed, the government tells parliament what legislation it must or must not pass.

To come back to the problem of the returned men, we are not yet feeling the full impact of these returned men because there are very few of them returning. The former leader of the opposition (Mr. Hanson) said this afternoon that our soldiers had not yet seen the action which they will see. But if we can read correctly I am certain, and every hon. member will agree with me, that before nazism is destroyed from the earth there will be a terrible and tremendous slaughter somewhere; and the time will come when hundreds and thousands of our soldiers will return, and are we going to say to them, "We will give you a little bit of a hand-out, nine dollars a week"?

Not so long ago I was at a convention in Edmonton where this group had a part and where the Social Credit members of the Alberta legislature also participated. There we drew up a number of resolutions which should form a basis upon which we could discuss post-war reconstruction. In respect of the return of our fighting forces this clause appears in that resolution:

> Therefore be it resolved that the minimum measures for the rehabilitation of the men of our fighting forces and their dependents shall be:
>
> 1. (a) On demobilization, persons who have served in the Canadian armed forces or merchant marine shall, while domiciled in Canada, receive a monthly income equivalent to not less than the full pay and all allowances, including subsistence, for a private in the army, for a period of not less than three years, to enable the individual to become established in the economic life of the country.

I heard some remarks, after this resolution reached the press and the public, that this, of course, was far too big a promise. Let us see if it is. Let me ask this question: How much money are we spending every year for war purposes? I think it is reasonable to say that in round figures we shall spend this year about five billion dollars. The Minister of Finance (Mr. Ilsley) is not at the moment in his seat; the Prime Minister (Mr. Mackenzie King) is not in his; but if any of those who are present representing the government wish to answer the question, all right. If they do not, all right. Let me ask this question: If we are spending five billion dollars this year on the war, supposing the war lasts for ten years, will the government continue to find at least five billion dollars a year for the next ten years? No reply. I suppose silence gives consent. I will answer the question for them. If the war lasts ten years, certainly we shall find fifty billion dollars with which to fight it—yes, and more. For if this year we are spending five billion dollars and the war lasts ten years, our productive capacity will be greater and we may have to find more than that. Certainly we shall find the money.

My second question is this: Suppose the war lasts only one more year. Oh, well, it will be said, that will be fine; we shall need to find only five billion dollars more. Then would the government say this: Therefore, because these men of our fighting forces have offered their lives, have risked their lives, some coming back maimed, wounded, shell-shocked, we will place forty-five billion dollars at the disposal of the armed forces of Canada to guarantee them security just as long as any of that amount of forty-five billion dollars remains. I do not think anyone will dispute my logic there. But instead, what does the government do? They write a speech, to be delivered by his excellency, and they say:

> Every effort must be made to ensure, after the close of hostilities—

Who says that every effort must not be made? Does anybody question that?

> 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.

That is quite a document, is it not? Anybody would say that. There is nothing startling about it. Why cannot the government stand up and say, without any uncertainty whatsoever: We will absolutely see that no soldier, no dependent of any soldier, be she widow or child, will ever, ever, ever go in want, but will be given the highest possible standard of living which our administration is able to give. But they do not make any such assertion. That is the sort of thing that is causing people to lose confidence in political parties. That is the sort of thing that is causing people to lose their respect, or the respect they should have, for this institution known as parliament.

The speech from the throne suggests some plan of social insurance. Let us not permit ourselves to be fooled by terminology. Social insurance is a nice phrase to use, but social insurance does not mean social security. It does not even mean social assurance. I happened to refresh my memory to-day on the meanings of these two words, "assurance" and "insurance", and those meanings are not identical. They are sometimes used interchangeably, but there is a difference between the two. The dictionary I happened to pick up said that "insurance is an act or system by which pecuniary indemnity is guaranteed by one party, as a company, to another party in certain contingencies, as of accident or loss, upon specified terms." Sometimes in Great Britain the term "assurance" is used for that, but when I turn in the dictionary to the meaning of the word assurance, this is the definition it gives: "the act of assuring; any encouraging declaration; a promise; full confidence; undoubting conviction."

Let us not be fooled by the terminology that is used in the speech from the throne. The speech from the throne deals with a proposed plan of social insurance, and then it glides off and tells of certain little things we have done over the years to bring about a certain type of social security. There is all the difference in the world between the two terms. Why does the government not say outright: Here is the guarantee we will give, a guarantee of economic security for those who return after the battle is won.

Then the speech from the throne moves on to the platitudes of the Atlantic charter. I must beware lest I commit sacrilege in speaking of such an important document. I do not know particularly what makes it so important. I do not see that there is anything new about it. The other day I picked up a little bit of a poem—I regret that I am unable to give credit to the paper from which I cut it. Evidently it was printed not long after the signing of the Atlantic charter. It is entitled, "Footnotes to the Four Freedoms":

> "Freedom of speech"; well, even slaves may chatter
> So long as they're unarmed it doesn't matter.
> "Religious freedom"; well, what are the odds?
> So long as Mammon heads the list of gods!
> "Freedom from want"; no breeder would deprive
> Good cattle of the means to keep alive.
> "Freedom from Fear": a counsel of perfection?
> Not if there's always ample police protection.
> Freedom to act, to choose or to refuse?
> Ah that's a "very different pair of shoes!"

I have often wondered what is so particularly startling about the terms of the Atlantic charter. There is nothing new about it. I wonder what makes it famous. What makes it famous is that the president of the great democracy to the south and the Prime Minister of Great Britain met in the middle of the Atlantic ocean, secretly, but on the other hand perhaps with all the pomp that such dignitaries deserve, and drew up the charter under these circumstances. All they did was simply to assemble a number of words together to explain a principle with which everyone agrees and has agreed for years. The Atlantic charter of course will go down in history; it will go down in United States history, it will go down in British history. I do not know so much about Canadian history, because the Prime Minister of Canada was not at the meeting. The Atlantic charter will go down in history nevertheless, in spite of the fact that it enunciates no new principle. If it did, then the Atlantic charter becomes a condemnation of every pre-war

government that has existed in those two great democracies. I repeat that; if the Atlantic charter does enunciate some new principle, that charter becomes the condemnation of every pre-war government that has existed in this dominion. Why? What have previous governments been aiming to do? Have they not been aiming to bring about freedom from want, freedom from fear? The answer is obvious; of course they have. Then there has been no new principle enunciated in the Atlantic charter.

While the representative heads of those two great democracies got together and returned to their countries with this that has come to be known as the Atlantic charter, have we any reason to believe that existing governments can do next year what they were unable to do the year before? Have we any reason to believe that existing governments can do in post-war days what they were unable to do in pre-war days? That is a question which bothers me. Personally I have no confidence that they can; I have no confidence that they will, unless they change the present system. I do not wish to become too satirical at this point. The other day when the Prime Minister was speaking he gave us to understand that he was very careful when he chose men for his cabinet, men who had to work with him in the administration of the affairs of this country. He said, There are three rules that I follow; I choose them first because they have character; second, because they have ability; and, third, because they have brains. That is very wise. I hope the Prime Minister did not forget that we must conclude that it takes brains to choose brains. I suppose he took that for granted.

I am not going to question for one moment the character, intellect and ability of those who sit on the treasury benches. We all agree that they are capable men. But even if we recognize that, there are yet some things that I cannot understand. A few years ago the hon. member for Battle River (Mr. Fair) gave a very simple illustration here, and I am going to use it again. I have not his words; I do not know whether he read it, but he gave this illustration. He said, Here are ten men; their clothes are worn out, they have no money, and they are hungry. And over here are ten loaves of bread. Yet the government cannot get those ten loaves of bread over to those ten hungry men. In pre-war days that illustration was a very apt one. Even the Prime Minister, who had the brains to choose the brains, could pool all the brains and yet there were not enough brains there to devise a way by which those ten loaves of bread and those ten suits of clothes could be given to those ten hungry men, when they had no money. If we use that illustration, one of two things is true: either that pool did not have any brains, or there were more powerful brains influencing them not to do the thing they should have done.

While I am dwelling on that point, things do bother us a little sometimes. I recall in March, 1938, we had, I think I may say, a very intelligent gentleman as finance minister of this country in the Hon. Mr. Dunning. In the course of debate the hon. member for Lethbridge (Mr. Blackmore) suggested that there should be an expansion of credit in order to end unemployment and take men off the relief rolls. He was interrupted by an hon. member on the government side, and I should like to read what happened in that little discussion as recorded at page 1125 of *Hansard* of March 8, 1939:

> Mr. Martin: I have followed the hon. gentleman very carefully and sincerely, and I should like to ask him a question, because he has given this matter a great deal of study. To what extent would he advocate that we should go? . . .
>
> Mr. Blackmore: In the first place we must not enter into too many technicalities here.
>
> Some hon. Members: Oh, oh.
>
> Mr. Blackmore: It is all right to laugh, but the details I have given here this afternoon are quite sufficient. At another time I shall go into those details along that very line, if I am required to do so. In the first place we can say this: No one would be afraid if the banks throughout this country were to take a notion to lend $300,000,000.
>
> Mr. Dunning: I would.
>
> Mr. Blackmore: Would the minister be afraid?
>
> Mr. Dunning: Yes; I am afraid of notions like that. I would want to know what was back of it.
>
> Mr. Blackmore: Would the minister be afraid that $300,000,000 loaned to farmers and various other producers throughout the country would cause inflation?
>
> Mr. Dunning: I would want to know precisely what was back of it.

Those are the words of a Minister of Finance in this government, the words of a man who had intelligence. Those words were spoken just a year before the beginning of the war. What do we find now? Well, the war broke out; and over night half a billion dollars sprang into existence. We are now spending every year in the neighbourhood of five billion dollars. Did somebody say something about brains?

Those are the things that bother us. I say once more I cannot help thinking personally that the Minister of Finance and

perhaps other responsible ministers of the government are ill-informed by their advisers. When I read statements such as that of the Minister of Finance of that day I feel like saying, "Hast thou said it of thyself, or did some other tell it to thee?" I am suggesting that somewhere in the picture there is the personification of elements more powerful than governments. Somewhere there is a powerful government which governs government.

The other day, having an interest in post-war reconstruction, I read from a newspaper where, by order in council, a committee of men had ben chosen to examine matters pertaining to post-war reconstruction. This is a Canadian press dispatch dated at Ottawa, and is headed, "Ottawa men will plan for post-war." I do not wish to be too harsh, nor do I wish to be mistaken. Certainly I do not want anyone to mistake my meaning. I have every respect for any man who is doing his best to solve the problems of this country. But what do I find about this post-war committee? Evidently it is a departmental committee. Doctor W. C. Clark, deputy minister of finance, is to be chairman. One of the members of the committee is Donald Gordon, chairman of the wartime prices and trade board, and one time deputy governor of the Bank of Canada. I find also on the committee Mr. Graham F. Towers, governor of the Bank of Canada, and Mr. R. B. Bryce, of the Department of Finance, is to act as secretary.

These are honoured gentlemen, and I am not being sarcastic when I bring their names to the attention of the house. But when we come to the terms of reference we find that the committee is to prepare reports and recommendations respecting measures to deal with post-war problems. The thing bothering me is this. The same honoured gentlemen were advisers to the government in the pre-war depression days. Have we any confidence that those men, who could not solve pre-war problems, are any better fitted to solve post-war problems? That is the difficulty in which I find myself. Those same advisers have been advising the government for many years. They were the men who were advising the Hon. Mr. Dunning when we challenged the ability of Canada to absorb $300,000,000 of bank credit, something which the hon. member for Lethbridge (Mr. Blackmore) said could be done. His words have become true, because we have issued amounts far greater than that.

It seems to me that the present situation might be compared with an old and patched pair of trousers. The trousers are patched from top to bottom, and we are now choosing a post-war interdepartmental brain trust and delegating them by order in council to sew a few more patches on the same old trousers and, as one of my colleagues suggests, in the same old place.

Why can we not tackle the post-war problem as it should be tackled? Why can we not tackle the problem of the returned soldier as it should be tackled? We have a land settlement scheme, and we have now had suggested a scheme of social insurance. Last year a committee of the house discussed post-war reconstruction. They did good work at the beginning of their discussions, but before they had completed their work they turned their attention to the subject of nutrition. They did not seek to find ways and means of finding the fundamental wrongs in the system, but ended up by trying to measure the size of each other's belts. Let us get right down to business and find out, first of all, the fundamental cause of the failure in pre-war days. When we have found the cause let us look for a solution.

I notice Mr. Speaker is indicating that my time is up and, although I have a raft of notes before me, I shall have to deal with them at a later time. Let us really get down to the fundamental principles of giving real security to the boys when they return from the war.

W. G. WEIR (Macdonald): Mr. Speaker, in rising to-night to contribute a few observations to this debate I wish my first words to be of appreciation of the two hon. members who respectively moved and seconded the address in reply to the speech from the throne. I do so not only on account of the splendid contribution they made, but also on account of what they represent in the house. It is gratifying to the country and particularly to hon. members on the government side of the house to hear the comments now being made with respect to Canada's war effort. Listening to the observations thus far made, I think it can be taken for granted that on the whole the country is magnificently impressed by the effort which has been made. We are hearing little criticism to-day with regard to developments which have taken place along those lines.

The contributions of the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address remind us that the war is still going on, and that the end is far from sight. We are reminded that our first and real job still to be done is that of carrying out the war effort to its successful conclusion.

Having said that, I should like to discuss one or two other matters. Perhaps it will not be considered out of place if I remind the house that, since last we met, a national convention has been held in my native province, and that from that convention emanated a brand new political party under the title of the Progressive Conservative party. Sometimes I take a little amusement from the attempts of hon. gentlemen opposite to become familiar with their new title.

It reminds one of the new bride and her attempt to become accustomed to her new name. I should like to go one step further with respect to the development that has taken place in connection with our hon. friends across the floor of this house. I took the liberty of looking up a dictionary in order to ascertain just what these two names had in common so that they could be tacked on to the same political organization. The dictionary that I have gives the following meaning to the word "Progressive":

> One who believes in and works for changes and reforms, especially in political matters.

With respect to the word "Conservative", this definition is given:

> One opposed to hasty changes in political, religious or civil institutions as the Conservative is seldom progressive. A member of a political party in Great Britain opposed to radical reform as distinguished from Liberal and Labourite.

I mention these definitions merely to indicate the contrast. To me it is comparable with that between water and gasoline, and I fear that as enthusiasm cools off, the one will likely freeze to the extent of clogging the mechanism, so that the other will not work. Perhaps it is not out of place to say a word or two with regard to the early development of the Progressive movement, upon which our hon. friends opposite are attempting to capitalize. May I say that the Progressive movement of 1921 originated many long years before. It originated in the little red schoolhouses all over western Canada; it originated in the farm homes; it developed into community and district conventions and then into provincial conventions which became known in western Canada as the farmers' parliament. It finally was headed up in the Canadian council of agriculture as far as national issues were concerned.

Contrary to what many people think, the success of the Progressive movement in 1921 hinged largely on two matters of policy. First, there was the reinstitution of the Canadian wheat board and, second, the fact that candidates were nominated at properly held conventions and that their election expenses were paid by the electors. Those were the two things that appealed to the electorate of western Canada and other parts of the country as well during that election campaign. May I say here that whatever else history may say with respect to the development of the Progressive movement, it did more to purify politics in this country and to develop and further the true spirit of our democratic institutions than anything else ever did. Unfortunately that fundamental principle of our electoral system has been departed from to some extent in the meantime. My point, however, in commenting as I have so far is to show that the Progressive movement as it has been known had developed over a period of thirty years. It was rooted deeply in the soil. It had fundamentally far-reaching principles, and its development came from the bottom up, not as an organization already existing having that name attached to it.

I should like to say a word with respect to one matter referred to in the speech from the throne, namely, redistribution. If redistribution is gone ahead with, two of the western provinces will lose seven of their members in this House of Commons. These members will be lost through no fault of those provinces. The drouth condition which prevailed in western Canada did its part in moving the population. On top of that, those provinces have contributed in a magnificent way to Canada's war effort, both in the armed forces and in all forms of industrial and agricultural production. It seems to me most unfortunate, after having made the contribution in the manner they have, that they should be penalized to the extent of seven members in the Canadian parliament. I hope the government will decide not to proceed with redistribution at this session of parliament. Conditions will change in the course of a few years, particularly when the war is over, which we hope will be soon, and then those two western provinces can again gather up their population and be entitled to full representation in this house.

Coming as I do from a rural constituency, I should like to point out that the representation affected will be rural representation. This only goes to show how we are tending to further the representation of our industrial centres and larger towns and cities at the expense of our rural representation. I merely wish to impress upon the government my hope that they will not proceed with redistribution at this session.

I am constrained to say a word or two largely on account of the remarks made a few days ago by the hon. member for St. Lawrence-St. George (Mr. Claxton). I

think one of the things we are all desirous of having in this House of Commons is as true a representation of the Canadian people as it is possible to secure. As far as elections are concerned, if I may refer to them, there are two main difficulties. First, elections are too expensive—I do not think anyone disagrees with me on that point—and, second, too few of the people go out to vote. What I am saying in this regard does not refer only to the federal parliament; it applies also to our municipal and provincial governments as well as to school boards and so forth all down the line. I am afraid that this apathy toward our political institutions may lead to our people being prepared to accept some other form of government less representative and certainly not as democratic as the one we have.

Something must be done, although I do not know what it is. This institution, both in its own interests and for the preservation of democracy, must do something. Perhaps our political organizations could do more than has been done. At the present time there are people who recognize this difficulty and who suggest that we should adopt a system of proportional representation or the single transferable vote. They claim that these methods of voting give a truer representation of the people. My fear with respect to either one of these systems is that it would lead to group government with a consequent lack of stability which is necessary if a government is to carry on. I do not know what the solution is, but something more is necessary.

I can see a place for proportional representation and the single transferable vote in our municipal and in our provincial governments where the work and duties are largely administrative, but I doubt the wisdom of their application in the national field. In the larger fields of national and international policy I am afraid that we must rely on the philosophy of a government supported by a political party.

It was gratifying last night to hear my hon. friend the member for Regina City (Mr. McNiven) refer to a resolution which the Liberal organization of Saskatchewan had put on record. I am not referring to its contents, but it indicated to me a degree of activity on the part of a political organization that was doing its duty and keeping its organization intact, preparing to do its part in making democracy function. That is a responsibility which should attach to all political organizations in the country. On one occasion I had the pleasure of doing something along that line, by way of promoting an essay-writing competition. It is neither here nor there what use was to be made of the essay, but the title of it was, "Our Canadian democracy, what it is and what it demands." I emphasize "what it demands." We were attempting to bring home to those who took part in the competition the demands that democracy makes upon the citizen and how he should endeavour to prepare himself to make his contribution under our democratic system of government. Something more along that line is probably necessary. Some have advocated compulsory voting. I recall that a committee of this house dealt with that question a few years ago, but decided that it was not practical, particularly in a country like Canada, and I am inclined to agree. Nevertheless something of that sort is necessary. I have often wondered whether we could not institute a system whereby political organizations would be obliged to incorporate themselves, and be required to hold annual meetings called in a proper manner, and along with that there might be a campaign directed by the state itself to impress upon the people what a democratic system of government means and what their obligations are with respect to it.

There are two or three matters to which I wish to refer and which the debate on the address affords about the only opportunity of doing so. The first reference I wish to make is with respect to our control boards. One of the first criticisms I would make with regard to these control boards as a general principle is that for the most part they are not composed of trained civil servants and therefore in many instances they are very poor public relations people. I say that from some experience. I do not know who they are or how they got their appointments, but that is a general observation which I think can justly be made with respect to many of these control boards.

Second, I believe the authority of these boards is too much centralized. In a country such as Canada with its wide diversity of conditions, I do not think one can satisfactorily centralize control in any one place and have one policy applicable in the same degree throughout the whole country. I suggest that these boards should recognize the difference between different parts of Canada and give greater power or direction and authority to provincial and local boards. Let me give two illustrations, two experiences that actually came to my notice.

A farmer's stock-watering pump went out of order. The repair for it was in the neighbouring town, but when he went to purchase it he was informed that he would have to get a priority which must be secured from a town 150 miles away. It would take at the very

least three days to get that priority, and there was that farmer with all his live stock waiting for drinking water! Surely conditions like that were never intended under this control system.

The second case is that of a hospital which had its pumping equipment break down. The hospital authorities knew perfectly well that the repair was available, but they could not get it because they could not secure a priority rating.

These two cases illustrate the point I wish to make, that the authority of these boards should not be so much centralized that the system breaks down and people condemn it out of all reason.

I do not want to be considered provincial or local or anything of that kind, but there are one or two things which should be said with respect to rationing. I refer first to tea, coffee, sugar, butter, of which in the main I think we have enough for our needs. But I point this out, that the town or city dweller has an advantage over the rural dweller in that some member of the family in a town or city, if not all of them, is able to go to a restaurant or hotel for one or two meals a day. That applies scarcely at all to the farm population. The townspeople can go to a hotel or restaurant and save on their sugar and tea, but the country person cannot do so. Again, we know that if a man goes out into the country to repair some farm equipment, he seldom brings his ration card with him, and the consequence is that he has to be fed out of the farm family's rations. Therefore I am suggesting that there might be a little more leniency for the people in the country who are thus situated.

I wish to make a plea with regard to beef, which from present indications is to be rationed. If there is to be rationing of beef, the authorities in charge of the matter should have regard to the fact that people doing heavy manual labour require a heavier meal than people who are doing lighter kinds of work. Farmers, bushmen and coal miners, in fact all those engaged in heavy active work, should receive special consideration when a product such as beef is being rationed. I do not want to be misunderstood and have people think I am making a plea for rural people as against city people. Personally, I think I am simply making a request that is logical.

There is another regulation which does not work well in view of our western conditions. I refer to the fifty-mile limit on bus travel. Anyone who has been in the west and also in the east knows that the situation in the west is entirely different, and a regulation providing for a fifty-mile limit on bus travel in western Canada simply does not get one anywhere.

With regard to gasoline rationing—I am not pressing this at the moment—there is, nevertheless, a good argument, I believe, in support of western people being allowed a larger gasoline ration than people in the more thickly populated parts of the country. The distances are greater in the west; the towns are farther apart, and for that reason the people are entitled to additional consideration. I have mentioned these items largely for the purpose of supporting my argument that there should be more localized control.

Another matter to which I wish to refer is the payment of income tax by farmers. I do not wish to be misunderstood in my argument. The farmers are willing to pay income tax when they are taxable; but here I want to make a distinction between a farmer and a business man. The farmer is not only in business, but his business is his home, in contrast with the ordinary business man. We have heard arguments on all sides of the house regarding the plight in which the agriculturist finds himself. Perhaps up to now he has not been obliged to pay income tax to any great extent, but many farmers are now going to be called upon to do so. When we look back over last year and the year before, when the quota system of delivery applied to grain, many farmers were obliged to market most of two years' crops in one year, which brought them into the higher income ratio and made them taxable.

In the period from 1930 on, farmers all over the country, and particularly in western Canada, took a terrible licking. With the personal income tax in operation they are not going to be able to recoup very much of the losses they sustained at that time. Moreover, we know that a farmer can suffer a substantial loss in one year and have a bumper income the next year, but he cannot recoup himself for the losses of the previous year, and the result is that all he makes is taken up in taxation. My suggestion is that the income tax as applied to real farmers should be applied on an average of three or five years, so that they will not be taxed for everything they make if they happen to have a good year. I know that some farmers were shrewd enough to delay the marketing of some of their products this last year until after the close of the calendar year. Hogs, for example, were held back, and marketed overweight. I know of a man who would not sell his flax until after the new year. That is indicative of what the

situation is with respect to the application of the income tax. We cannot blame the farmers for that, because this year the same men may have no income at all. I think the suggestion I have made is worthy of consideration.

The next reference I wish to make relates to the income tax as it applies to our co-operative marketing institutions, and what I have to say in this regard applies equally well to our credit unions. In the main these institutions have been established in this country for years. So far they have considered themselves not liable to pay income tax. Recently two or three of them in our province have been assessed income tax, and the matter has been taken to the courts and still remains there. My contention is that a cooperative, a true cooperative, should not be required to pay income tax. Such institutions are established by the farmers themselves. Their capital set-up is built largely on a revolving plan. It is savings which they make on the type of business they are doing. It is not a profit. They have simply banded 'together in order either to sell or to purchase collectively some of their necessary requirements, and any saving they make is, I repeat, not a profit. They are associated without any thought of profit, interest or dividends. If the present situation is such that this cannot be established so that they can be declared to be non-taxable so far as income tax is concerned, I suggest to the government that it is time we should have a cooperative act in this country defining the status of cooperative organizations and requiring them to live up to it, and thus determine whether or not they are taxable. Personally I think most of them will get around the income tax, but they may hurt their own business in doing so and not carry on upon as sound a basis as they are now doing. What they are doing at the present time is simply adding to the wholesale price of the goods which they are buying, not knowing exactly what their handling risks may be. If they have anything left over at the end, they are simply redistributing that saving back to themselves. I contend that a cooperative organization is just as much a part of the farmer's machinery as is his horse and buggy, his tractor, or his automobile.

One other thing, and it is of the nature of a complaint: I refer to the application of the Foreign Exchange Control Act. I have under my hand the serial number of a tractor which was imported into this country in April, 1940, before the foreign exchange control tax was enacted, and was sold to a customer in August, and in the sales sheet there is an item of war tax, so many dollars. I contend that the company selling that implement had no right whatever to include an item of tax in the case of that implement, for it was a tax which they did not pay to the government. Moreover, the minister, when he introduced that tax, said that it would be done away with at the close of the war. Very well; what is happening? Take the farm implement industry. Their warehouses were full at the time that this tax was applied. To-day they are depleted and certainly not likely to be stocked when the war is over. The result will be that these people have been able to gain materially through the application of that tax. Therefore I suggest that the application of the tax is entirely unfair. I know the minister will say that so far as the Department of National Revenue is concerned the importation complied with regulations and that if there is responsibility beyond that it belongs to someone else. That is hardly a good enough answer, because farmers all over Canada, particularly in western Canada, have been obliged to pay the added amount, which did not come to the state. I am not saying that all implement companies or all other businesses took this procedure, but in the one case I have under my hand that is certainly what has taken place.

A word with respect to the farm labour situation. There is not any doubt that an agricultural labour problem exists. To-day most of the farmers in western Canada, and I assume all over Canada, are short of efficient help. Not only are the farmers short, but there is a shortage in the mines and the woods. At the same time there are reported to be several thousand men and women in Winnipeg who are unemployed. Along with that, we have the newspapers advertising jobs in the woods, in the mines, and on farms; I am told that there are positions for some five hundred domestics in Winnipeg alone, and I venture to say there are thousands of farmers who would gladly accept the services of a domestic. What is the situation? These people want war jobs; they do not want jobs which are on land. What are we going to do about it? Are we going to turn to compulsion and oblige them to go where there is work? I do not know the answer. Moreover, I fear, and I think it is not unreasonable to assume, that these people for the most part would be inexperienced farm help. That being so, I doubt whether their services would add greatly to the productive capacity of any of our farms in western Canada. After all, the chap with

the real knowledge of our western farms is to-day in the army; it is his old dad who is left behind, who does not know much about running a tractor, and is not so able to plough around through the deep snow in the cold weather as he used to be. It is the man to take his place who is required. It is not an easy job, and I doubt whether the suggested women's land army can perform the services needed at the present time.

I wanted to say a word with respect to another matter raised in this house, namely, the question of conscientious objectors. I hold the view that our conscientious objectors in the age groups called for military service should be required to perform some service for the state the same as others. I think it would be for their own good to do so, and moreover I think that they themselves have no objection. I am prompted to make this reference on account of a clipping which appeared a few days ago in one of the Winnipeg newspapers. Unfortunately I do not have it before me, but the report stated that fifty or sixty conscientious objectors were being sent up to Riding Mountain national park, and that was all it said. That bare statement is the most misleading type of statement that can be made. The fact is that these men were sent there to cut wood at fifty cents a day for the people in the surrounding country. That is the contribution they were making. They were not sent there to clear the park for tourist purposes or anything of that sort. These men can and should be used for useful work but not for work that is unnecessary. More than that, I think they could properly be given a little further consideration. I do not think we are going to get full efficiency out of a man doing a day's work at fifty cents a day even if he is getting board and clothing, and while they may be performing some service for the state, I think they would perform a greater service if they were given some further incentive.

I suggest that so far as the man-power situation in the west is concerned, it will depend a good deal upon the season and the size of crop. Last year we had a large crop, and with the assistance of women and children and townsfolk and other help we could get, that crop was taken off in a reasonably satisfactory manner, but no extras were taken care of, and the fall work this year is considerably behind. Moreover, the spring season will be approached with a good deal of hesitancy as to what they can do this season. I can go further than that. If it had not been for bringing the Japanese to our province there would not have been any sugar beets produced this year, so that I submit to the government that steps will have to be taken to see that a more adequate supply of farm labour is provided.

I had hoped to mention two or three other matters, but my time is passing. However, in the few minutes left, I should like to make one further reference, namely, to the Atlantic charter and the declarations made therein. The Atlantic charter and the circumstances that surrounded its presentation to the world are heralded to-day as the ideals of the united nations with respect to the war and what may follow. The question that has occurred to me, looking at these declarations, is this: What part is Canada going to play with regard to these declarations? What interpretation are we going to place on the different sections of these declarations? What is going to be Canada's attitude toward the carrying out of these declarations? I come particularly to clause 4, which declares that they will endeavour, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access on equal terms to the trade and raw materials of the world which are needed for their economic prosperity.

That, I submit, is where Canada must be concerned. I have listened to and read a few articles with regard to Canada's position at the close of this war, and it seems to me that the whole emphasis is pointed in the direction of what we are going to be able to dispose of to keep up our production. What are we going to be able to sell? I suggest that if we are going to sell, if we are going to try to keep up our production, we must be prepared to buy because there is no other way by which we shall sell. I think the government can take a lead and take it immediately in its attitude to the Atlantic charter and should start now to make provision for what we shall buy from those people to whom we hope to sell goods in the future. I think we can give a lead in that direction, and we are in a magnificent position to do so. It comes down to this, that we must determine whether we shall industrialize this country further, or recognize the position of agriculture. If we are to recognize the position of agriculture, the one thing it needs for social rehabilitation, or anything else we wish to attach to it, is an opportunity to produce and market its goods at a reasonable price.

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, the speech from the throne reveals at last some apprehension on the part of the government

concerning fundamental post-war reactions. We have so often warned the government against them that we disclaim any share of responsibility for events which they have prepared quite freely and of their own accord.

In the face of rationing applied to essential goods and food products in a country disposing of a 600 million bushel wheat surplus, have we not a right to doubt the efficiency of the so-called economists guiding our administration?

In the face of homes being abandoned by mothers and the consequent breaking up of families, the very foundation of society, one is at a loss to visualize any possible efficiency connected with the social security plan contained in the speech from the throne.

Our first duty is to safeguard the family, failing which any social legislation is without avail in a moribund society.

May I be allowed, Mr. Speaker, to quote from the January issue of this year of *Canada at War,* on page 6:

> There are approximately 3,970,000 women in Canada over the age of 15, and about 1,350,000 of this number are in paying jobs.
>
> There are about 225,000 women working directly or indirectly in war industry, an increase of 45,000 from last September.
>
> The proportion of women thus employed is soaring and Canada looks to women to bring its new and great war industrial machinery to peak output this year.
>
> It has been estimated that 80 per cent of the jobs in industry can be filled by women. Canada does not expect to reach anything near this proportion in industry as a whole, but in some new war plants the percentage of women employees to total employees is already near this mark.

The number of mothers now at work has increased to such an extent that day nurseries are being opened in every locality of any size.

What will be the effect of this nefarious policy upon future generations? This is a cause for deep worry among more experienced sociologists. I wonder if the government has even any thought for it. Let the government adopt every imaginable social measure; they cannot substitute for education and a mother's care the framework of their secular legislation.

Ever bent on legislating, the government is now proposing to coordinate Canadian and American agricultural production. Why go to so much trouble for the farmer whom the government persist in taking away from the farm and sending to military barracks? Let them first put their house in order before worrying about the neighbours. Some will claim that farmers get postponements. A certain number of them, after all kinds of formalities, after being subjected to every annoyance, have obtained postponements of a few days, weeks or months. But, Mr. Speaker, I know farmers' sons, farm hands and even married farm owners who, after returning the request for postponement, duly filled, sworn to and addressed to the registrar, received for answer a notice to report to the training camp and a transportation warrant. To support my claims, I could give the names of hundreds of draftees: the Giroux of St. Eustache, the Beaudoins of Ste. Rose, the Ouellettes of St. Augustin, the Laroses of St. Eustache, the Girards of Oka, the Daousts of St. Benoit, the Cyrs of Ste. Scholastique, the Jolys of Ste. Rose.

How can there be coordination of agricultural production while our dairy stocks are being thinned out, our farms abandoned, our production reduced through the acts and errors of our own leaders?

Let us keep our farmers on the land; then it will be possible for us to feed our troops and civilian population. Instead of coordinating the production of the United States with our own, let us ensure production at home by granting complete exemption from military service to our farmers.

Since the adoption of the mobilization act, on June 19, 1940, how many times have I requested the government to grant such an exemption? I have never ceased asking for it, in keeping with the firm stand I have always maintained against mobilization, which is and always has been a hypocritical and camouflaged form of conscription. The alleged postponements the farmers are supposed to get are nothing but a ridiculous and cynical kind of deception. It is a new falsehood added to the series of broken promises. Thus spoke the hon. member for Richelieu-Verchères (Mr. Cardin) a few days ago, in this house. My hon. friend, who is now smiling, the hon. member for Chambly-Rouville (Mr. Dupuis) recalls this perfectly well. He is well aware of this, representing as he does an agricultural constituency. Let him state if this is true or not.

The registrars persist in calling farmers for military training without even using the measure of discernment which we have a right to expect from smart and shameless officials.

Mr. POULIOT: Quite true.

Mr. LACOMBE: Thus, through the fault, neglect and rank prejudice of a government who accumulate on their shoulders the most formidable responsibilities, the people of the country are headed toward starvation. And our so-called economists, our would-be statesmen remain impassive witnesses of the

ruin of agriculture instead of realizing into what abyss we have been led and are still being led by a policy of unrestrained waste.

(Text) Mr. Speaker, it is not possible to replace farm labour by passing bills. Agriculture is more important than war industries. If we do not maintain agricultural production we shall be heading not only toward rationing of food for the army and civil population but even toward famine. How will Canada be able to fulfil its pledge to supply the united nations with enormous quantities of bacon, wheat, milk, butter, cheese, vegetables, fruit, honey, if we do not cease once and for all calling up farmers for military training? How will Canada be able to feed its soldiers and its civilian population, and at the same time send abroad all the food we have promised? Is the national selective service in a position to solve this dire problem of farm labour? Until now its failure has been disastrous. As an instance. I will cite only the rationing of butter, and the imminence of rationing of meat in a country where wheat and many other farm products are sold at ridiculous prices, or remain in the fields, as they did last fall, for lack of help to reap them.

The government claims it is moved by the best of intentions. This is what is said in the speech from the throne. Very well. But intentions and actions are two different things. The leaders of a country should always act, whether the country is in peace or at war. With many others I belong to a generation that has lived through the two greatest wars which have fallen upon the world. I saw the civilian and military demobilization which followed the first world war. With my compatriots of all races I felt the awful reactions which burst out in the agricultural, industrial, social and economic domains after 1918. After a few years of fictitious prosperity I saw in Canada thousands of farms which were abandoned because they could no longer feed their owners and their families. I saw crooked financiers and hard-boiled loan companies, eject from his property a debtor who could not pay his mortgage.

I saw governments close their eyes on this deplorable state of affairs until, as a legislative measure and as a makeshift, they passed some bill of settlement. I saw thousands of strong young men who were only too willing to work fall under the direct relief of the state and receive the miserable allowance granted to beggars. Furthermore, a whole generation of young people who wanted work were deprived of this right, until general mobilization gave them military uniforms. This is the solution to unemployment brought forward by all governments during the post-war period.

Any measure of social legislation will remain ineffective as long as trusts continue to press down upon the people and exploit our natural resources for their own benefits, and for the benefits of a selected few. These are the worst obstacles to the application of the proper social measures which will benefit the whole population. For many years the various governments in the economic life of Canada have been run by electoral money-lenders and unscrupulous financiers. The great misfortune of our democracy is the extreme inequality of wealth, which was once condemned by His Majesty the King.

Notwithstanding all these abuses, I am willing to support any sincere attempt toward a serious and rational improvement. In the programme for this session I sincerely cannot find a serious guarantee that the most urgent social measures will be applied. I believe I am quite right in drawing these conclusions.

Another subject to which I should like to refer is the protection of our population against communist propaganda. Because Russia is fighting Germany must we in Canada give a legal status to this wicked and Godless communism? Are we losing all sense of realities to this extent? Did Winston Churchill not assert at the very beginning of war between Russia and Germany that Great Britain would help Russia but would not recognize its doctrine, its communistic principles, its form of government? Let us keep our heads on our shoulders. We must not lift the ban which at present strikes communism in our country. The government must take a strong attitude if it wishes Christianity to survive in the face of the atheistic, revolutionary and bloody doctrines of communism. Communism is atheistic because it proclaims a state without God. It is revolutionary because it has taken advantage of all circumstances—unemployment, depressions—to promote rebellions, strikes, sedition and civil war. Will legal authority bring about its own destruction by giving a legal status to the avowed enemy of all authority? Are we fostering the insidious beast which will devour the established authority in Canada?

Finally, communism is responsible for the extermination of thousands of innocent victims in Russia and in other countries where it has provoked revolutions. Since communism is basically atheistic, giving a legal status to communism in Canada would be tantamount to betraying Christianity, for which the united nations are now fighting.

Tim Buck is free, while Camillien Houde, a former mayor of Montreal, member in the

provincial legislature for the constituency of Ste. Marie, and former provincial leader of the Conservative party, has been interned in a concentration camp for more than two years. This is shameful persecution, and its authors will have to account for it some day.

I shall not dwell any longer upon matters which have been dealt with already. I like very much the genuine Canadian spirit which has been shown by certain speeches delivered by some of my colleagues. Some of them have objected to the enormous expenditures provided for in our war budget. Canada is heading for bankruptcy. Billions are accumulating in a bottomless abyss. When shall we see the end of this mad race toward bankruptcy? Nobody can tell. The government levies taxes upon taxes, launches loan after loan and makes gifts of over a billion dollars to a nation whose wealth is far greater than ours. These things have become an obsession.

Our planes, our tanks, our ships, our guns and our ammunition, all urgently needed for the defence of our coasts, are being sent all over the world. Thousands of soldiers, sailors and airmen have died abroad and others have been stationed at outposts everywhere in this mad world. Hundreds of thousands of young men have been taken away from their work and professions, even from their studies in order to answer the call to the colours. The government told them that they would remain in Canada to protect their own country, but what happened? Without parliament being consulted they were sent to Newfoundland, Labrador and Alaska, while many thousands were subjected to the worst mental tortures before they signed up for overseas service. This is infamous. This is hypocritical conscription in the most hideous form.

While our soldiers were dying at Hong Kong, Dieppe and elsewhere, war profiteers have been increasing their fees as company chairmen from $10,000 to $30,000 a year. While our conscripts are being rationed in the camps, our public men celebrate and attend magnificent banquets. Did we not see one who was elevated to the cabinet giving five or six of these banquets? What a show in a country labouring under the weight of taxes, in a country where the first necessities of life are rationed and where we shall soon see fathers and mothers being forced to travel considerable distances in order to obtain the ration books with which to feed their families!

What about the waste and the abuses which have been revealed in our war industries, the waste of materials and man-power as a result of lack of direction? Are the government incapable of controlling public expenditure? Why do they not establish some system of checking operations in all our war industries? The people who pay have a right to know what is happening to their voluntary or compulsory savings. When a country with a population of only 11,500,000 people must carry a burden of $5,000,000,000 in one year, it is urgent that we protect by all possible means the remnants of our resources and our domain. Some will say that nothing matters but victory, but it can be asserted that ruin and bankruptcy would be as disastrous if not more so than defeat.

Notwithstanding the many sacrifices that have been made, Canada is treated with indifference by the military and financial imperialists. She was not considered at the meeting which gave birth to the famous Atlantic charter; she was not represented at the Casablanca conference. Only one thing matters, to shear the sheep, if not to eat the turkey with all the stuffing. The Canadian people will never consent to become the laughing-stock of the world because they are sacrificing their blood and their resources in this war. Where there is equality of sacrifice there must be equality of glory and prestige. We have suffered enough already from the treasons which have been accomplished in the lower strata of international diplomacy.

What reward did we get after the last war? Agricultural chaos, unemployment in our industries and the birth of numerous trusts whose strength is always increasing. Equality of sacrifice should carry with it equality of privilege and representation, but what share do the French Canadians get in the administrative services? What share do they have in the higher ranks of the army? Who can answer these questions without blushing? My compatriots have paid with their blood, their savings and their resources like all true Canadians in this country, and we ask only for what is right; we ask only for justice from our government.

I repeat here what I have often said elsewhere. I sincerely hope that harmony and good understanding will prevail over the greedy ambitions of a few. I formulate this wish in the best interests of Canada. At this moment, I am closer to my colleagues from Quebec. I know how difficult it is to build anything solid on doubt, distrust and opportunism. I will express my whole thought: I deeply regret the clouds which are accumulating over the sacred union which in the past was our strength. Thank heaven, everything is far from being lost. This is why I urge my colleagues not to trust those who try by all means to divide us in order to rule.

I have done everything in my power to prevent our participation in this war. I had previously opposed the increase in our military budget, which I knew was intended for our participation in the war. On September 9, 1939, seconded by the hon. member for Quebec-Montmorency (Mr. LaCroix), I moved an amendment against our entry into the war; later on, I moved two amendments against the mobilization act, which was nothing other than conscription. In spite of the sole support of my hon. colleague, I never ceased fighting. Now, in order to avoid a greater disaster, I appeal to my colleagues from Quebec in favour of understanding, union and harmony. By all means it is most important to avoid conscription for overseas service. It would be detrimental to the defence of Canada, and it would mean the death of the last remnants of national unity and of the liberties for whose conquest we have had to fight so stubbornly.

One last word. I would not be fair toward the hon. member for Gaspe (Mr. Roy), if I did not express all my gratitude for the generous support he has granted me during the last session of parliament. Together with a few of our colleagues, we have fought for a policy which would be exclusively and honestly Canadian. I shall never forget the memorable day of February 19, 1942, when a dozen members of this house voted with us to oppose the drafting of farmers' sons. Also, I shall never forget the memorable night of July 23, 1942, when a greater number of our colleagues voted in favour of the Roy-Lacombe amendment which opposed the granting of discretionary powers which would have given the cabinet a free hand to impose conscription for overseas service by order in council. Subsequent events justify our position, and the future will prove that we were right.

Before taking my seat, allow me to congratulate the newly-appointed member for Charlevoix-Saguenay (Mr. Dorion) upon the magnificent future which can be forecast from his maiden speech on the floor of the house to-day.

Mr. BERT H. SOPER (Lanark): Mr. Speaker, after listening to the many fine speeches we have heard in this debate in the last two weeks it is with some reluctance that I rise to say a few words. First I should like to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. These two young men in uniform bore out what has been often told me by men who have returned from overseas, that our armed forces have wonderful equipment and wonderfully trained armies on all the battlefronts.

[Mr. Lacombe.]

I also wish to congratulate the new leader of the opposition (Mr. Graydon) and of the Conservative party in this house. It is a very fine tribute to that young man to be asked to lead his party temporarily. Might I also say a word in tribute to the late leader of the Conservative party. While the hon. member for York-Sunbury (Mr. Hanson) was critical at times of government policies I think he was always fair, and I know that he had the admiration of a great many members on this side of the house. I am also glad to note that if the Conservative party had to have a new leader they chose one from my native county of Leeds—although the new leader is not really showing the traditional fighting spirit of the people of that county or he would be here in the house.

The constituency which I have the honour to represent in this house is in the rural section, very much of a dairying county, and it is on behalf of the dairy farmers that I wish to say a few words. We have heard a great deal from the farmers of the west, the wheat growers, and we have heard of the difficulties of the raisers of beef cattle in our own province, but really the farmer who is to be pitied is the dairy farmer. He has a job 365 days in the year. Other farmers, I admit, have their busy times, but they do not have the long and arduous hours that the dairy farmer has, and with the present shortage of farm labour I am sorry to say that we are losing some of our best dairy herds. The farmers' sons have joined the armed forces or gone to work in munitions plants, the fathers and mothers are getting older and find it harder to carry on, but in spite of all that we had an improvement in our dairy production last year and the year before. But do not forget that the fathers and mothers are getting older, are more worked out, and cannot be expected to handle the work unless they can get more help. I should like the government to be as considerate as possible regarding the dairy farmer and the price he receives for his goods.

In manufacturing, our county, I think, has been very well used. We have at the present time about fifteen manufacturing plants which are engaged chiefly on war work, probably to the extent of ninety-eight per cent; the people working in them are well paid; and although at times, no doubt, there have been some disagreements, they consider they have been fairly well treated by the Department of Munitions and Supply, and are receiving a reasonable share of raw materials and contracts.

I also have in my county one of the largest line divisional points of the Canadian Pacific

railway. Probably some hon. members are aware of this fact because they spent considerable time with us yesterday when they were snow-bound. The people who make up that vast army of Canadian Pacific workers are very loyal; a great many of them have sons in the army. We never hear of labour troubles; all they seem to think of is, get on with the war effort and win the war. But I often wonder what is the present opinion of those people who a few years ago were advocating the amalgamation of our railroads. I am sure that everyone, whether or not of the same faith of our Prime Minister (Mr. Mackenzie King), agrees that he was a man of vision when he said, "Amalgamation never, cooperation ever." If a certain number of our lines had been torn up and much of our equipment scrapped, in what position would we be to-day? At the present time we are using every last line and every bit of equipment which both railroads can muster. The car in which I came to Ottawa this morning has been on the Canadian Pacific railway for twenty-five years and is still going strong.

The butter situation has been mentioned in the house two or three times. I must say that I was very sorry that, in a dairy country such as Canada is, it was decided to ration butter. I do not believe that it was necessary. If the wartime prices and trade board or whoever was in authority had not talked so much about it and given so much information to the newspapers, thereby getting the public scared and thinking of hoarding, I believe we would have come through without any such restriction. I am sure we shall get our reserves back to where they should be, and I hope that the order will be cancelled as soon as possible.

A word about potatoes, because the situation has been very bad in the last month in our cities. I do not want anybody to think that I am not in favour of the wartime prices and trade board. I am; I think they are doing and have been doing a wonderful job, and that without them we should have very hard times later on. My county is about half industrial and half farming, and they are the two classes of people that are hurt the most by inflation. However, I am afraid that the economists gave the wartime prices and trade board some bad advice with regard to the distribution of potatoes. It looks to me as though they had advised them that they could get along without the middleman. Anybody who knows anything about the distribution of farm products knows that we cannot dispense with the middleman, and had the wartime prices and trade board called in some of the members of this house they would have got better advice. One hon. member I have in mind in this connection is the hon. gentleman who represents Victoria-Carleton (Mr. Hatfield) on the opposition benches, and who has had a great deal of experience in the distribution of farm products. I know also that there are hon. members on our side who could have given the board good advice along that line.

Another question to which I would briefly refer is, where are we going in the matter of erecting temporary buildings in this city, where living accommodation at the present time is taxed beyond all reason? I understand that in many instances girls who are not in very good circumstances have to live three and four in a room. I do not see why the government could not have moved some of the departments which are less essential to the war effort to some of the fine towns in the surrounding country. We have a number of cities wherein buildings could have been adapted to office use at a reasonable cost, where housing accommodation would have been more adequate, and, no doubt, much cheaper. There are, for example, four fine towns in my own county—Almonte, Carleton Place, Perth and Smiths Falls.

I was pleased to see in the speech from the throne some reference to social security. It is a matter about which I feel very strongly, because I am sure nothing makes for a better feeling among our people than the knowledge that they will have economic security in their old age. I should like to see the allowances raised to old age pensioners, to the blind, and to disabled veterans. A few years ago we thought that forty dollars a month was quite a generous allowance to those entitled to the old age pension—I am sorry that any of them have to draw it—but the situation is quite different to-day and these people are entitled to much more.

I trust that when the Minister of Finance (Mr. Ilsley) brings down his budget he will have some announcement to make with regard to the Ruml plan. Although I am not very well qualified to speak about it, I have read through the proposal, and I am sure that anyone who has done so will agree with me that it is an advanced step and one that should be taken in this country. Why should we be paying next year on something we have earned this year? It is bound to catch up with us some time. Some people say we are dropping a year's taxes, but we are not. We shall have to pay, and the only time that we shall be dropping a year's taxes is when we die.

We have had a great many controls, but one control which I hope will never be relaxed is the one that stops people from instalment buying. Instalment buying was one of the worst things that our people ever had. A man could go in and with a slight down-payment, practically nothing, buy something, paying an extra carrying charge. He has to keep on paying interest, because no one is selling goods to-day without getting payment for the use of his money, and the bookkeeping which that system involves.

Mr. W. F. RICKARD (Durham): It is not my intention to dwell at any length on the address in reply to the speech from the throne. We have listened to-night to two farmer members speaking in this house. While the hon. member for Lanark (Mr. Soper) is not perhaps directly a farmer, he is very much interested in farming, having operated a dairy farm. The hon. member for Macdonald (Mr. Weir) is a real farmer. With what these two hon. gentlemen have said I am in total agreement in a great many respects, particularly with the views of the hon. member for Macdonald on the controlling of some of our produce. I am not going to repeat what he has said. I did intend to say a great many of the things that he has said, but as he has said them I will take them as conveying my ideas.

At the risk of repeating what has been stated already, I wish to congratulate the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne, not because these hon. gentlemen did a really good job, as in fact they did, but because they represent the armed forces of this country. They are two men who have served in the forces overseas and who expect to go back and serve there again. They are worthy of our commendation.

The speech from the throne has given us a summary of our war record during the last year and of what we propose to do in the post-war period, and I believe it has given us, as individual members, something to think about, and has given us a place in the economy of the country. That is very necessary because the ordinary member of parliament has been, perhaps, too much forgotten in the past. The ordinary member of parliament, no matter how humble he may be, can offer the government some suggestions which would be of some assistance, and I often think governments, if they paid more attention to some of the things which ordinary members of parliament say, would not get into so many difficulties. There are many people to-day who think we have too much government by order in council and too much government by those who are outside the administration, and I am inclined to believe that they are not very far wrong. I hope the day will soon come when we shall get away from this kind of thing and get back to a little more democratic government by the members themselves. I can understand that it is necessary, in war time, to pass orders in council and have legislation of this kind, but when the house is sitting, and when we have an opportunity to say what we have in mind, we should be given that opportunity.

The Prime Minister (Mr. Mackenzie King) has given us a fine record of the war effort during the past year, and to my mind it is a record of which we can well be proud. When we think of a country with a population of less than twelve millions and compare our war effort with that of any other country in the world in this war, it is nothing less than a miracle. When we think that in 1939 we had practically no army, no navy, no air force, and that to-day, in less than four years, we have in the active army about 420,000 men, in the air force about 160,000, in the navy about 47,000, and 500 ships, as well as at the present time nearly 95,000 men on active service who have been called up under the mobilization act, it is a wonderful achievement. In the first five months of 1942, we had enlistments in the army of over 10,500, in the air force of over 3,900, and in the navy of over 1,350, and in the second five months, in the army something over 12,000, in the air force over 7,500, and in the navy, something over 2,000, or nearly double that of the first five months of 1942. This speaks well for the plan that has been adopted by this government.

The house leader of the Progressive Conservative party (Mr. Graydon), in his splendid speech—and I wish to congratulate him upon his promotion to that important position—spoke for nearly two hours and enunciated the policies of that party, what took place at Winnipeg and what took place at Port Hope. To my mind the winning of the war is the most important thing. That is what we should centre our attention on to-day, and not on the political ambitions or policies of any party. He offered some suggestions which I am sure will be received by the government, but for the most part he dwelt on the policies of the party. The leader of the Cooperative Commonwealth Federation party (Mr. Coldwell) and the leader of the Social Credit party (Mr. Blackmore) did the same. That is all right so far as politics are concerned, but we have

a more important job. I am not saying that we should not give some consideration to post-war problems, because I think we should. I believe that this country should be in a position to offer to the men who come back from fighting our battles overseas something worthwhile so far as social security is concerned, but I think we have a long time yet to discuss those problems and put them into shape before the war is over, because I do not think it will be won in a year or two.

What I am most interested in is agriculture. Being a farmer, I know something of the condition of the farmers and particularly of how they feel in the riding which I have the honour to represent. The Minister of Agriculture (Mr. Gardiner) made a very fine speech. I do not think there is any man in this house who can make a better speech. But I think he will have to go into every riding—I was going to say in the dominion, but in Ontario at least—and show the people that what he said is right. I am not disputing that what he said is right, but there are a great many people to-day who think something more might be done than what the Minister of Agriculture told us in his speech. Farmers to-day think we have too much government by men outside the government. They may be good men in their own line but I am afraid that they do not understand the problems of the farmer and the condition of agriculture. For years farmers have not had an even break with industry. They consider that with this war on and their produce in so much demand they should be given a little better deal. I believe that the Minister of Agriculture should be more responsible for the distribution of food and for the prices that the farmers are to get for their produce, now that we have started paying subsidies. To my mind there is no man in Canada who knows agriculture or the problems of the farmer better than does the Minister of Agriculture, and I do not believe there is any man in Canada who is more sympathetic to the farmers than he is. I should like to see him the head of a separate food board.

The farmers feel that they are working more or less in the dark. I mean by this that they have no assurance that when they produce they will get the same price for any length of time. I do not mean, as some have said here, that they have not been given direction by the government or by the Minister of Agriculture and his officials, who I believe have done a wonderful job in that regard. But the farmers consider that they have no assurance that if they produce they will over a period of time get anything like the same price.

Agriculture is a long-range business. We cannot produce cattle, hogs, milk, cheese and eggs overnight. We want reasonable returns over a period of years. We cannot understand why cattle should be fifty cents or seventy-five cents higher one week than the next week when there is a scarcity of beef. The same applies to hogs; why should hogs be twenty-five cents a hundred pounds dearer one week than the next when we are shipping seventy per cent of our bacon overseas and have a good market?

Much has been said about butter. I do not wish to repeat anything along that line particularly, but I believe there is discrimination between the farmer who produces butter, who sells his cream to a creamery, and the farmer who makes butter at home and sells it to the storekeeper if he can. The circumstances must be considered; roads and conditions of different kinds, the distance from centres where cream trucks do not go, all have a bearing on the price that the farmer should get.

Mention has been made of rationing. I have before me a copy of the rationing of the people of Great Britain. There is no comparison between the way we are rationed and the way they are; they are rationed far more than we are in everything. But I think that if there were not so much advertising of shortages, whether it be beef or butter or whatever it be, over the radio and through the press, we would not have so much hoarding and so much scarcity; there would be a more even distribution.

I believe we should have a floor as well as a ceiling for farm produce prices. As far as live cattle are concerned, the farmer to-day would, I believe, be satisfied with twelve cents a pound live weight for the winter months, perhaps a little less for the summer months, but around twelve cents a pound would, I think, satisfy the farmer. Then the price would not go up and down from week to week.

A board should be established that would take care of any surplus in any of these lines. I have an instance of a farmer who bought some plymouth rock pullets. He bought these pullets at $1.40 each, ready to lay. The pullets and feed cost him $720. In October he was selling his eggs at 47½ cents for grade A large; the last of January he was selling them at 33 cents, a drop of 14½ cents; yet we are told that we want more eggs, that we should produce all the eggs we can. I know another man who bought six hundred plymouth rock pullets and sold them to a Jew for $1.60 each for meat, figuring he could make more money in that way than by keeping them for laying.

These are the things that trouble the farmer to-day, no stable prices. We consider that

we have a good market. Scarcity of labour on the farms is of course an important factor, but I believe that is not so much because the boys from the farms have joined the army. They have done so in goodly numbers, but that is their privilege in a democracy. The reason for the scarcity of labour is that industry has been allowed to pay too high wages, especially when contracts are on a cost-plus basis. Every farmer wants to see his son do his duty to his country; the boys want to do their duty, and as I have said, have done so in many instances. But a farmer cannot compete with industry so far as wages are concerned. We have about a million men and women in industry to-day, and that is a big drain on agriculture. The hon. member for Dufferin-Simcoe (Mr. Rowe) the other evening said that we should have more men on the farms. But I well remember that in one of his speeches or if not, in the policy of his party at the beginning of this war, they said that we should have a million men overseas. If we have a million men overseas or in the army at home, where will they come from? Some of them must come from agriculture.

Just a word about the selective service board in military district No. 3. I believe the board there has been most fair in its consideration of farmers' sons. Some mistakes may have been made; some boys may have been called that should have postponement, but all in all I believe that the board have done a really good job, and where the proper information has been supplied to the board they have in nearly all instances been giving good consideration. I still believe, however, as I said here before, that farmers' sons could very well have been given total exemption, that is, farmers' sons who have always remained on the farm and made their living on the farm. There would not have been nearly as much dissatisfaction or nearly as much interference with agriculture as there has been.

The new regulations brought down by the Minister of Labour (Mr. Mitchell) should be of some assistance. The minister has said that wages should not be allowed to decline, and on the other hand not allowed to rise unduly, on account of the danger of inflation. With that I entirely agree. Farmers to-day do not want inflation, although through inflation they stand to lose less, perhaps than any other group of men. They are willing to send their boys to fight the battles of this war. They are willing to give their money, if they have any, to victory loans, and to all charitable organizations—as they have done. They are even willing to pay their income tax, if necessary. But they do want a more definite price, and a more definite programme over a period of years.

I am leaving these few observations with the government, and particularly with the Minister of Agriculture, in the hope that something I have said may be of some assistance to the farmers of Canada.

Mr. L.-PHILIPPE PICARD (Bellechasse): Mr. Speaker, it is most gratifying to all hon. members that the present debate on the address in reply should, with few exceptions, have been kept on the higher plane of national service and national policy, thereby indicating the sincere belief on the part of most of us that we shall be appreciated according to our realization that our foremost thoughts should be the efficient performance of our share of that effort necessary to ensure the liberation of the world of to-day from oppression, and of the world of to-morrow from fear and from want.

Our discussions have been marked by an apparent desire, whether by praise or constructive criticism, to strengthen the hands of the government in its pursuit of the war effort. With but little petty criticism and untimely recrimination, all the more noticeable by its scarcity, there has been an evident desire by all to serve in the execution of our mandate, in order to remain worthy of those of our compatriots who have the greater and nobler task of serving in a more arduous and meritorious way.

The example given to us by the mover and the seconder of the address in reply, both of whom have had the privilege of serving in the house as well as in the army, has evidently been felt in the debate. They deserve our praise and our congratulation, not only upon the splendid way in which they worded their sentiments and thoughts, but also upon the higher tone which they imparted to this debate.

The care showed by most to cooperate and to render constructive even their criticism is a welcome improvement on some of the bitter exchanges of yesteryear.

In the same spirit I intended to make a study of the speech from the throne. However, at this advanced stage of the discussion, I might even say at this advanced hour of the evening, I have decided to leave for future debates such considerations as I should like to make on the broader aspect of the man-power question as well as on the administrative set-up of Canada's industrial war effort. I shall therefore limit myself to-day to general observations on a few questions.

One of the important references in the speech from the throne is the social security problem, a study of which may well lead one into an analysis of the different possibilities of reshaping the world of to-morrow. This first step toward a full study of necessary social reforms is one in the right direction, and it must be comforting to the Prime Minister (Mr. Mackenzie King) that most parties seemed to agree on that, the opposition criticism appearing to be that some part of their programme had been stolen, while we are of opinion that this is but the normal sequence to a number of measures for which the Prime Minister may claim credit. The decision to refer this vast question to a special committee is to be commended in that it will take it, right from the first, away from political controversies in this house and enable anybody, any group or party to refer their plans and their views to the committee for close study and careful consideration, thereby saving precious time for the house to carry on its work.

Another question which has already been the subject of many comments is the lease-lend appropriation advocated by the Minister of Finance (Mr. Ilsley). When a measure of somewhat similar nature was presented to us last year in the form of a grant of one billion to the United Kingdom, I agreed to it because I felt that a country that had been spared the actual sacrifices of war on its own territory, a country that had not been invaded and trampled and massacred as had Russia and China, and a country that had not been subjected to the most horrible aerial warfare, as had Britain, could make further financial sacrifices as a sort of compensation, I may say, to those who had been in the path of the monster and who had delayed so much, as to render it nearly impossible now, his direct assault on us. Those were the motives which made me accept last year's proposal. The way in which it was presented and the poor and insufficient explanations given to the public were such that many still think we took one billion in gold from our treasury and gave it to Britain. What we did was to provide the tools of war for those who were in the front line of defence and could not pay for it. That money was spent in Canada, provided work for Canadians and used Canadian materials. What I did not like about it was the way in which it was done, handing everything to Great Britain, which took the credit for transferring afterwards part of it to China and Russia. If there is truth in what has been published in a Canadian paper lately, to the effect that part of it was directed by Britain to Australia and New Zealand who paid Britain for it out of their credit balances in Britain, I like it less.

But the way in which the lease-lend appropriation is presented to-day should not provoke the same objections. It appears to be an improved, more dignified and more nationally conscious form of financial help to world freedom.

The motives are the same as last year, but the method of doing it is greatly improved. We thereby take one more step to manifest our complete independence from and equality with Britain. We appear no more as the vassal bringing tribute but as the equal partner who puts his assets in a common pool with those of his partners, the United States and the United Kingdom, so that they may jointly decide where they may be better used for the safeguarding and ultimate victory of the united nations. The deciding voice as to the allotment of the goods produced in Canada by Canadian workers and with Canadian materials will remain in the hands of the Canadian government, and rightly so. This makes me more enthusiastic for the vote I shall give, if needed, in favour of this appropriation.

I did not intend to speak on the man-power question, but I should like to say a few words about agricultural labour. It has been comforting during this debate to hear so many members from all sections of Canada, in all political parties, the opposition as well as the government, urging the necessity of keeping all possible hands on the farm in order to maintain the level of agricultural production as high as possible. In the early days of the war it was not considered to be the right thing to speak about exemptions or deferments for any special class of the population. At that time it seemed to be the monopoly of the Quebec members to remind the house of the urgency of ensuring better farm production by exempting or deferring farmers' sons and farm hands. I did so myself on two occasions, but I was criticized for it. We were told that we were overdoing it. Therefore it is a real pleasure to know that so many members from all parties and from every province have indicated one plan or another to ensure a proper flow of labour to the farms of Canada.

In this regard I wish to commend the director of national selective service and the Minister of Labour (Mr. Mitchell) for their letter of February 3 to the mobilization boards explaining the future policy of the government with regard to bona fide farmers. However, much more enlightenment will have

to be given before the situation can become clear and the decisions of the board based entirely, not on certain peculiarities of a case but in the general interest of agricultural production in a given district.

In order to illustrate my point I should like to cite a story of a farmer boy in my own constituency. This boy has worked all his life on the farm; from the time he left school until he reached the age of twenty-four years he had worked on his father's farm. His father had no other sons except some younger children, aged fifteen, thirteen, eleven and nine years of age, respectively. The father operated a farm of 195 acres, of which 185 acres were in cultivation. He had ten cows, four horses, thirteen hogs, and sheep and poultry. Last year he produced 700 bushels of oats, 8,000 bales of hay, fifty bushels of barley and 200 bushels of potatoes. This farm is considered to be quite a large farm in that part of Quebec.

The boy was called up on July 15, 1941, under the mobilization act, and he reported for medical examination. He was classified as B2 and received a nice letter from the registrar stating that since he was in a class not yet callable, he was at liberty in the meantime to engage in any other pursuit. During all that year of 1941, when he had been classified B2, he worked on the farm with the exception of six weeks during the winter when he went to a lumber camp.

In 1942, at the end of June or early in July when most of the early work on the farm was done, he met an agent of a shipbuilding company located near Quebec, about thirty miles from the farm. This agent wanted to know why he had not called on him because they were in need of men. The farm work was finished for the spring and the wages were good, so he went to work for the shipbuilding company near Levis. This company was making corvettes and other ships for the United Kingdom, the United States and other united nations. He worked there except for a week or so during the fall when he went back to the farm to help gather the crop, after which he returned to the factory.

In the meantime he had arranged for a young man to take his place on the farm and help his father, and he paid this young man out of his wages. He remained at the factory until December. Late in December or early in January his category B2 was called, and he reported again. Under the plans entered into between the department and certain industries, about which there seems to be great secrecy, the reason for which I cannot understand, he was considered to be in a class not essential to the pursuit of the war. Therefore he reported to his mobilization board and asked to be assigned to farm work for the next year. They denied his request because out of his life of twenty-four years, or out of ten years of usefulness on the farm he had spent less than six months, apart from the week spent gathering the crops, in an industrial plant.

Here is a boy who has spent all his life on the farm except for six months. He is needed on the farm, and the board admits that the farm is of a size that would warrant the employment of more than one man in order to have it operated efficiently. The board admits that there are no other sons in the family, that the father is alone and that he is, let us say, twenty-five per cent incapacitated by sickness. Yet this board has ruled that because the boy worked six months in an industrial plant he shall not be permitted to go back to the farm where he belongs. That is his punishment for having left the farm for those six months. They decided that he should go back to the army and then in the spring put in a request for six months holidays from the army in the busy season, which request could be vouched for by the father.

On motion of Mr. Picard the debate was adjourned.

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

Wednesday, February 17, 1943.

The house met at three o'clock.

CATTLE

PRESS REPORT AS TO PROPOSED SALE IN WISCONSIN OF CANADIAN PACIFIC HOLSTEIN HERD

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): I should like to ask the Minister of Agriculture two questions. Has he been informed of the announcement that the Canadian Pacific Railway Company intends to sell in Wisconsin, United States, its large herd of 250 holstein cattle from the company's farm at Strathmore, Alberta? If so, will the minister tell the house what the government has done to retain these valuable dairy cattle in Canada?

Hon. J. G. GARDINER (Minister of Agriculture): I have no information with regard to the matter other than what has been contained in the press. I have seen a notice there to the effect that the Canadian

Pacific Railway Company were selling their herd. So far as I know there is no restriction on selling breeding cattle in the United States or on their selling cattle in Canada.

Mr. BLACKMORE: Is the government not taking any steps to retain these cattle in Canada, either by buying them or by some other means, in order to ensure that Canadian breeders will have access to them?

Mr. SPEAKER: Order.

BUSINESS OF THE HOUSE

QUESTION OF CONSIDERATION OF ESTIMATES BY SPECIAL COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Speaking in the house on January 29 the Prime Minister made reference to the consideration which the government has been giving to the appointment of a committee on estimates. I think it would be the desire of the members of the house generally to scrutinize in greater detail the estimates brought down this year by the government and to avoid a repetition of what occurred at the conclusion of the last session. I should be very glad to have the Prime Minister indicate to the house what policy the government intends to pursue with respect to effecting a closer audit by the members of the house of these estimated annual expenditures.

Right Hon. W. L. MACKENZIE KING (Prime Minister): As a matter of fact I have been waiting until the estimates were tabled to have a word with my hon. friend and the leaders of other groups with respect to the possibility of referring the estimates, either in part or in whole, to a committee or committees. I expect that the estimates will be tabled immediately after the conclusion of this debate, which I hope may be to-morrow night. In that event I shall be glad to have a meeting with my hon. friends with respect to this matter.

LABOUR CONDITIONS

REFERENCE TO ADVERTISEMENT BY STEEL COMPANY OF CANADA IN DAILY PRESS

On the orders of the day:

Mr. CLARENCE GILLIS (Cape Breton South): I should like to direct a question to the Prime Minister in connection with certain advertisements which are appearing in nearly all the Canadian papers. I bring this matter to his attention because of his statement on Friday last that henceforth the national war labour board will be in the nature of an industrial court, and the protest made by the Minister of Labour (Mr. Mitchell) against my referring to the steel dispute during my speech on February 4. I should like to draw the attention of the house to the full-page advertisement appearing in the daily press of Canada and published by the Steel Company of Canada, denouncing the organized steel workers and accusing them of the grave crime of treason. I wish to protest against this dirty and provocative advertising—

Some hon. MEMBERS: Order, order.

Mr. GILLIS:—particularly as it will undoubtedly—

Some hon. MEMBERS: Order.

Mr. SPEAKER: If the hon. member has a question to ask he is allowed to lay the foundation for it. He should now ask his question without making any other reference or offering any opinion.

Mr. GILLIS: Does the Prime Minister think that advertising of this kind tends to a peaceful solution of the dispute now being adjudicated upon by the war labour board?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not believe that what I think would matter one way or another. I have not read the advertisement to which my hon. friend has just referred. To tell the truth, I spend less time on the advertisements than I do on any other part of the paper. However, I should think that if the advertisement referred to is adding to existing difficulties in the steel industry the national war labour board itself will probably take cognizance of the matter.

Mr. COLDWELL: I should like to ask the Minister of Finance if this particular advertising is allowed to be charged by the corporation as part of its operating expenses?

Mr. ILSLEY: My colleague the Minister of National Revenue (Mr. Gibson) would be the one to answer that.

CANADIAN NAVY

STATEMENT WITH RESPECT TO ARTICLE IN "BOATING" MAGAZINE BY COMMANDER A. D. MACLEAN (RETIRED)

On the orders of the day:

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): Mr. Speaker, a few days ago the leader of the Cooperative Commonwealth Federation group (Mr. Coldwell) and the leader of the official opposition (Mr. Graydon) placed questions

on *Hansard,* and asked for a statement in regard to an article entitled "Fairmiles and Foul" which appears in the January-February issue of a magazine called *Boating.* I regret that some time elapsed before I was able to gather together all the information necessary to make a full statement, and I regret still further that the statement itself must occupy some little time. But the article in question, together with editorials and other articles in the January-February issue of *Boating,* occupied practically the whole magazine, and it has been necessary to traverse a good deal of ground in order to be able to make an appropriate reply.

The article purports to criticize the building and manning of Fairmile boats in Canada and their operation by the Royal Canadian Navy. The article was written by Andrew D. MacLean, Commander R.C.N.V.R., retired. It is quite a long article. In places it expresses the writer's opinion. In others it purports to state facts. I shall not attempt to deal with every statement of opinion or with every insinuation contained in the article. I shall deal chiefly with what the writer alleges to be facts, and I shall make such comments on these allegations as I can make from my own knowledge or from information supplied to me by officials of my department or by other reliable sources.

Training of crews. One of the first statements which Commander MacLean makes is with regard to the training of crews for these Fairmiles. On the very first page of his article, page 7 of the magazine, he says:

> The senior officers of the Canadian Navy prefer to run things in their own particularly obscure manner....and make no difference between the training of Fairmile crews and the maintenance of the 600 h.p. Hall-Scott engines than they do for men and the steam machinery of corvettes, minesweepers and destroyers.

Again, on page 9, he says:

> No special training was given our officers or men on being accepted volunteers for the Fairmiles service.

These are some of Commander MacLean's statements, and I should like to point out what the facts are. The facts are that before any Fairmiles were completed in Canada, engine-room crews were given special training in the running and maintenance of Hall-Scott engines, which are the engines used in these boats. Beginning early in 1941 and going on until February, 1942, two engineer lieutenants, one warrant engineer and fifty-four specially selected chief motor mechanics were sent to the Hall-Scott works in Berkeley, California, to undergo a complete course in the management

of the Hall-Scott type of engine. The men who were given this special training had, prior to their entry in the Canadian Navy, considerable experience with internal combustion engines, such as the Hall-Scott engines are. Upon completing this course one of these men was detailed to stand by each Canadian Fairmile as the machinery was being installed. One of these men was also a part of the crew of each vessel commissioned. As the shore repair staffs for Fairmiles at Halifax and Esquimalt became more familiar with the maintenance and operation of the Fairmile machinery, it was found that training which formerly had to be undertaken in California could now be efficiently conducted in this country, and accordingly the practice of sending men to California was discontinued.

In addition to this training in the maintenance and operation of Fairmile machinery, the naval mechanical training establishments at Halifax, Esquimalt and Pictou ran special courses in internal combustion machinery. This was general training for the class of engine to which the Hall-Scott belongs.

On page 9 of the article Commander MacLean says:

> By August, 1942, out of more than thirty boats in commission only ten were fit for operational duties as a direct result of Ottawa's failure to provide specialized training and adequate, specialized base facilities.

The fact is that in August, 1942, there was a completely adequate number of trained men available to operate each Fairmile then in commission. In addition there was an adequate number of replacements available to take care of any emergency which might have arisen. A special branch of the Canadian Navy had been established for internal combustion engine ships. This branch corresponds to the regular stoker branch in the navy.

Providing crews before boats are ready. The second allegation with which I should like to deal is that in the autumn of 1941, twelve officers and seventy-two men waited at Toronto for some six weeks before they could actually man the ships and bring them down through the lake and river to the east coast.

It must be pointed out here that it is very common practice to send some officers and key ratings to every new ship some time before the ship is accepted. It is obvious, I think, to anyone who reflects upon the matter that men cannot arrive on a new ship, accept her, commission her and begin to operate her

all in one day. Some considerable period of instruction and of getting acquainted with the machinery is necessary.

The Fairmiles to which Commander MacLean refers in this instance were launched in July and August, 1941. We fully expected that they would be ready for acceptance much earlier than they actually were ready. Delays were caused by the difficulty in securing equipment, some of which had to be got in the United States, and it was not until the first days in November that the ships could actually be taken over by the Canadian Navy and sailed for the east coast.

Commander MacLean goes on to say that in the spring of 1942, "twelve boats had complete crews provided three months before they were needed, or 192 officers and men with nothing to do for ninety days." My information is that this statement is directly contrary to the fact, and some reflection would seem to show that my information is correct. The month of May is the first month in which wooden ships, not large ships, either, as these Fairmiles are, could safely leave great lakes ports for the east coast. If Commander MacLean's statement is correct, it would mean that complete crews for these twelve boats had been sent to the lakes in the month of February, when the rivers and lakes are completely frozen over.

Paying off Fairmile crews. Commander MacLean goes on to say that the crews of five boats were paid off in Halifax in December, 1941, "because of an artificial shortage of officers created by the opening of special schools before we had enough people to man the ships so urgently needed at sea." My reply to that statement is this, that the Canadian navy had to make the best disposition possible out of the men it had in the service.

Its principal task then was, and still is, that of escort work across the Atlantic. That is work which Fairmiles cannot undertake, at least for a transatlantic voyage. Corvettes and other ships of that type were urgently required for this duty, and so, too, were officers and men to man them. In December, 1941, training facilities were not available to the same extent as they are to-day, and in view of the shortages of personnel, the manning commander at Halifax had to use the available men on the ships where they were most urgently needed. Hence it was not the opening of special schools which deprived Fairmiles of crews in the winter of 1941. It was the urgent need of personnel for the larger ships which could be used as transatlantic escorts.

Dinghies for Fairmiles. Commander MacLean then refers to the dinghy supplied for these Fairmiles, and says that it was a joke. "Heavy beyond belief, it would not handle under oars or sail and was unsafe with more than two people on board."

The dinghies supplied for the Fairmiles were built, just as the Fairmiles were built, in accordance with designs worked out by the British Admiralty. It is not true to say that they would not handle under oars or sail. In this instance Commander MacLean is giving an opinion, but I prefer to take against his opinion the view of the director of naval operations, Captain H. N. Lay, an officer of vastly greater naval experience than Commander MacLean, and an officer who has won two decorations in this war for his gallantry in actual naval operations. Captain Lay paid a visit to the shipyards building Fairmiles in the month of October, 1941, and he reports as follows:

> I took particular notice of the ten feet dinghies which are supplied to the Fairmiles built. This boat is an extremely well built one, very strongly constructed, and should stand up very well to the handling it will receive during service. It is slightly on the heavy side, but as a davit is fitted for lowering, it is considered that this is an advantage rather than a disadvantage.

Guns for Fairmiles. The next allegation of Commander MacLean deals with guns. He says this on page 9 of his article:

> The guns supplied were from eighteen to thirty years old and the ammunition of United States origin and very doubtful history. . .

As in the case of the dinghies, the guns supplied to Fairmiles were the same as those specified by the Admiralty for the same class of boats built for the Royal Navy. The guns for the Fairmile boats were obtained originally, in part from the Admiralty and in part from the United States Navy. The type of gun fitted to our Fairmiles was the one deliberately planned to be fitted, as laid down in the plans and specifications received from the British Admiralty. It is not a question here, Mr. Speaker, of having the perfect gun. It is a question of taking the best that you can get at the time.

But since the Fairmiles were originally armed, now nearly two years ago, I am happy to say that a better type of gun has become available, and is being fitted in the Fairmiles. I say further that the problem of securing better armament for these Fairmile boats and for all other types of ships used in the Canadian navy is one which is constantly under review by competent gunnery experts and armament specialists. These men are in touch

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with the Royal Navy on the subject all the time, and whenever better armament is available for any Canadian ship, it is procured.

To illustrate the attitude which Commander MacLean has adopted throughout the article, I should like to refer to a photograph on page eleven, which he captions:

Lesson in Fire Power for the R.C.N. Picture shows Fairmile of the Royal Navy on patrol in the North sea.

I am advised and I believe that the vessel shown in the photograph is not the same type of vessel we use at all; it is a Fairmile of a totally different class, one used against German E-boats, whereas our Fairmile is used against submarines. I think it is strange that Commander MacLean, who sets himself up as a great expert on Fairmiles, should make so grievous a mistake as that.

Electrical equipment. Then he deals with the question of electrical equipment and complains that in Canada we have maintained the English standard voltage of 24 instead of the north American standard of 32 or 110 on our Fairmiles. It may be said in reply to this charge that the electrical supply of 24 volts is not only in accordance with Admiralty design, but was also determined by the voltage of the generators supplied with the main engines. There was no option in the matter. We had to take the generators as they were or go without them.

It is true that two increases in electrical power supply have had to be made on these boats, but these changes were made necessary by the introduction and development of new equipment since the original Fairmiles were designed. It must be remembered that the present-day supply of electrical equipment is very limited indeed, and the retention of the 24 volt and the introduction of the additional 110 volt systems were the most feasible and economical and the only practical arrangements which could be made in the circumstances.

The *Lynx*. Then Commander MacLean refers to the breaking-up of the *Lynx*. The *Lynx* was one of the yachts which the navy procured in the early days of the war and converted for naval purposes. He says, on page 30, that he was appointed to command the *Lynx*, which was to be the mother ship of certain Fairmiles, that shortly after his appointment he went on leave, and that on his return the *Lynx* was being broken up for scrap metal. He goes on to say, "A signal had been misread."

Nothing could illustrate the unreliability of this gentleman any more clearly than this statement about the *Lynx*. While the *Lynx*, which was a very old yacht, had been condemned as unseaworthy and unsafe and unfit for service, and while her machinery had been taken out, she was not being broken up at the time that Commander MacLean returned from leave, nor has she since been broken up for scrap metal. She is still lying at a dock in a certain eastern Canadian port.

Delays in building. Commander MacLean complains next of the great delays that occurred in the building of these Fairmiles, due, as he claims, to lack of intelligent priorities on engines, tanks and fittings. He says that it takes two to three times as long to build these boats in Canada as it does in Britain.

I should be the last to deny that there have been delays in the shipbuilding programme for Fairmiles. Here, it must be remembered, there was a new industry for Canada. New sources of supply had to be developed; new materials and new machinery had to be secured. Shipyards had to be built in some cases and their staffs had to be organized in almost all cases. There is bound to be delay in any country in such circumstances, but I must point out that in Great Britain several designs of Fairmiles are produced, whereas Canada produces only one type, and that is the Fairmile used in anti-submarine work.

In Britain, again, boats are built on the mass production principle, but even with this mass production method it takes from five to six months to build a Fairmile in Great Britain. In this country, as I said before, we built and are building Fairmiles to the British design. The first contract was let on December 17, 1940. The contractors were required to build the hulls only. The department supplied special equipment and machinery. In procuring this equipment and machinery very many difficulties and delays were encountered.

In a war where there are great demands upon every form of mechanical production, difficulties and delays are inevitable at first. I believe, however, that any shipbuilder building Fairmile boats will say that so far as the naval service is concerned it has done its utmost to help out the situation. For example, in the first month of the building programme, representatives of the naval service met with the contractors, with the builders of these boats, to clear up certain problems that were presented by the plans and specifications, and this contact with the builders has been maintained ever since. There are on file at naval service headquarters many letters expressing the builders'

appreciation of the help received from the naval service, and I have seen no letter or communication of any kind to the contrary.

As to the comparisons between the rate of building in this country and in England, as I have said, England employs the mass production method and even by that method it takes from five to six months to build a boat there. In Ontario, where most of these boats were built in the lake yards, from the time the first keels were laid, early in 1941, until the boats were commissioned, the average building time was eight and a half months. In the case of one firm, the time taken was six months and six days, and last year, 1942, one firm delivered one of these vessels in three months and twelve days from the laying of the keel. This is a splendid tribute to the zeal and skill of our shipbuilders.

Idle shipyards. The editorial which appears in the magazine *Boating*, on page 6, states that "of the five Fairmile building yards in Ontario, two are very busy and three have no Fairmiles to build." The facts are that there are seven Fairmile yards in Ontario, and in all seven yards Fairmiles are in various stages of construction at this very moment to the total number of ten.

Delivery of engines. In the article, Commander MacLean alleges that engines were delivered to some yards six months ahead of time, and in other cases the builders could not get engines when they required them. I will say, in answer to that, that there is no case known to me or to the department where engines were delivered to yards six months before they were required. As the engines were received by the navy at Toronto, they were shipped to the builders whose vessels were in the most advanced stage. There were some cases where builders who originally had been rather backward eventually made more rapid progress, and some of these builders might have had to wait a short time for engines, but never for six months.

Attack on Royal Canadian Navy. So much for the specific charges which Commander MacLean makes. But there is another matter to which I must refer, and it is this. Throughout the whole article, as well as in an editorial comment, and in another article appearing on pages 40 and 41, numerous slighting references are made to the Royal Canadian Navy, that is to say to the permanent force. It is suggested, for example, that the naval board should have more naval reserve and naval volunteer reserve representation.

In this connection, I should like to observe that the board of admiralty in Britain has no reserve officers on it. The Canadian naval board is modelled on the British board of admiralty, with this difference, however, that the board of admiralty is an executive body whereas the Canadian naval board is a body advisory to the minister of naval services. The minister, under the act, has full executive authority corresponding to the authority exercised in England by the board of admiralty itself. But there is one further difference which Commander MacLean, or the editorial writer, has forgotten, and that is that the secretary of the naval board here is an officer of the naval volunteer reserve, whereas in Britain the secretary is a permanent civil servant.

The Canadian naval board consists of the chief of naval staff, the vice-chief of naval staff, the chief of naval engineering and construction, the chief of naval personnel, the chief of naval equipment and supply, the deputy minister of naval services, with a naval volunteer reserve officer as secretary.

It is alleged in this magazine that the board has awarded promotions and decorations to itself and to the personnel of the Royal Canadian Navy in a very improper and unfair manner. I must point out in answer to that charge that in the last promotions list which appeared at New Year's 3·1 per cent of the permanent R.C.N. officers received promotions, 10·5 per cent of the R.C.N.R. received promotions, and 4 per cent of the R.C.N.V.R. officers received promotions. In other words, the permanent R.C.N. officers received proportionately fewer promotions than either of the other two branches of the service. But beyond that, the naval board does not make promotions. Recommendations for promotions are made, in the first instance, by officers commanding ships and establishments. They are in the best possible position to know the merits of those serving under them. Their recommendations are then reviewed by the promotions board, which is a totally different board from the naval board, and finally the recommendations of the promotions board are reviewed by the minister, who has to make the final decision as to promotions.

So far as decorations are concerned, 84 have gone to members of the R.C.N., 54 to members of the R.C.N.R., and 123 to members of the R.C.N.V.R. It must be pointed out with regard to both promotions and decorations, that at the beginning of the war we had a very small navy. The ships were commanded and manned almost entirely by officers and men of the permanent force. They were the first officers and men to see action, and I think I can safely say that they were all keen to get into action. It took some time to develop officers and men in the

two reserve branches. The profession of a naval officer, as I have often said to this house, is not one in which skill can be acquired in a day, or a week, or a month; it is a matter of years of training and experience.

In the first days of the war, therefore, inevitably the brunt of the work fell upon members of the permanent force. I am glad to say that now members of the two reserves, having gained valuable experience, are taking their places nobly, gallantly, in the battle line, and as time goes on and the navy increases in size, more and more of the work will fall on their shoulders. But I know of no officer in the permanent service who would not gladly go to sea at this instant if the opportunity presented itself.

It is alleged that we have too many high-ranking officers in the Canadian navy, too many admirals, too many brass hats. The Australian navy, which is only about one-half the size of the Canadian navy, I notice has five officers above the rank of captain, while we have seven. In comparison with the British navy it can be said that we are not too heavily staffed in the higher ranks. Indeed I think we are below the United Kingdom standard, for in the United Kingdom there are some one hundred and eighteen admirals while we have five, which is a definitely smaller proportion.

I shall say nothing on the general question of the propriety of such articles as those that appear in the January-February issue of *Boating,* beyond this, that several of the statements may well be deemed to constitute an offence against the defence of Canada regulations. Such matters as details of the construction of ships, and the armament of ships, are not matters that, in time of war at least, are usually made the subject of newspaper or magazine articles. More especially is this true when a person acquires knowledge of these matters in the course of his service as an officer.

Above and beyond these particular matters I think I must say something, although I say it with some reluctance, about the writer of the article himself. I believe that is necessary, because many people who have read his article, even though they may hear or read what I have to say to-day, may still feel that there must be something wrong somewhere when a former officer takes what ought to be the very serious step of attacking his own service.

Let me say on this point that the total number of persons employed in Fairmiles at this time is under one thousand, and this out of a total strength of something more than fifty thousand. So that with every consideration in the world for what the Fairmile fleet has done, and with every appreciation of the gallantry and fidelity of its members, the Fairmile fleet after all constitutes in men something less than one-fiftieth of the total strength of the Canadian navy.

Now a word about the author, because his experience and ability are proper matters for consideration in a case of this kind. He has criticized the ability and the judgment of others; he cannot blame us if we look now at his own talents and his own training.

Commander MacLean is now in his forty-seventh year. He has reached an age when service in small ships becomes very trying, as we have found by unfortunate experience with many officers who have passed beyond the vigour and resilience of youth. He served in the last war with the Royal Naval Volunteer Reserve for a little over two years, first as a probationary sub-lieutenant and latterly as a lieutenant. His service was mostly in small craft in the Mediterranean sea and his record was good. He commanded the Toronto division of the R.C.N.V.R. from 1927 to 1931, when he retired. In 1935 he was made a lieutenant-commander on the retired list. Just before the outbreak of this war he offered his services to the Canadian navy. Subsequently, no place having been found for him in the Canadian navy at the time, he became attached to the Canadian air force. However, during the first nine months of the war he had considerable correspondence with the naval department, with the result that on July 13, 1940, he was offered an appointment as lieutenant-commander. But he thought this rank was not high enough to induce him to leave the air force, where he was a flight lieutenant. He felt that he should be a commander. He was told that there was no such appointment available, and he finally agreed to accept an appointment as lieutenant-commander. In this capacity he took charge of a group of yachtsmen going to England, and he arrived there on September 23, 1940.

After spending some time at bases there, he was given command of a coastal trawler, and in December, 1940, he was appointed to the staff of rear admiral coastal command. From January to June, 1941, he was on the staff of captain of motor launches at a United Kingdom port. The whole time which he spent at sea in United Kingdom waters in this war could not have exceeded two or three months; I think that is a generous estimate. He returned to Canada in August, 1941.

At this point reference must again be made to certain parts of his article. For instance, on page 8 he states that he was sent back to Canada to help with the Fairmile sub-chasers that were building. There is no record whatever to show that he was sent back to Canada or asked for by Canada for this purpose. Later on in the article he refers to his experience as acceptance officer of the British Admiralty on Fairmile motor launches. I communicated with the British Admiralty on this point, and I am informed by them that though he was on the staff of the captain of motor launches and though he would have had certain duties in connection with Fairmiles under construction, he was never admiralty acceptance officer for this type of craft.

When he returned to Canada we did not have any reports on him from Great Britain, and, as one Canadian officer put it in making a report of Commander MacLean's ability later on, "we had to take him largely at his own valuation." At any rate we took him and placed him in charge of Fairmiles as senior officer Fairmiles. He was given a set of definite instructions and told to go ahead. He held this post as senior officer Fairmiles for nine months. If the Fairmile situation is as bad as he says it is, should not he as senior officer in those formative months bear at least some of the blame?

I pass on now to what is perhaps the most significant comment I have to make. I have looked over all the files relating to Commander MacLean and to his service, both in Canada and in England. He has sneered at and belittled the Canadian navy so violently and so openly; he has lauded the British navy so highly—and quite properly lauded it—that I expected to find in his records something to indicate that he stood very high indeed in the opinion of officials of the great British navy. But what did I actually find? I found that his standing in British naval circles was exactly the opposite of high. The reports by his senior Canadian officers are not very flattering, but one of them at least is absolutely fulsome when compared with the reports by officers of the royal navy. Some time in 1941, in answer to a request that he be given some sea service, he was told in England that an endeavour would be made to send him to sea, but that he would not be considered for a command. These facts from the record, from the opinions of British and Canadian officers alike, together with the fact that his experience at sea in this war is quite limited, I think will have to be borne in mind in valuing his article.

I have only one word more to say. *Boating* has an editorial in the same issue suggesting that the House of Commons should order an inquiry into the administration of the navy. Remember, about a year ago the same magazine was threatened by a naval officer with a libel suit, and had to offer an apology for making incorrect statements. But I may inform *Boating* that if this House of Commons wishes to order an inqury into the administration of the navy, either in respect of Fairmiles or in any other particular, I shall be quite content, and I have no fear whatever of the result.

I have always conceived the main function of the Canadian navy up to the present to be that of convoy work in the north Atlantic. It has other tasks on our coasts and on other seas, and as this house knows, more recently its work has been extended to the Mediterranean sea, where some Canadian ships of war—we were told yesterday that we had none—have already gained great distinction for themselves, and where unfortunately one has already met its end with a loss of thirty-five lives. The value of our naval contribution up to the present stands or falls on that work. A few weeks ago I stated publicly that more than forty per cent of the burden of escorting convoys from these shores to the United Kingdom falls on the ships, officers and men of the Royal Canadian Navy. That is the most precious, the most vital line in the world to-day, the line that runs from America to the United Kingdom, and more than forty per cent of the work of guarding that line falls on Canadian naval officers and men.

No matter what individuals may be attacked, ministers, chiefs of staff or other naval officers; no matter what innuendos may be cast or opinions offered, one fact will remain outstanding, namely, that to organize and carry out such a programme from small beginnings and under the stress of war conditions is not a minor contribution to the war effort; it is not the sort of contribution that is made by inefficient, incompetent or careless men.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I think every member of this house, regardless of the position he may occupy, at least will agree with the statement of the minister as to the magnificent service being rendered by the officers and men of the Royal Canadian Navy at this time. I would not rise in my place this afternoon to attempt for a moment to belittle the Canadian navy; rather I desire to point out to the minister, as I pointed out last year to the Minister of National

Defence during the debate on the war appropriation bill, that after all these men and these departments are not infallible. We must not get into the habit of lightly tossing aside every suggestion with respect to the betterment of these services which already are doing good jobs, even though we may sometimes be termed arm-chair critics in war time. It is possible that these departments may render even better service. It is not my desire therefore to speak from any narrow point of view or to belittle any of our services.

I do not apologize to the minister for having suggested that he should make a full statement with regard to this article. I am not an expert on naval affairs, but to me this article appeared to have been written by one who because of his experience, should know what he was talking about, and it seemed to me it was deserving of the attention of the minister and the house, so that the navy might be able to profit by the statements and charges contained therein. I think that is the stand the country would expect to be taken by the leader of an opposition.

I was interested, of course, in the defence to the charges put forward by the minister. Upon one point he raised I should like to comment further; that is, his suggestion that this was a serious step for Commander MacLean to take. I know nothing of what may have been the underlying motive in this case, because I merely read the article and must go by that entirely, but I agree with the minister that it was a step which this man must have known when he took it. But when the minister suggests that this article may contravene some provision of the defence of Canada regulations, then I say that he has said either too much or too little. During the last seven or eight months we have had an experience in Canada with respect to charges laid under the defence of Canada regulations. If this article, or these charges, by Commander MacLean actually contravene the defence of Canada regulations in any way it is the duty of the minister and the duty of the government to prosecute both the magazine and the author of this article to the full extent of the law. We as members of this house must realize, I think, that we cannot allow men, no matter how high they may stand in naval circles or in public life, to contravene or offend against the defence of Canada regulations. The minister must now make up his mind with respect to the position he is to take. I should like to ask him if, in view of the serious charges which have been preferred, this matter has been referred to the Department of Justice for an opinion, as would ordinarily have been done.

What I say is not said in defence of the author of this article. I have no desire to defend anyone at the moment with respect to these charges. I am only anxious to have one thing happen. If there is something that can be done to make our naval board and our whole naval contribution in this war more effective and more nearly perfect, that should be the sole aim and object of every one of us. We must not indulge in carping or quibbling criticism of our navy, and I do not want that to be done. If there is something to this, then I think we must utilize it for the benefit of Canada and for the benefit of the navy on this particular occasion.

I am informed that on October 28, 1942, there was issued from naval services headquarters a release with respect to the retirement of this man. I know nothing about his record other than what the minister has told us; consequently I have no desire to dilate upon that. However, the press release from naval headquarters did say—I point this out to the minister so that he can check on it; I do not want to enter into any controversy with respect to it—that this man had retired from the naval service at his own request. At the end of the quotation in connection with the release it indicated that on his return to Canada last year he was appointed senior officer in charge of Fairmiles. At that time there was only one boat and he was instrumental in developing this branch of the Royal Canadian Navy to the large and efficient force it is today. I do not make this statement with any desire to defend the man who has made these charges, because I want to make it clear and have it distinctly understood that so far as we are concerned we are anxious only that should there be anything in these charges which will bring about a closer approach to perfection in our naval services, it should be looked into.

Right Hon. W. L. MACKENZIE KING (Prime Minister): This matter is not debatable, but there is one point that I should like to make quite clear. My hon. friend the leader of the opposition has referred repeatedly in his remarks to charges. I think the minister has made it perfectly plain that while the article contained numerous allegations and innuendoes there was not one specific charge against the Canadian Navy as a service or any officer of the Canadian Navy. If hon. gentlemen opposite have any charge to make, the minister has already

made it clear that he will not hesitate concerning an investigation into that charge. I do not think it should remain on the record that there are charges which have not been fully met. As a matter of fact there have been only allegations and statements. These have been answered, I think to the complete satisfaction of this house, by the minister.

Mr. T. L. CHURCH (Broadview): The minister has made a reply to the question asked by the hon. member for Rosetown-Biggar (Mr. Coldwell). This reply was at considerable length and under our rules and the rules of the British house the question should have been answered categorically and handed in, to appear in *Hansard* the next day. The minister did not do that; he made a long speech justifying his administration. I suggest to the Prime Minister that the reply should have been handed in in writing, because it is not debatable. Then we could have seen it next day and if there were any questions to be asked, they could be asked then. In my opinion, and in view of the minister's reply, a naval board should go into this matter. The whole department seems to be top-heavy with admirals, some of them being on the shore.

Mr. SPEAKER: In the light of the importance of the statement made by the minister I was willing that some latitude should be allowed to the leader of the opposition (Mr. Graydon), but I point out that there is nothing before the Chair at the present time.

Mr. CHURCH: Admitting that, may I be pardoned if I say that it is a wide stretch of the rules to allow on the orders of the day a debate which has lasted nearly an hour. A navy board or a commission should be appointed to go into this matter.

Mr. MACDONALD (Kingston City): On the point of order, may I say that on three different occasions I was asked to comment on the statement which had been made by Commander MacLean, and it was in response to a request from the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) and the leader of the opposition (Mr. Graydon) that I made the statement which I made to-day. I could not give it in any briefer form.

Mr. CHURCH: The minister might also look into the navy mansion houses, one of them on Crescent road, Toronto—

Some hon. MEMBERS: Order.

Mr. CHURCH: —that are used when many of our soldiers' families are living in hovels.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, February 16, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. L.-Philippe PICARD (Bellechasse): Mr. Speaker, in rising to proceed with the remarks which I started to make last night I should like my first words to be words of welcome to the Minister of National Defence (Mr. Ralston). I should like him to be assured that we all rejoice at seeing him back in his seat and in such apparent good health. We appreciate the considerable strain he is under at all times and the heavy burdens which he has to carry. Whatever may be the opinion of some of us about certain of the policies upon which he may advise the government, I do not think anyone will deny the extent of the service which he renders to his country at a moment like this.

There was an unforgivable omission in my remarks last evening. When I started to speak I wanted to keep my remarks as brief as possible because I knew I had only fifteen minutes before eleven o'clock. I omitted to congratulate the new parliamentary leader of the opposition (Mr. Graydon). Many have wished him long life in his present position, but I cannot be that cruel. Let us say that we wish him a better fate than that of some of his immediate predecessors. Since he is quite young, let us say that we wish him to reach the head treasury bench when he is the same age as the only one of his immediate predecessors, who became Prime Minister, Mr. Bennett. Then after a short tenure of office, he could enter the House of Lords as Viscount Graydon of Peel.

In an effort to keep my remarks last evening as brief as possible I skipped from one subject to another and there were one or two remarks in connection with lease-lend which I postponed making. As I have a few minutes at my disposal, I shall make them now.

I have expressed my entire approval of the new set-up for lease-lend, and I do not intend to withdraw anything I have said in that connection. I should not like either that anything I will say now be construed as qualifying or conditioning what I said last night. It is said that we are to extend credit to any nation up to the amount they can pay and that we will then continue to provide goods as long as they are needed for the war effort or for the safety of the united nations. This

brings to my mind the fact that the control of one of the most important Canadian corporations is allegedly still held in private hands in England. I refer, of course, to the Canadian Pacific Railway Company. The railway problem in Canada has been one of our anxieties. Many remedies have been proposed by the railways and by the different railway groups, and there may be opposition to the plan I suggest.

I wonder whether it would be possible to do over there what has been done to a certain extent here. All United States securities at present held by Canadians are listed with the foreign exchange control board, and under the rules which now prevail the board can offer to Canadians a fair market value in Canadian funds for these securities. That would give the board, or the government, United States funds for the financing of our war purchases in that country. Why would it not be possible for the British government to do the same thing with shares of Canadian or foreign corporations—have them listed and get control of them, paying for them in English currency? That could be done without any disturbance to international exchange. These shares could then be transferred to the Canadian government, which would hold them as part payment for the goods we shall send to Great Britain under lease-lend. That would seem to be a perfectly normal and fair exchange.

When the United States gave to Great Britain fifty old destroyers, Britain in return granted the United States bases in certain British islands or territories which the United States considered necessary for its own defence. Those bases may be in the hands of our good neighbours for longer than a few weeks or a few years. Would it not be considered another fair exchange if financial control of one of our largest corporations passed finally into the hands of Canada? Would it not simplify matters when the time comes that we shall have to face the railway problem in Canada if at that time the Canadian government, or an independent corporation under the government, such as the foreign exchange control board, owned or controlled the shares of the C.P.R. now held outside this country? It is a well-known fact that prior to this war and prior to the last war a considerable amount of this stock was held in Germany, France, Holland, and a large part of it in the British isles. Such stock as is now in alien hands is being taken care of by the custodian of enemy property. Would if not be possible to arrive at an arrangement with Great Britain for the transfer of such shares as are held in Britain, as an appropriate compensation for whatever we may do under lease-lend?

[Mr. Picard.]

It also occurs to me that the Labrador question, which was settled so nicely by the privy council in 1926, if I remember correctly, might be the subject of negotiations, let us say, between the two governments. Not that I should like to pose as a Canadian imperialist or be suspected of a desire to promote Canadian imperialism. I see my good friend the leader of the opposition (Mr. Graydon) smiling when I use the word "imperialism", because he knows how much I am against British imperialism as applied to Canada; I certainly should not like to advocate Canadian imperialism and spread that doctrine all over this continent. But would it not be a good opportunity for Canada to clear up the Labrador situation? There are vast water powers on the Hamilton river of which we were deprived by a scholarly judgment of the judicial committee of the privy council in 1926. Nobody would dare suggest that that body was tinged with political influences or affected by imperial policies; however, at that very time an imperial conference was sitting in London in which Newfoundland had a vote. But Newfoundland is now administered by the Secretary of State for the Colonies, and an arrangement could be arrived at granting Canada substantial benefits which, counted in dollars, would be considerable in years to come, if not at the moment. That might be a splendid gesture for the United Kingdom to make in return for what we may graciously decide to grant her under lease-lend.

When the house rose at eleven o'clock last night I was discussing the case of some young agriculturists who had been called up under the mobilization act. I told the story of one of these men, and I ended by saying that the board had decided that he should go into the army and that in the spring he could put in an application for six months' leave so that he could work on the farm in its busy season. But getting a release from the army is not as simple as it may appear at first sight, even when the man has a good case, and I will come to that in a moment. Lest some of my previous remarks be construed as disparaging the revision board sitting at Quebec I wish to state emphatically that I have the greatest respect for all members of the board, and especially for the chairman. I think that they deserve all possible praise for the manner in which they perform their arduous task, and they do it with a great sense of equity and justice. But their hands are tied by a lot of silly regulations, and on many other questions they lack immediate information on different government policies with respect to exemptions or deferments which may be given to farm hands and farmers' sons. I would

say further—this may sound personal, but I must express my feeling—that the board at Quebec is advised by a representative of the registrar's office who to my mind is the man least qualified to occupy such a position of trust. His very presence on the board is sufficient to take away any respect for the law and its administration on the part of anybody who may be appearing before the board.

In the case to which I referred a moment ago, this man, file in hand, was trying to impress on the board that the young applicant was hiding behind special privileges granted to industrial workers while all the time he was classified as B2, and when his class was called he reported and left the factory where he was engaged. He was given no special privileges as a specialist; yet this man who was advising the board was continually emphasizing that point. At every moment of the board's proceedings when I have been there this man has acted in the same way. I thought at one moment that his conduct might be attributable to the fact that his own name translated into English means "let us win"—but I afterwards discovered that he had not served in any war, so that that motive might not be applicable to him. My point is that if there are many men on the boards like this man it is not surprising that in some places there have been complaints against the boards from people engaged in agriculture. If agriculture is to be protected, clear instructions should be sent to all the boards and to all the officers, and such men as the one who represents the registrar before the board of revision in Quebec should be dismissed. As to the registrar himself in Quebec, I consider him an able and efficient public servant, who performs his duties conscientiously and well.

I spoke a few moments ago of releases from the army. That is a much more difficult problem. These boys who appeal for release have been sent into the army in many cases because of their ignorance as to the proper manner of filling out the information sheets sent into the registrar's office, or because they did not know that they could appeal from the registrar's decision, or because of a decision of the board based on incomplete information supplied by the applicant. In some cases the file is misinterpreted.

In some cases the boy may have been properly sent into the army and the father who is left on the farm may be injured or become seriously ill, or perhaps the boy's elder brother may be in that position, which makes the boy's presence on the farm necessary for its efficient operation. In either case considerable correspondence and endless delays take place before you can get any satisfactory results, if any. I know that we should proceed carefully in this matter and that we should not permit anybody and everybody to withdraw from the army. There should be some way in which these cases could be rapidly eliminated, especially when the spring comes, the season when men are most needed on the farms.

I will not go into the detail that I had intended to about two cases which I know of. In one case there was a delay of six months; in the other, five months have gone and no answer has yet been received. There have been medical examinations by doctors; statements have been submitted as to the size of the farms, and in one case, although the father had become permanently injured, the son had not asked for exemption, but application was made later, and we are still awaiting the result. I refer to these matters to show the necessity of a clear-cut policy as regards the farm workers, and the importance of advising the boards immediately on this question, so that uniform decisions will be arrived at all over Canada.

All men in trades directly connected with agriculture should be dealt with in the same way. For instance, where a man is a blacksmith, and the only one in the neighbourhood, and you cannot find another one within ten miles, the consequences are serious if he is taken into the army; yet in one case it is admitted that he is necessary to agriculture, and he is given a deferment; in another case deferment is not granted. Or take the case of a man who is operating a flour mill, perhaps the only one for several miles around: one board may decide not to grant a deferment, while another board may say that he is necessary to agriculture and must be retained at his work so that farming may proceed in his district. Uniform decisions should be easily arrived at in matters such as this, if the government would send to each of the boards a straight and clear-cut announcement of policy in this respect.

There is another thing I would like to speak about while I am on this general question. It concerns those who for one reason or another are considered at fault under the mobilization regulations. A right move was the decision arrived at some time ago to give a chance to register to all those who had failed to do so. This privilege could have been better explained in the press, although it was something to have it. It should be extended, I think, to everyone whose position is not regular under the old

regulations. Of the men technically at fault, I would say that ninety per cent are in such a predicament because of their ignorance, or the ignorance of their parents, or lack of information which should have been supplied to them. They are now hesitant to regularize their situation, and procrastinate in doing so because they fear reprisals and punishment.

I think the department should declare an amnesty, let us say of two months, for all those whose situation is irregular. Give them two months in which to report in writing to the nearest district mobilization bureau. At the same time the registrars should send a further notice to all those whose cases are irregular, those who did not get their notices from their local post offices, those who have failed to report for medical examination, or those who have failed to report to camp. Let them know that if they come forward and report, their case and whatever requests they may make for deferment or exemption will be studied and decided on their merits, and let them have no fear of punishment and reprisals if they get to camp because they are in some cases many months late. Let them come forward: if they have a good case give them deferment; if not, let them go in the army, but without any special hardship or punishment when they get in. The results, I am sure, would be good throughout Canada, because this is not a problem peculiarly applicable to Quebec; from what we see of the results of registrations in many districts it is much more general. In this way we would clear up a false situation which exists now in many parts of the country.

To this new advice should be added the questionnaire which is sent to all men engaged in agriculture, and they should receive two copies so that they can retain one. At the moment there is this process. A man receiving a questionnaire fills it up; if he is deferred for six months or some other period, the present practice is to ask him to fill a new questionnaire if his category is called anew, or if the delay given to him has expired. If in the meantime there has been a change in the farm stock; if the number of cows or pigs does not exactly agree with the number given in the previous return, if the man has one acre more or less in hay or barley or potatoes than was indicated on the previous questionnaire, immediately it is assumed that the man is trying to cheat the government, and whatever he says afterwards is regarded with suspicion. If these matters could be clearly explained, if the proper information were supplied to everybody, there would be considerably less trouble. As a matter of fact I received a letter yesterday from a registrar informing me:

[Mr. Picard.]

In answer to your letter asking me to send you a hundred copies of the questionnaire for the use of farmers, I must tell you that I have adopted the policy of not sending out copies of this questionnaire except to the interested party himself, because in the past there have been a number of abuses which have caused us worry.

I thought that was a very inappropriate answer to send to a member of parliament who is asking for information on a public matter.

In conclusion I should like to impress upon the house the difficult situation in which some farmers find themselves at this juncture. They do not know how to plan their production for the next year. They do not know where they will stand so far as help is concerned. On the one hand they are advised by the Department of Agriculture to produce more and more—which is good advice; on the other hand they face mobilization orders and varying interpretations in each district by the mobilization board. They do not know where they will be if they are without the help of their sons or their farm-hands. So far as production is concerned, they face a shortage in certain supplies which they need.

I had some trouble about the dairy question in my district, where men have increased their herds and produced more. This is one of the questions mentioned by the hon. member for York-Sunbury (Mr. Hanson) when he interested himself in the fate of the processors of butter, those who processed their butter at home instead of sending their milk to the dairies. He may have some trouble in his district because of lack of transport. We are nearer the city; we have not so much trouble in that respect, but above all things we need cans. We have no containers, and under the new regulations it is going to be very hard to get them because they are not so quickly made in these days. I have fortunately good news to-day, because in a letter I have received from the Minister of Agriculture (Mr. Gardiner) he informs me that the production of cans in January was nearly fifteen times as great as it was in January of last year. Last year there was a real lack of containers throughout the country, and especially in our district, where people extended their herds, enlarged their agricultural and dairy production to meet the demand, and, having facilities for transport, thought it would be easy to meet requirements. According to the letter from the minister, last year, in January, one of the largest companies produced only 1,026 cans, while in January of this year, upon a specially urgent request from the Department of Agri-

culture they produced 16,038 cans. If this goes on, and if the good offices of the Minister of Agriculture are exerted in the same proportion all the way through, we may be in a better position in the months to come. But at the moment our farmers in my district are suffering from this shortage. They used to spread their small production of home processed butter in the adjoining district in quantities of twenty-five or thirty pounds. Under the new rationing regulations they cannot do that; they have to dispose of their production wholesale. Some of these places have no cold storage, so that they are forced to produce less because they cannot find containers to send their product to the city, nor can they dispose of it under the new rationing regulations.

There is another matter to which I should like to refer while on the subject of rationing. It may not be exactly in my field, but it concerns workmen. It seems strange to me that men who are working hard in industry, who leave their homes in the morning and do not return until evening, are not given a larger ration of butter, let us say, than men who are idle, or, as is true of many, are doing nothing in their homes, or are office workers. The man who leaves home in the morning, or at night for the night shift, is usually unable to come home for his meals; he has to have sandwiches or other things of the kind, and he must have sufficient butter. If he has only a share of the family ration or of his own ration the meal will not be so appetizing. I wonder if something could not be done in that regard. It may be difficult to arrange it but I fancy it has been done in other countries. It might be possible to stamp the books of factory workers who are under a special strain, so as to give them some special consideration.

Mr. SPEAKER: The hon. gentleman's time has expired.

Mr. PICARD: I shall take only a minute longer, Mr. Speaker, with the permission of the house. Last year when we were discussing bill No. 80 I came across a passage in the British *Hansard* with reference to the question of agriculture, which I should like to submit to the house. In a speech, the Rt. Hon. Eugene Wason, chairman of the committee that considered relief to agriculture in Scotland, made this statement:

> It should be represented to the military authorities—

That was in 1916, a year and a half after the war started.

> —that any attempt to maintain or increase the food production of the country would be made impossible by the further withdrawal of experienced workmen.

In conclusion, sir, may I say this. Let us not forget that the land is the first element that enters into the question of production. Farming is the primary industry and the most essential in carrying on a war, because the best trained men, with the best and most modern equipment, cannot fight on an empty stomach.

Mr. H. C. GREEN (Vancouver South): While it is hard to realize, the fact is that this is the fourth war session of the nineteenth parliament of Canada, and since it is a war session I suggest that it is essential that, throughout its length, the members of this house should keep before them a clear view of the war situation. By so doing they will help the Canadian people also to keep a clear view of that situation. As I see it, the picture is this. The united nations are at last able to turn to the offensive. There have been victories, grand victories, particularly in Russia and in North Africa. We have some reason to take heart, but let us remember that behind us defeat is barely out of sight, and ahead are tremendous tasks. The year 1943 will be a year of fierce fighting, and fierce fighting means heavy casualties. Therefore, for this house and for the country, the most important part of the speech from the throne should be the last paragraph, which reads:

> 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.

I stress the next sentences:

> 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 defeat of the axis powers.

With that warning in mind, let us look out across the seas. Canada is a nation facing both great oceans, the Atlantic and the Pacific. To-day Canadians look across the Atlantic and see a frightfully powerful Germany, which has yet to be beaten to her knees, a Germany dominating the whole of the continent of Europe. They look across the Pacific to Asia and see another powerful nation, Japan, dominating many lands, a nation which must be attacked, a nation which has already won great victories, a nation which is now coiled

and ready to strike. Its premier showed this quite clearly when he said in the Japanese diet three weeks ago, as reported in the press:

Reviewing the first year of war in greater east Asia, Premier Tojo asserted Japan "has completed the basis for certain victory". "Our position for both offence and defence has been completed," Tojo declared.

The former ambassador from the United States to Japan has written a book entitled "Report from Tokyo: a Message to the American People." That is a book which I suggest should be read by every member of the Canadian House of Commons. He points out clearly what we face in the Japanese military machine. He refers to it in these words:

I have indicated the surprise and the shock I experienced on returning to the United States to find how little the American people, as a whole, appreciate the dangers we face in fighting this machine, a machine which, without any shadow of doubt, firmly intends, after consolidating the areas it has temporarily occupied in greater east Asia, to attack countries in the western hemisphere.

That, Mr. Speaker, is the war situation which confronts members of this house and the Canadian people to-day, in the month of February 1943; and this picture of the war situation at once brings to mind certain subjects which should be considered by this House of Commons during the present session.

First, questions having to do with our fighting forces. We have been led to believe that our Canadian army in Great Britain will lead the attack when the continent of Europe is invaded. If so, and there seems to be no doubt of it, they are entitled to and should get training in actual fighting before they are called upon to lead that invasion. They will be attacking an army that has been fighting for nearly four years. One wonders why Canadian units have not been sent, say, to North Africa, for war experience. It is true that some officers and non-commissioned officers have been sent there. But why have no Canadian units been sent abroad as such? Why have the Canadian units been held so closely in Great Britain? One wonders whether it has been because that is the Canadian government's policy or whether it is because the Canadian staff overseas insist on keeping direct control at all times over all Canadian units. I would point out to the Minister of National Defence (Mr. Ralston) and to this house that in any event such war training now would probably mean greater efficiency and far fewer casualties when the Canadians are called upon to lead in the invasion of the European continent.

[Mr. Green.]

One wonders, too, whether there are sufficient reinforcements in Great Britain to keep our Canadian army up to strength once fighting begins. We know there will be heavy losses. The Prime Minister (Mr. Mackenzie King) warned Canada of this in his New Year's message when he was reported as follows:

Prime Minister Mackenzie King, in a New Year's message, warned the Canadian people that "all our armed forces" will be in action during 1943 and that they "must be prepared for heavy losses".

There is concern across the country as to whether adequate reinforcements are available. This question is so important that I ask the government to give the Canadian people immediately definite assurance that adequate reinforcements are available, and to arrange for a secret session of the House of Commons at which the members may be given the facts with regard to reinforcements, such facts as cannot be given out to the public.

We also have an army on the Pacific coast. Their job is to fight the Japanese. Why have not units, or at least officers and non-commissioned officers from the Pacific army been sent to the southwest Pacific where they could learn by actual experience the best methods to use in fighting the Japanese? Such action would increase the efficiency of the Pacific army, raise the morale of the men serving in it, and promote good feeling between Canada and the United States and between Canada and Australia. In fact Major-General Odlum, who is now our ambassador to China and was formerly our minister in Australia, went further. Late in November he advocated in Toronto that Canada send troops to the southwest Pacific theatre of war to assist General Douglas MacArthur. He is quoted as saying:

The best defence for this country is not a group of divisions sitting passively in Canada, but some additional force—even as little as one division—sent to General MacArthur, so that, on the Japanese tender southern flank, he may pass from the defensive to a vigorous local offensive.

General Odlum was the first commander of the second Canadian division overseas. Whether or not he is right, the fact is that sooner or later Canadian troops will be fighting Japanese troops, and if forced to do so without some war experience, the result will be increased casualties and perhaps lost battles.

Then a further question in regard to the fighting forces: How can the officers commanding in the Pacific army be expected to keep their units efficient and to instil in their men the spirit of the offensive when they have in the units two kinds of troops, one group

who have enlisted for service anywhere, and half or more than half who cannot be sent out of Canada? Furthermore, those officers commanding are put in the invidious position that their units must serve beside United States units the men of which can be sent anywhere in the world. Canada is put in an impossible position in that regard. I urge the government to change its policy, cut out all delay and all political considerations and change its policy, bringing in a realistic policy by making all Canadian troops, certainly all Canadian troops serving in the Pacific army, available for service anywhere in the Pacific area.

Another question is whether our navy is getting sufficient escort ships to beat the U-boat menace on the Atlantic, and if not, why not? Last week a startling statement was made in Toronto by Mr. Desmond A. Clarke, director general of shipping, in which he pointed out that men were to be taken out of other war industries in order to help build escort ships. He is quoted as saying:

> And we need them right now (referring to the men) not for cargo ships but for fighting escort vessels. We must lick the submarine. There is no use building more cargo ships to have them sunk.

Why should the men of the merchant navy, men who are facing such great hazards, not be treated as members of the other fighting forces? Why should they not be given the same statutory right to pension, and why should they not get the same income tax exemption? I suggest that these are things that should be changed without further delay.

One final question concerning the fighting forces is whether the time has not come, in fact whether it is not long since past, for the awarding of all pensions on the insurance principle, which, as hon. members know, now applies only to men once they leave the shores of Canada. I suggest it is high time that all men serving in the active army were protected by the insurance principle with regard to pension. It is also time that steps were taken to protect from cancellation the insurance policies which our men had taken out before they enlisted or were called up. Great hardship is being suffered by many married men in that connection, and something should be done to remedy the situation.

A second subject that should be considered at the war session is Canada's position in the group of nations known as the united nations. There are many signs of the growth in Canada of a "small-power complex," a feeling that we must run along behind Great Britain and the United States. Take, for example, the government itself; it apparently is quite content to be left out of all the major conferences. Last year it had to be prodded into claiming a seat for Canada on the Pacific council. This question is vital for Canada, because we are at the parting of the ways. Canada can eventually become one of the most influential powers in the world. I do not say one of the largest; I use the word "influential," far more influential than perhaps our numbers would justify. But we never will if we develop a small-power complex; other nations certainly will not take us at higher than our own valuation. If there is not a change in that respect, Canada will have very little to say at the peace conference, and this might mean great tragedy for the Canadian people; many of them have definite ideas, and very sound ideas, as to what sort of peace they want. Yet the larger nations may decide on some other type of peace that prevents the kind of world Canadians want from taking shape. Canada, I say, must make herself heard, and heard in no uncertain manner, on these questions.

A third subject which should be considered is this: this house should insist that Canada's man-power policy be "work or fight." It is just as simple as that. The picture at present is that there is a shortage of men for agriculture, logging, mining and many other vital occupations, such, for example, as fuel delivery. At the same time ministers are actually talking about Canada reaching her full production. The Minister of Munitions and Supply (Mr. Howe) has thrown out the hint that it is questionable whether Canada can produce any more. I thought I detected in the speech of the Minister of Agriculture (Mr. Gardiner) the other day something to the same effect. This is a great mistake, because there are still many Canadian people who are impatient and anxious to do their share in connection with the war effort. It is simply a matter of mobilizing them. Many cannot find a place; for example, older people, and men and women carrying on their ordinary work during the day who are nevertheless willing to do part-time work in the evening or during the week-end. Little or no attempt has been made to make use of their services. Canadians are begging for direction from the government, while at the same time some at least of the national selective service offices are carrying on in the utmost confusion and with the utmost delay; long lines of people seeking work cannot get any satisfaction, and apparently no one is able to give direction.

It can all be traced to the policy of the government of not quite a year ago, which was "the negative compulsion of restriction,"

the same old policy that had been used in raising men for the forces, except that it was described by a different name. It is really a policy of coaxing, threatening and bluffing, instead of courageously leading, and is exactly the policy we have had in connection with the raising of troops. As one looks back over the past year it becomes interesting to read again newspaper dispatches appearing on March 25, 1942, when this "negative compulsion of restriction" policy was announced, and to find this:

The government yesterday launched an extended national selective service plan designed to obtain from every Canadian the utmost contribution to the war effort through application of "the negative compulsion of restriction."

Then it goes on:

Fruit of months of planning under direction of the cabinet war committee, a series of orders in council was tabled by the Prime Minister, giving effect at once to the new regulations.

I am sure you will remember, Mr. Speaker, how excited and thrilled we were that Canada was really going to see action with regard to the use of her man-power. Then a couple of months later, in May, 1942, we saw another splurge, as follows:

Canada prepared to-day to take up the last slack in man-power, when it was announced by Elliott M. Little, director of national selective service, that all unemployable male persons, including persons on pension, must be registered within one week of June 1 and renew their registration every two weeks while not employed.

Important sidelight divulged by Mr. Little to a press conference this morning was that the government not only intends to dredge its man-power pool to the bottom, but may move war industry into sections where most unemployment is reported.

So we went along until August, when the Prime Minister announced new man-power controls. This was after parliament had gone home, and we read:

Prime Minister Mackenzie King on Wednesday night announced proposed new measures of control over man-power and woman-power designed to place "all but very old, the very young and the disabled" behind the war effort.

Then on August 31 we had more headlines:

Compulsory employment for all under new selective service; no transfers without permit.

Regulations under which every unemployed Canadian must seek work were announced to-day by Labour Minister Mitchell and Elliott M. Little, director of national selective service. They go into effect at midnight to-night.

The next thing we heard was that the Minister of Labour (Mr. Mitchell) had gone to Great Britain. While over there he gave an interview, in the course of which we find these words:

. . . application in Canada of some features of Britain's man-power policy may be forthcoming when he returns to the dominion. He described Britain's mobilization of men and women for service in the armed forces and industry as "a magnificent piece of organization."

Months before that, the British had gone much further than Canada, when they conscripted for national service, either in the armed forces or in industry, all men between eighteen and a half and forty-five years of age, with similar provisions for women between twenty and thirty. The Minister of Labour was to come back and make things hum. Well, he came back and then followed a quarrel with Mr. Elliott Little. So that we have drifted along under the same policy, which is typified by an order in council issued on January 28, 1943, amending the national selective service mobilization regulations. On December 11, 1942, an order in council had been passed under which all men of certain age groups who had not reported for service were directed to report by February 1. The order in council of January 28, 1943, just three days before the men were to report, reads in part:

And whereas it is deemed necessary for the security, defence, peace, order and welfare of Canada and for the efficient prosecution of the war that the time within which every designated man aforesaid is required so to report be extended. . . .

Then it goes on to extend the time until March 1, and I suppose there will be a further extension to April 1. I think the reaction of the public to this man-power policy may be expressed in the words "disappointment" and "disillusionment". The government must stop dodging and twisting on man-power; it must give clear, courageous leadership based on a policy of "work or fight", and I am confident that the people will respond. Accordingly there should be no doubt about my support for the amendment to the speech from the throne, particularly the paragraph which regrets the failure—

. . . to provide an adequate plan for the effective use of Canada's man- and woman-power.

Then I come to my fourth subject. The speech from the throne mentions the need for a scheme of social insurance which will constitute a charter of social security for the whole of Canada, and a committee is to be set up to study the question. This is all to the good, but there seems very little chance that any legislation will materialize at this session, which means that Canada will continue to hold her present unenviable position as the most backward socially of the English-speaking nations of the world. Many hon. members, in all parties, wish to see humane legislation placed upon the statute books

without further delay; in fact they insist that this be done. I suggest that during this session, while this scheme of social insurance is being studied, at least two great needs should be met. Those are the needs of our old age pensioners and of the recipients of the war veterans' allowance. These people are in an impossible position at the present time, with the cost of living as it is, and I suggest that they should receive at least $1 a day if unmarried and $2 a day where the husband and wife are together. Moreover, the regulations should be amended with regard to their opportunity to earn some extra income. At the present time, as the War Veterans' Allowances Act is being administered, great unfairness is being done those old soldiers who are able to go out and get jobs perhaps for only a few months. The new age is here now; it is not coming after the war. We are now in the new age when humanity, rather than material things, should be our first concern, and a very good place to start doing something about it is by meeting these needs I have mentioned.

Then fifth and finally there is the attitude of the ministry toward this house, and in this I am sure I shall have some support from hon. members on the government side. Last year I had an uncomfortable feeling that the ministers cared very little what went on in the house, as long as they personally were not hurt too much; that the debates were allowed to drag; that the house was used as a sort of safety-valve while the cabinet did the legislating by order in council. The press gallery had that feeling, too, as well as the public; and respect for parliament fell. If this is not changed it may lead to the break-down of parliamentary government in this country. I could give many examples, but I shall limit myself to two. In the first place it has been said repeatedly by hon. members on all sides of the house that parliament should have at least some check on the orders in council and administrative orders that are going through the mill in such volume these days. Yet the ministry have not provided any means whereby such check can be exercised. It cannot be done satisfactorily in the house, but there is nothing to prevent the setting up of a committee of members to which these orders in council and administrative orders could be referred for consideration.

The Canadian people need the protection of parliament against some of these orders. For example, last fall there was the threat of an order being put through to force the early closing of small merchants' stores. In Vancouver, and I assume the situation was the same in many other centres, this would have meant the putting out of business of many small merchants, most of whom are veterans, widows or men and women who cannot do any other type of work. The reason given for the proposed order was that these people could be used in the war effort. I have always had the suspicion that somewhere behind it all was some man accustomed to big business who may have wanted to get rid of the competition of these small merchants. Any private member of this house, I do not care what his politics may be, would have known at once that such an order was foolish, but it took the controllers a long time to find this out. In the meanwhile these small people were caused a great deal of unnecessary worry.

There are other regulations, such as those having to do with taxis, the rental regulations, the national war services regulations and the fuel orders. All these should be considered carefully by this house. In the last few weeks there has been a great deal of trouble in Vancouver with regard to fuel; this year, incidentally, we have been forced to stop boasting about our mild climate. The fuel controller issued an order last summer that sawdust could not go over a certain price. Many of the sawdust dealers decided that they could not carry on at that price, and they simply went out of the sawdust business. The controller was not worried about this; all he did was to pass the order and let somebody else do the worrying. Then there were no men to deliver fuel. The Minister of Labour (Mr. Mitchell) was not worrying about that; it was up to the fuel dealers to get the men. The dominion government has got into the habit of stepping in, but not stepping in the whole way. They step in just far enough to make a great deal of trouble, and then let the people do the worrying. Fuel is a necessity. In the speech from the throne when the last session was prorogued on January 27, we find these words:

> Where required, more equitable distribution of the necessaries of life has been ensured by the rationing of supplies to consumers.

This was not done with regard to fuel. In my city people suffered, and I think people died because they were unable to get fuel during the cold weather. This sort of business is not good enough for Canada in the year 1943. Yet we find the Vancouver *Sun*, a supporter of this government, reporting on a visit which Mr. Gordon, the head man, made to Vancouver on January 25, as follows:

> Mr. Gordon did not hesitate to rap Vancouver authorities and the Vancouver public for failing to heed warnings which he said his office had sent out.

He rapped them in the same tone in which he squelched speculative questions about future rationing of commodities and issued an implied warning to potato producers to bring out their potatoes.

Some of these moguls seem to have very little understanding of the problems of the small man who is the backbone of Canada, and their actions should be checked and checked carefully by this house.

My second example of how this government has flouted parliament is in connection with naturalization. The Secretary of State (Mr. McLarty) will be interested in this. In 1940 a committee of this house was appointed to review the defence of Canada regulations. I happened to be a member of that committee. During the hearings we found many questions having to do with naturalization and with the deportation of enemy aliens which needed careful consideration, and on August 1, 1940, the committee recommended:

Your committee, therefore, recommends that at the next session of parliament a special committee of the house be appointed to consider and review the law relating to naturalization. Your committee is also of the opinion that the special committee should review as well the law relating to deportation and again consider and review the defence of Canada regulations.

At the next session, in 1941, a committee was set up again to consider the defence of Canada regulations, and was instructed to consider also the law relating to naturalization and deportation. It reported on June 4, 1941, as follows:

13. Naturalization—Deportation.

Your committee has received some evidence and has investigated these two important subjects in part only and, notwithstanding the fact that your committee has held a great many meetings, including on occasions two meetings a day, the limited time at our command has made it impossible to devote the time to these subjects which they require in order to enable a proper report to be made to the house.

Your committee therefore respectfully begs to recommend that at the next session of the house the law relating to naturalization and deportation and matters incidental thereto be the subject matter of a reference to a committee of the house.

During the following session of 1942 I asked on different occasions whether a committee was to be set up to study naturalization and deportation, and it was my understanding that this would be done. However, nothing happened. This was bad enough, but when we came back here in 1943 we found, if you please, that on July 9, 1942, while the house was sitting, an order in council was passed amending the naturalization regulations. Important changes were made in the regulations having to do with the necessity of an applicant filing a declaration of intention. Later, on September 23, another order in council was passed again amending the regulations. On January 14 of this year, just a little over a month ago, we find that an order in council was passed revising all the regulations under the Naturalization Act. All this has been done without any reference being made to the House of Commons. Apparently nothing has been done with regard to deportation, but perhaps we shall have an order in council on that subject popping out of the bag one of these days.

At this time both these matters are most important. The question of who is to be a Canadian citizen, what rights he is to have, how his fellow Canadians are to treat him and what we are to do with enemy aliens are matters that must be considered carefully. At the present time any enemy alien who is interned cannot be sent out of Canada after the war if he has been here for five years. That is the law as it stands at the present time. It is ridiculous and a change should be made, without further delay. I repeat that this is the time when the law should be carefully reviewed by parliament or by a committee of this parliament. Parliament and parliament alone should decide what is to be done in connection with these matters.

The subjects I have mentioned, the flouting of parliament by the cabinet, the need for humane legislation, the "work or fight" policy with regard to man-power, Canada's attitude toward the other united nations and the affairs of the fighting forces are vital subjects which should be considered by the House of Commons during this session.

The year 1943 will be one of severe testing for the Canadian people. They have shown great strength, not only in material resources but in character, and they will see this year through with courage no matter what tragedies may occur. I have no doubt of that. In return, however, they have the right to expect of their government bold leadership; they have the right to expect of their parliament, of this gathering of their elected representatives, the most careful consideration of all vital subjects, and may I suggest, consideration given in a patriotic spirit modelled on the spirit of our young Canadian airmen who will be flying in the skies over other countries far from their own homeland during every day that this house is in session.

Mr. T. C. DOUGLAS (Weyburn): Mr. Speaker, in common with many hon. members who have preceded me I should like to express my great pleasure at the favourable turn of events in the various theatres of war. I am sure we are all heartened by the successes

which have attended our forces and those of our allies in Africa and in the Pacific, and particularly in the Soviet Union.

I cannot help expressing regret that the speech from the throne made no mention of the gallantry displayed by the Canadian troops at the battle of Dieppe. The constituency which I represent is the headquarters for the South Saskatchewan regiment. The commanding officer of that unit has the distinction of being the first Canadian in this war to be awarded the Victoria Cross, and other officers and men of the regiment were decorated for bravery and devotion to duty.

I want to support the hon. member for Rosetown-Biggar (Mr. Coldwell) when he asks the government that an opportunity be given this house as it was in the British house to discuss the Dieppe operation. The administration itself can best judge whether or not such discussion should take place in closed or in open session. But opportunity there must be; for while the gallantry of the men involved left nothing to be desired, that cannot be said of the staff work of those who were responsible for conducting this combined reconnaissance. There are several things which we ought to be told as members of this house, either privately or publicly, and the first thing is why there was no preparatory aerial bombardment to soften up the objective. My information is that in the original plan that was the intention, but at the last moment it was deleted. If this be true, we should know why. We should know why men were landed at high tide and taken off at low tide at an hour when anyone who is familiar with the channel tides would know that these men would have to cross four hundred yards of open beach to reach their barges. We should know why tanks were landed on a beach facing a twelve-foot sea wall which had not been breached. In 1936 I spent a day in the town of Dieppe, and I would imagine that even aerial photographs would show the impossibility of scaling a sea wall unless it had first been partly demolished by aerial bombardment. What astounds me is not that none of the tanks got off the beach, but that those who planned the operation ever expected them to do so.

I think this house should have some information from the Minister of National Defence (Mr. Ralston) regarding any reports he may have respecting the weapons which were used in this operation; and if there were found any defects in quality or quantity we should have the assurance of the minister that this matter is being taken care of.

A recent newspaper report indicated that General McNaughton told press reporters that the lessons of Dieppe had been invaluable to the British and United States forces in their recent landings in North Africa. But, Mr. Speaker, General McNaughton and the Minister of National Defence will have to go much further than that. They will have to give the Canadian people the assurance that the lessons of Dieppe will be of value to our own forces when they are called upon to invade Europe. To lose sixty-seven per cent of our effectives in nine hours of action is a grievous loss, but I believe that those who lost their loved ones at Dieppe will be encouraged if they can be assured that the sacrifices made there will result in the saving of thousands of Canadian lives when our troops finally invade nazi-occupied Europe.

I have said repeatedly in this house that the people of Canada will forgive the defence ministers and their general staffs many things. But there is one thing they will never forgive them. They will not forgive them the loss of a single Canadian life on account of either incompetency or lack of carefully prepared planning. We all know that some attempt will be made to invade the continent this year, and that in all probability Canadian troops will be the spearhead of that attack. Casualties are inevitable—heavy casualties—and I believe the Canadian people will bear those casualties with fortitude; but they will demand the assurance that every possible precaution in the way of aerial support and meticulously laid plans has been taken in order to keep the casualties down to a minimum.

I do not say these things, Mr. Speaker, in order to reflect upon any person or persons on the general staffs, but we may just as well recognize the fact that the man on the street no longer believes in the infallibility of military experts. Some of these military experts were the same men who told us that the Maginot line was impregnable, and that the Russian army would last only six weeks. With such catastrophes in our minds as the campaign in Norway and the loss of Singapore and Tobruk, the man on the street is fearful lest the traditional conservatism of the military mind should result in fruitless and unnecessary sacrifices of human life. The Minister of National Defence and the other defence ministers can do much to allay such fears by being very frank with this house, either in open or in closed session, and telling us something of the lessons that have been learned, of the precautions which are being taken, and of the plans which are being

laid to see to it that operations in the future will be successfully carried out with the minimum cost of human life.

The speech from the throne also makes mention of the Casablanca conference. I want to make only one reference to that. I believe there will be general disappointment that as yet the united nations have not stated in clear and unmistakable terms what their peace aims are. There are those, of course, who say, and they have said it in this debate, that our first job is to win the war, and that afterwards we can discuss the question of the world we want to build. But I submit, Mr. Speaker, that the winning of the war is to some extent dependent upon the kind of world we shall build afterwards. The people of the occupied countries and of the neutral countries, and above all our own people, wish to know what we are fighting for; and since the common people are paying for this war in blood, sweat and tears, they most certainly have the right to know.

In the past few months a number of things have happened which have done much to chill the enthusiasm of those who believed that we were fighting this war to establish the four freedoms in the world. There has been the recognition of General Mihailovic of Yugoslavia as against the guerilla peasants of his own country. There has been the recognition of the so-called Otto of Austria, who has been given permission to raise an Austrian battalion in the United States. There has been the sanctuary given to Prince Paul of Yugoslavia, a former nazi collaborationist now enjoying refuge in British Kenya. Above all, there has been the unsavoury deal with Messrs. Darlan, Flandin, Nogues and Peyrouton. Have we forgotten that these are the men who were responsible for the loss of British and Australian soldiers in Syria, for the death of British sailors at Oran and Dakar, and that some of these new-found friends of ours were responsible for the deaths of over one thousand United States troops at the recent landing at Casablanca? These pro-nazi collaborationists have had the Morocco radio turned over to them. The type of propaganda which has been coming from that source has been so vicious that even the state department of the United States has had to tell its own people not to take that propaganda too seriously.

The man on the street does not think in terms of subtle diplomatic distinctions, and he wants to know what we are fighting for. He wants to know whether we are seeking to destroy Hitler only to replace him with a lot of little Hitlers. Some will take the view that these matters do not concern us here, that they are the sole concern of the United States state department and the British Foreign Office. I protest most emphatically against that view. This is a global war. Whatever affects the united nations in any one part of the world affects all. To-day Canadian boys are flying over almost every continent, and if blood is the price of having a voice in building the world to-morrow, then Canada has bought and paid for a place in the councils of the nations. I should like to tell the Prime Minister (Mr. Mackenzie King) and the government that they will have the support of the great majority of the Canadian people if they urge upon the British and United States governments that there shall be an end of dealing with collaborationists, because we can convince the world of our good intentions after the war only if we take a firm and courageous stand during the war. The Prime Minister can render a great service to this country and the world by urging, particularly upon Great Britain and the United States, that the united nations shall state in clear and unmistakable terms what our peace aims are, and by showing the man on the street that we are not only seeking to destroy nazism and fascism in Germany and Italy, but seeking to destroy them wherever they raise their ugly heads anywhere in the world. The time has come when we have to get over having a colonial mind, when the government has to begin to conduct itself as befits the government of a self-governing nation within a great commonwealth of nations.

I should now like to come nearer home There are so many matters regarding which one might speak as affecting the welfare of our country in war time that it is impossible to deal with them all. I shall, therefore, confine myself to dealing with one subject, namely, the state and condition of agriculture as it affects the people of Canada and particularly the farmers of Saskatchewan. In doing this, may I say that the hon. member for Regina (Mr. McNiven) said the other night that those of us in this corner in private conversations do not talk the same way as we do on the floor when we are discussing government policy. Let me say that we do not say to every government member whom we meet in the corridors what we think of the government's policy. We do not think that is necessary; we take it for granted that the government members know what we think of their policy. I would not think of wasting the hon. member's time or my own in trying to appeal

to his reason to get him to leave the Liberal party. I have never really thought it was reason which kept him in the Liberal party.

The first comment I wish to make with regard to the government's agricultural policy is that it is apparent that there has been no satisfactory cooperation between the government ministers responsible and organized agriculture. On January 29 the Minister of Trade and Commerce (Mr. MacKinnon) stated the grain policy for the coming year. In the course of his remarks he said that the government had arrived at this programme after full discussion with the wheat board, discussion with the advisory committee of the wheat board and some conference with the provincial agricultural authorities and the Canadian federation of agriculture.

Mr. GARDINER: That was absolutely correct.

Mr. DOUGLAS (Weyburn): The minister says that is correct. I merely want to draw to the attention of the house that, according to the Regina *Leader-Post* of January 30, this is what Mr. Wesson said, speaking in Calgary at the annual convention of the Canadian federation of agriculture.

I resent the action of the Canadian government in completely ignoring nationally organized agriculture when laying down a major farm policy.

Mr. GARDINER: That statement was not based on the facts.

Mr. DOUGLAS (Weyburn): Mr. Wesson is not only a national vice-president of the Canadian federation of agriculture, and president of the Saskatchewan pool; he is also a member of the advisory committee of the wheat board; and when Mr. Wesson makes a statement like that it seems to me that, whatever conference or consultation there may have been, certainly it was far from satisfactory, to elicit a statement like that from a man holding the position which he occupies.

Mr. GARDINER: If I may be permitted, I said in my speech the other day, with all of the delegation from the federation sitting in the galleries at the time, that the group had met the government just prior to our coming to this house and had agreed that there had been a misunderstanding when the statements were made at Calgary.

Mr. DOUGLAS (Weyburn): Well, as is said on the radio sometimes, "That ain't the way I heerd it." That is not what I heard from some of the delegates who were here. At any rate I will let the statement stand.

Mr. GARDINER: It is in a written statement, and is public property.

Mr. DOUGLAS (Weyburn): Then we shall be very glad if the minister will table the statement.

Now, as to the government's agricultural policy, it seems to have been bedeviled, ever since the war started, with a series of improvisations and a total lack of any long-term, careful planning. There are a great many illustrations of this contradiction in policy, and it is rather significant that in all the speech from the throne there is no mention of the government's agricultural programme for the war period, but merely a statement of what they intend to do to help agriculture in the post-war period. This is significant for the simple reason that the government has not had a clearly defined agricultural policy for war time but, as I say, merely a series of improvisations and contradictions. Let us look at some of them.

Take, for instance, the contradiction of having the Minister of Agriculture and the food administrator saying to the farmers of Saskatchewan, we want you to increase pork production 70 per cent, and beef production and coarse grains by so much; and, on the other hand, the Department of National War Services taking man-power away at such a rate that it will be virtually impossible to hit the target set by the Department of Agriculture. The man-power question is something that will have to be gone into in greater detail as the session proceeds.

On March 23 last order in council P.C. 2252 was tabled, which gave the right of postponement to any man who was essential to agriculture. It placed the responsibility, not on the man to prove that he was essential, but on the board to prove that he was not essential. I can speak only for the province from which I come, but in that province little or no attention was paid to that order in council. The board continued to call men, and I am not laying the blame entirely on the board. The secretary has said to me repeatedly, in reference to cases that I have referred to him, "We are given a quota each month by the military authorities." They are faced with divided responsibility. The Department of Agriculture said, leave the men alone; the military authorities said, you must get so many men a month. The board could not, therefore, pay attention both to the order in council and to the request of the military authorities, and undoubtedly for the last year in Saskatchewan the decisions of the divisional board have been dominated almost entirely by the officer representing the military authorities in that province. The result is that our

farms have been almost completely denuded of man-power. In some instances the last man on the farm has been called.

The Minister of Agriculture visited Saskatchewan in January and made a statement, as reported in the Regina *Leader-Post,* in which he said that the present regulations provide that any farmer can obtain postponement of military service merely by demanding it and showing that he is a farm worker. Well, nobody knows better than the minister how absurd that statement is. Suppose the farmer does demand postponement and suppose the board does not pay any attention to him; then what? In scores of instances men have made application to the board, and the board had so many of them that they did not even get to the man's application by the date on which he was supposed to report. He had, therefore, one of two choices. The Minister of Agriculture is saying something. He can make his speech afterwards. Let him sit up in his chair and dangle his feet until I make mine. As I was going to say, in many instances these men found that by the date upon which they were to report they had not heard from the board, and they had either to risk being arrested for failing to report or, if they reported, they then were out of the jurisdiction of the Department of National War Services. It was, therefore, absurd to say that any man could demand postponement. He could make application, and many such applications were made, but they were often not replied to, so that a man had no choice but to report. As the government knows quite well, when Mr. Milliken was appointed as agricultural representative, he was so inundated with applications that he simply threw up his hands and resigned in disgust.

The government has issued an 8-point statement in the matter. I hear them referring to the new regulations, but they are not new regulations. Let us get that clear. The regulations are the same as those contained in order in council P.C. 2252. What has been issued is simply an interpretative letter seeking to advise the respective boards how they shall interpret the regulations. Let me remind the house of two things. First, we have no guarantee that the divisional boards will pay any more attention to the interpretative letter than they did to the regulations; and, second, even if they do, in many instances the damage is already done. I think the government will have to go much further. They may have to take the drastic step of taking men out of the army and putting them back on the farm wherever the farm has been left without sufficient man-power to produce the kind of things which the Minister of Agriculture wants to have produced in the programme which he outlined the other day.

There is no use in the minister or anyone else saying, as the Minister of Agriculture did last week, that we have a farmer representative on the board and that it is up to the board. The government cannot hide behind the skirts of the divisional boards. These boards either carry out the government's policy or do not. If they are not carrying out that policy, the government should dismiss them and appoint new boards; but if they are carrying out the government's policy, the government must accept responsibility for their actions. The sooner we get back to the place where someone in the government is responsible, and will accept the responsibility, of dealing with this situation, the sooner we shall have sufficient labour power on the farms to fill the quotas which the Minister of Agriculture has contracted to fill.

Take some other contradictions. The farmer has been bewildered and confused by differing advice and different suggestions which have been made to him. The Minister of Agriculture goes on the radio and tells him to hold his cattle, and not long after that Mr. Donald Gordon, chairman of the wartime prices and trade board, tells him not to hold his cattle and chides him for doing so. One day Mr. Taggart, the food administrator, declares that it is nonsense to talk about butter rationing, and within ten days we have butter rationing. At one time the farmer is told to produce more flax, to get into flaxseed production, and now he is told we do not need increased flaxseed production. I have before me a copy of a broadcast, reported in the *Western Producer* of January 21, made by Mr. George Robertson, secretary of the Saskatchewan pool, in which he says that early last December, that is 1942, an agricultural production conference was held here in Ottawa, in which it was agreed that the acreage seeded to flax during the current year should be increased by more than one million acres, representing an increase of 68 per cent over last year's acreage. Repeatedly it was suggested to the farmers of the prairies that they should get into flaxseed production. In my own constituency I know of many farmers who paid from three dollars to five dollars a bushel for royal flax seed and now, according to the programme announced by the Minister of Trade and Commerce, apparently the government does not want the farmer to increase his flaxseed production. Many of these men will use the seed anyway, and we shall find next fall that we shall have quotas on flax—and there is nothing harder to store than flax.

We had a similar problem before in connection with coarse grains. Last year farmers were told to get out of wheat and into coarse grains, which they did. They put several million acres into coarse grains. To-day thousands upon thousands of granaries all over the prairies are filled with coarse grains which farmers cannot deliver. The farmer has a quota of twenty bushels to the acre, and he is lucky if he can get cars to ship them. He was told to produce coarse grains; he had every reason to think that if he did he would be able to dispose of them, but now he cannot dispose of them.

One more contradiction in this policy. We have frozen farm prices and, what is even worse, we have frozen the amounts of certain farm commodities that the farmer may deliver and sell, but we have done nothing at all to freeze the farmer's debts. The debt situation on the prairies, and particularly in Saskatchewan, has reached a point where something must be done. At the present time, farm debt in Saskatchewan—mortgages, agreements of sale, debts on implements and so forth—is in excess of $600,000,000, or something over $21 for every acre of crop land. I ask hon. members to realize the plight of a prairie farmer. He has in his backyard all the means to make some payment on these debts. But he cannot dispose of his wheat; he cannot dispose of his coarse grains; they are frozen. It is not his fault; yet the interest on his debt continues to accumulate even though it is not his fault that he cannot meet it. Last year the debt adjustment act of the province of Alberta was declared ultra vires, and consequently the debt adjustment acts of Saskatchewan and Manitoba were placed in jeopardy. A debt conference was called in Saskatoon last fall, and my understanding is that at that time assurance was given that some steps would be taken by the federal government to pass an order in council under the War Measures Act giving the provinces power to protect the farmers during this war-time crisis. But that order in council has not materialized. In the meantime the judicial committee of the privy council has concurred in the decision of the Supreme Court of Canada and declared the debt legislation ultra vires. The other day I asked the Minister of Justice (Mr. St. Laurent) what the government intended to do about the matter and was told that it is still under consideration. I suggest to the government that it will have to have more than consideration; some steps will have to be taken immediately to prevent all foreclosures and evictions and to freeze debt. If the farmer is to have his prices and quotas frozen, then he ought to have his debts frozen. I say to the Minister of Agriculture in all seriousness that if the farmer does not get some measure of security on his farm, if something is not done about his debts, about his manpower—because he is to have less machinery—then we are headed for trouble. I know in my own constituency farmers are getting rid of their stock, in some instances men who have been trying hard to raise stock. I say to the minister that I am afraid that unless some steps are taken not only shall we not reach the objectives which we have set but we may not reach this year even the objectives which were attained last year.

That is why we in this group ask for a long-term plan mapping out the things to be produced and the quantities which the government is prepared to accept. We ask also for parity prices for the duration and for a period after the war. The average farmer cannot go into producing certain commodities unless he knows that he can count on a certain price over a period of time.

Mr. GRAYDON: Why should he not always have parity prices?

Mr. DOUGLAS (Weyburn): Of course he should, but certainly he should be guaranteed them now. If he starts certain lines of production at the suggestion of the minister, he should not find a year or two hence when he is ready to market the products that the price has gone. The slogan on the prairies has been: When there is a price there are no pigs and when there are pigs there is no price. We are seeking to avoid that.

The third thing we suggest is that the government should set up agricultural commodity marketing boards which would take delivery of these commodities from the farmer at the guaranteed price; dispose of them to the retail or export trade and absorb any loss incurred, as is being done by the wartime prices and trade board, which is subsidizing certain industries.

Fourth, we ask that sufficient labour be returned to the farms that are denuded, and sufficient left on the other farms, to enable them to meet the demands for foodstuffs that have been sent out by our allies.

Lastly, we ask that the government take steps to freeze farm debt and give the farmers security on their farms in this period during which they cannot deliver the commodities which they have produced.

In conclusion, one word with reference to the discussion of social security in the post-war world. We in this group have always maintained, and continue to maintain, that there cannot be such a thing as a system of social security superimposed upon a system of economic insecurity. There can be no social security apart from economic security. Sir William Beveridge makes it perfectly plain that when he is talking of a social insurance scheme it is based on more or less continuous employment. He says that any excess over eight and a half per cent of unemployment will throw his whole scheme out of gear. Therefore we believe that for anyone to talk, as the hon. member for York-Sunbury (Mr. Hanson) did yesterday about social security on the one hand and retaining free enterprise on the other is a contradiction in terms, because rugged individualism has never produced for our generation anything but ragged individuals on the one hand and people wallowing in wealth on the other. It is time we realized that to talk glibly about "social insurance" and "social security" and the "Beveridge plan" as though these things could be superimposed upon an economic system that has produced poverty on the one hand and plenty on the other, natural resources needing to be developed on the one hand and unemployment on the other, is to talk about things that contradict each other. We believe that there can be no social security for the people of Canada until we are prepared to make fundamental economic changes and to reorganize our society in the interests of all the people instead of allowing it to be used as a means of economic exploitation for the benefit of a few.

In the magazine *Time* dated January 11, there is a statement by Monsignor John A. Ryan of Washington, an outstanding leader of the Roman Catholic church in the United States. He sums the position up in words which are very clear. He says:

> The millions of returning soldiers and sailors will not be satisfied or fooled by the old claptrap concerning "rugged individualism" "American opportunity" or "American equality" . . . they will not be lulled to sleep by commonplaces about the limitation and difficulties of distribution, nor by promises of "prosperity just around the corner". They will demand jobs here and now. I do not believe that an economy dominated by the philosophy of "free enterprise" will be able to meet that demand.

On motion of Mr. Blanchette the debate was adjourned.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 5.55 p.m.

[Mr. T. C. Douglas.]

Thursday, February 18, 1943

The house met at three o'clock.

CIVIL SERVICE

INQUIRY AS TO PROGRESS IN CONSTRUCTION OF WOMEN'S HOSTEL IN OTTAWA

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): I would like to ask the Minister of Munitions and Supply why work has not been rushed on the women's hostel in Ottawa. This morning's Ottawa *Journal* says:

> Certainly no construction records are being broken in this project, which was launched by the government last summer, many months after the urgent need for such a hostel had been apparent to everybody else.

Hon. C. D. HOWE (Minister of Munitions and Supply): I will refer that inquiry to the Minister of Public Works.

Hon. ALPHONSE FOURNIER (Minister of Public Works): If my hon. friend will let his question stand as a notice, I will give an answer to-morrow.

Mr. LOCKHART: May I ask that the Minister of Public Works, in replying to the specific question of the hon. member for Peterborough West (Mr. Fraser), include any recommendations that may have been made with respect to hostel accommodation at other points—that is, make a general report so as to cover the whole matter?

Mr. FOURNIER (Hull): The only hostel coming within the jurisdiction of the Department of Public Works is the hostel in Ottawa. The others were put up by the Department of Munitions and Supply.

Mr. LOCKHART: Then may I ask that that information, whether obtained from the Department of Munitions and Supply or elsewhere, be included at the time the report is made?

SOCIAL SECURITY

SUGGESTED OPPORTUNITY FOR DISCUSSION PRIOR TO MEETING OF SPECIAL COMMITTEE

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I would ask the Prime Minister a question of which I have given him notice. Would he be good enough to consider, in connection with social security and the Beveridge report, following the practice of the mother of parliaments, where a committee was appointed but where they had a two-days' debate in the house before the committee met? On the govern-

ment benches here there are splendid men who have come up from the municipalities and who are well qualified to discuss this question. I think it would be well to do what was done in Great Britain and give members of the house an opportunity to express their opinions in a non-political debate which might form a chart for the course to be taken by the committee.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my hon. friend sent me a communication indicating that he intended raising this question. I must say that the more I have considered it the more I feel that it would not be advisable to act upon the suggestion of my hon. friend to have a debate upon the Beveridge report in this house before the matter of social security is referred to a special committee. My hon. friend has just said that the mother of parliaments has followed a certain course. That course, as I take it, was to discuss at Westminster a report which related to the conditions in the United Kingdom. That would be quite proper. But the Beveridge report does not relate, except so far as general principles are involved, to conditions as they exist in this country. In Great Britain most of the matters which are referred to in the Beveridge report come before only one government. In Canada social security is a matter controlled in part by the federal government, in part by the provincial governments. I think it would be wholly advisable that a committee of this house should have the opportunity of considering that aspect of the broad question of social security before we begin a debate on any one particular report.

May I draw my hon. friend's attention to the fact that, in the notice I have given for the appointment of a committee on social security, I expressly request the house to permit the committee to examine and study social insurance policies of other countries. Social insurance policies of other countries will include the Beveridge report. I would think it would be preferable that a discussion of the Beveridge report, so far as it is desirable to have it in this house, would come after members of the committee had had an opportunity of familiarizing themselves with the report.

But there is an even stronger objection to proceeding along the lines which my hon. friend has indicated. The Minister of Finance (Mr. Ilsley) is anxious to proceed as soon as may be possible with the war appropriation for the coming year. The minister is also anxious to place before the country, as soon as he can, the budget, so that the people of Canada may have an appreciation of what is involved in the recommendations which the minister will have later to make to the house with respect to the ways and means of raising the revenues required. To proceed with a debate on the Beveridge report before these all-important war measures—because the budget will be that in considerable part as well—are considered by the house would, I think, place an entirely wrong emphasis on the importance of the matters which should be considered at this time, or first of all in this parliament.

I want to take advantage of this moment to say to my hon. friend and to the house—I said it before, and I wish to repeat it—that there is a great danger of hon. members of the house and of people throughout the country getting the impression that this war is going to be won in the course of this year, and that what we have most to be concerned about at the present time is what is going to happen after the war, rather than before the war itself is won.

I do not believe it is possible to emphasize too strongly with respect to the progress of the war, the serious situation which exists at this moment, and which lies ahead. As yet there has been no invasion of Europe by armed forces of the allied powers, and up to now Germany continues to control the countries which she has already conquered. She is being driven back at the present time by Russia; but apart from that, the whole problem of the war, as to when and how the axis powers are to be defeated, still remains something which is completely unsolved. It is going to take all the efforts that all the allied powers can make to win the war in the course of a very considerable time. I believe that the more we impress that upon the people of this country, the better it will be for the good of all. If this house begins to take up at the beginning of a session discussions of a post-war matter, before we have even had an opportunity to discuss our war measures, I am sure we would be setting a wholly false example and would be conveying a wholly wrong impression to the country.

Mr. CHURCH: The only thing I would say is that probably the select committee will not present its report until the dying hours of the session—

Mr. MACKENZIE KING: Oh, no; there is every desire—

Mr. CHURCH: —and no action will be taken this session, as happened last session with some of these select committees.

Mr. MACKENZIE KING: I am sure the committee will use all the expedition possible. The committee will be appointed within the course of another few days. I think there is every reason to believe that its report will be made in time for a discussion of the matter at this session.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Wednesday, February 17, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Coldwell.

Mr. J. A. BLANCHETTE (Compton): In taking part in this debate at this late stage, my intention is not to take up the time of the house except to make comments which I feel it is my duty to make upon two or three points only.

I shall attempt to be as brief as possible in dealing with three summary outlines, namely, the matter of controls, man-power as affecting agriculture and lumbering, and the social legislation proposed, in comparison to what some of the other countries have already done along this line.

There is no doubt that the various controls which we have set up have been severely criticized by the press and the people of this country, the intensity of this criticism being at times directly proportionate to the curbing of our activities in a given field, industrial, commercial, or again in our habits of life.

We have been so long accustomed to doing things in a democratic way that we resent being told what to do and what not to do. However, no government, not even one which perchance my hon. friend the leader of the official opposition (Mr. Graydon) might lead, could successfully carry out the activities looking to the winning of this war, unless these various controls were resorted to. There is no country at war to-day that has not these controls in its legislation, so that, after all, we Canadians are just doing what every other country is doing to win the war. The men placed at the head of these control boards are for the most part leaders in their respective fields, and I believe that if all of us would be prone to cooperate with them rather than to criticize them, and if we had in view not the one field of a given control as a perspective, but rather, the wider perspective of the whole war picture, perhaps we would then be contributing a certain unconscious war effort which we at present are not doing.

Perhaps one of the reasons why Canadians have not taken well to some phases of this control is that they have not been sufficiently informed of the reasons why controls of this and that have been established, and perhaps the publicity divisions of our various departments have not explained as fully as they should have done the whys and wherefores for this or that commodity being controlled. Again, some of the newspapers of the country have made a point of criticizing, perhaps too harshly, some of these rationings. I know that there is an enormous difference in the way that these controls are accepted by Canadians and Americans. Living near the border states of New Hampshire, Maine and Vermont, I have occasion to go to border towns quite often throughout the year, and a thought that strikes me on each of my trips thereto is that the Americans, once the government establishes a control or rationing, hardly offer any further criticism. There is hardly any more criticism of that control or rationing by the residents.

To mention one instance of the criticism of rationing, a criticism which we have heard in this house since the beginning, take butter. It might be interesting to know that the present fat ration per capita in Canada is, roughly speaking, 41 pounds per year, consisting of a butter ration of 26 pounds and 15 pounds of other fats. The United States has at present a fat ration of 41 pounds also, but it consists of 17 pounds only of butter, and 24 pounds of other fats. Great Britain has a ration in fats of 26 pounds only, consisting of 6½ pounds of butter per year and 13 pounds of vegetable fats, with 6½ pounds of cooking fats. So that after all, although there is a rationing of butter here, our 26 pounds per year per capita is much more than the 17 pounds per year which the American receives, and greater by four times than the 6½ pounds which the Briton is getting on his table every year.

There is a further thought which I should like to give to the house and the country. On the first of January last, the total butter stock on hand in the United States was 42,000,000 pounds for a population of 130,000,000. We in Canada had in our warehouses at the same time 22,000,000 pounds for a population of roughly a little over 11,000,000. In spite of the fact that the United States had only a butter reserve of 42,000,000 pounds on the first of January last, towards the end of 1942 the United States

sent 17,000,000 pounds to relieve conditions in Russia, leaving only 25,000,000 pounds of butter to feed a population of 130,000,000. Here is a blunt fact that we should keep in mind when we attempt to criticize too severely the butter rationing of this country.

Of course the Americans have oleomargarine which they can fall back on, and there has been some agitation in this country, in the press and elsewhere, that we too in Canada should have recourse to oleomargarine to supplement our butter ration. If we do this, then there are only two places where we can get the vegetable oil needed for it, and that is the United States and Great Britain; and once the facts are known, and when we take into consideration also our present Canadian fat allotment of 41 pounds, the same as the allotment in the United States, is there any organization, governmental, commercial or individual, that would have the courage to go to the United States and ask for a share of their vegetable oil, in order that we in Canada might make oleomargarine also? Is there any one in this country who would like to ask Great Britain for a portion of their vegetable oil, with their total quota of 26 pounds of fat, in order that we in Canada might be able to increase our total fats above the 41 pounds which we get at present? I believe, however, that it may be possible for us in Canada to increase our butter production if the wartime prices and trade board would encourage the dairy farmers to produce butter on a larger scale than in the past.

We have heard and are still going to hear a great deal about man-power, and I intend to deal with the question as it affects agriculture and lumbering respectively. All the members of this house and the press of the country as well as farming organizations in Canada recognize that there is a shortage of men on the farms. That fact is patent to all who are well versed in the situation, and this beyond any fear or hope of contradiction. If this shortage of man-power on the farms continues, there is no question but that our war effort will be greatly hampered in producing quotas set for the coming year. Agriculture is a primary war industry, equal in importance to the making of munitions and other weapons and engines of war. One is the complement of the other. No country can win a war with munitions alone; both food and munitions are needed for victory.

I have seen it stated editorially in *Le Soleil* that to-day some 25,000 agricultural workers are in the military camps, and surely these should be returned to the farm, where they belong, in order that the ranks of agricultural workers may be replenished. Recent directions given by the national selective service to the mobilization boards with reference to agricultural workers will greatly help, I hope, not only to maintain on the farms those who remain there, but also to bring back to the farms those who have been taken from them.

In connection with the man-power question, again, some criticism has been made about the permits granted to lumbermen to work across the American border. True it is that last spring some 7,500 men were allowed to go to the United States to work in the lumber camps near the border, but these permits were gradually cut down periodically. At the time the first permits were granted there was not the shortage of men in the lumber camps that developed later on in the season. Some of the lumber operations to be completed go in cycles, spring and summer, fall and winter, and once we had granted a permit in the spring, it was only logical, as I see it, and in the spirit of the good neighbour, that we should allow these men in limited numbers thereafter, if you wish, to continue to have access to the American lumber camps to complete the lumbering operations in order that the timber cut in the spring and summer would not have to remain and rot in the woods.

Furthermore these men brought badly needed United States exchange to this country, and this on a rather larger scale, since some of the men received $10 to $12 a day for their labour across the border.

I was glad to hear the Minister of Labour (Mr. Mitchell) say the other day that the war labour boards had reconsidered 8,500 cases for increase of wages and that as a result 385,000 workers had received in added salary a total of $3,250,000 per month or an annual increase of some $40,000,000. I suggest to him along the same lines a revision of pay for the lumbermen, who are receiving far less than they should. Not everyone can be improvised into a lumberman; it is a trade in itself, one of the most essential in our war effort as well as in peace time, particularly in the reconstruction period to follow the war. All who are cognizant of the situation believe that these men should be paid more for their work. In the province of Quebec I believe the basic rate is $52 a month. Immediately this rate is stated we ask ourselves whether we are doing justice to workers of this class, whose work is seasonal and at times demands endurance of hard conditions of living and hazards and requires courage and skill which should be much better remunerated. And at the same time might it not be advisable to inquire into the price that is being paid for pulp in Canada—$13 or $14 for peeled pulp, as compared with $18 and $19 in United

States funds for the same product at some of the United States mills of the same hauling distance?

So far as my section is concerned some of these lumber cutting operations consisted in the cutting of veneer logs in the virgin forests, for manufacture of veneers so greatly needed by Great Britain for aircraft production. In allowing these men to cross the border for veneer cutting it was not so much a case of Canada helping the United States as it was the other way round, that the United States were favouring Canada in allowing A-1 veneer logs to be cut by Canadians, hauled to Canada, processed in Canadian mills and sent to Britain where there is such dire need for this material. We are receiving neighbourly treatment from the United States in some phases of our war effort, and, as the Minister of Labour put it, we must give some consideration for the favours which we receive.

I have previously stated that some 25,000 agricultural workers are in military camps. I believe that the shortage of men in lumber camps in 1942 was occasioned more by their being called for military service than by the permits granted to work in the lumber camps of the United States. So far as our district of the eastern townships is concerned, when one says agricultural workers one says at the same time labourers for the forests, because these occupations go hand in hand. I have been wondering at times whether it would not be advisable to form a civilian forestry corps composed of workers on the farms, who could very well be employed in the lumber camps during the less active season on the farms. This would at least greatly relieve the shortage of men in the lumber camps.

I now wish to touch upon the matter of social legislation, referred to in the speech from the throne. I would commend the government in that regard. This government is proceeding in its social legislation in the same manner as the British parliament is approaching the matter, and also to a certain extent the United States government, in that first of all a committee is to be set up to study the measures proposed, after which parliament will be duly seized of the subject and prepared to implement the committee's recommendations. No more far-reaching effect upon this country for many years to come can be had than by the thoroughness and sincerity and activity which the committee created to study this question shall put into its work and agenda and deliberations.

Social legislation is always the most important legislation, and especially is it important at this stage when principles of a new order have been predicated by the leaders of practically all democratic countries. On June 10, 1941, Right Hon. Arthur Greenwood, minister without portfolio in the British government, announced in the House of Commons that he had arranged with all departments concerned for a comprehensive survey of existing schemes of social insurance and allied services which would be considered in due course by the committee on reconstruction problems of which he was chairman, and that Sir William Beveridge had accepted his invitation to become chairman of an interdepartmental committee which would conduct the survey, giving consideration to representations from representative organizations and persons connected with the problem involved.

This report was submitted on November 20, 1942. Social security—the expression used in the Beveridge report—means assurance of a certain income. The plan for social security set out in the report is a plan to win freedom from want by maintaining incomes. But sufficiency of income is not sufficient of itself; freedom from want is only one of the essential freedoms of mankind, and any plan for social security in the narrow sense assumes a concerted social policy in many fields. The plan proposed involves three particular assumptions, namely: (1) children's allowances; (2) comprehensive health and rehabilitation services; (3) maintenance of employment.

Last session it was my privilege to introduce in this house a resolution based on the principle of family allowances. Like other resolutions of private members it was not called for debate in the house, but it was discussed in some sections of the country and in the press. One of our local papers in an editorial summed up their view in the phrase, "Where is the money to come from?"

At present we are fighting a war unprecedented in the history of the world. Let us make no mistake; we must have recourse to reconstruction, rehabilitation and social reform in a like unprecedented manner after the war. We are spending fabulous sums of money to kill; we must find hereafter vast sums to live and let live after the war. The people of the democratic countries are fighting for this very thing at the moment, and will expect nothing less after the war.

In my humble opinion, outstanding as the very keystone of social legislation and reform is the matter of family allowances. This principle was recognized by the British parliament on June 23 last, when the following resolution was proposed and agreed to:

Resolved, that this house, having regard to the supreme importance of further safeguarding the health and well-being of the rising generation, commends for the immediate consideration of the government the institution of a national scheme of allowances for dependent children as an important contribution to this vital object.

The British House of Commons therefore has recognized that parenthood is both a privilege to the individual and a service to the state.

The case for family allowances rests on the necessity of dealing with three aspects of our national life: first, that we already are within sight of the beginning of a decline in our population; second, that the greatest single factor in poverty is the size of the family; third, the power of the home market to consume the products of industry in the post-war period. When one comes to consider the cost of family allowances it is essential to consider also what will be the cost of going without family allowances. It is not only good social ethics, but looking at it on a lower plane, if you will, it is good business to pay family allowances as has been recommended in the memorandum on reconstruction issued by the Federation of British Industries. A scheme of family allowances is the most efficient single method so far suggested for dealing with social security and poverty, mentioned in the Atlantic charter; by its very nature it offers a master key to social security. Let us not be alarmed by its cost after the war. As a result of the great inventiveness called forth by the war our productive capacity will probably increase rather than diminish when the war is over; for there is a continual increase in the wealth of the country, and it will be frustrated only if we allow men to rot in idleness instead of being absorbed in productive work and in the reconstruction which will be our task after the war.

Should such a scheme be favourably looked upon by the government, and I do not see why it should not, having regard to the favourable outlook in some other countries, I believe we shall be taking a proper step in the right direction of social legislation. By this single measure of family allowances we can solve the most complicated problems of social security and at the same time help along some of the other freedoms which will be the major problems of all governments in the post-war period. Our valiant soldiers are fighting, along with those of our allies, for freedom for themselves and their loved ones, and at the same time for a bill of rights for their children which might be stated as follows: first, the right to healthy childhood; second, the right to education; third, the right to understand and observe his religious and national heritage; finally, the right to grow up in a world free from the fear of unemployment, insecurity and war.

72537—33½

Mr. G. S. WHITE (Hastings-Peterborough): Mr. Speaker, I should like to join with many of the previous speakers in this debate who have expressed great satisfaction and pleasure in the turn of the tide in the fortunes of the allied nations, in that they are now passing from the defensive and assuming the offensive. I should like also to compliment the hon. member for Winnipeg North (Mr. Booth) on his able and instructive address, which was listened to with great interest by all hon. members, in which he dealt with the work, training and activities of the Canadian troops overseas. In the course of his remarks he paid a fitting and proper tribute to the high esteem in which the officers and men of the Canadian corps are held in Great Britain.

I should like to join also in the regret expressed by the hon. member for Weyburn (Mr. Douglas) that there was no mention in the speech from the throne of the heroism and sacrifice of the Canadian boys who went through the Dieppe engagement. In his remarks during the course of this debate the Prime Minister (Mr. Mackenzie King) stated that in his opinion proper tribute had not been paid in this house to the Canadian boys who fought at Hong Kong. While we in this house may have our differences of opinion as to the sufficiency of the training and equipment of the boys who went to Hong Kong; while there may be some differences of opinion with regard to the Dieppe affair, I am sure there will be no question of division among the people of Canada as to the fighting qualities of and the magnificent battle put up by our boys both at Hong Kong and at Dieppe. These two names will long be remembered in Canada. When one considers the almost impossible odds against which our boys battled at Hong Kong; when one considers the enemy, vastly superior in numbers, highly trained and fully equipped, one can only feel a great thrill of pride at the achievements of the Canadian boys, followed by a grim resolve that those boys must and will be avenged. And who among us here can picture the beachhead at Dieppe on that summer morning when the Canadian troops stormed ashore against the hail of death that was hurled upon them? Yet all the press dispatches and articles written by men who were there indicate that not a single man faltered in his task. The boys who made up those contingents at Dieppe and Hong Kong came from communities right across this

whole dominion, and I am sure that tomorrow, when the historian records with unprejudiced pen the events of these historic days, the names of Hong Kong and Dieppe, together with the names of the officers and men who fought there, will be placed high on the Canadian scroll of honour.

Previous speakers have dealt with certain matters relating to lumbering and farming in various parts of Canada, and I should like to deal briefly with these same subjects, because they concern the part of Ontario in which I reside. In the counties of Peterborough and Hastings there are almost inexhaustible supplies of wood and a certain quantity of timber. For many years the wood and lumber industry has provided a livelihood for a large number of persons. During the winter of 1941-42 many wood operators, both individuals and companies, took out large quantities of fuel wood for sale during the fall of 1942 and this present winter. At that time there was no price ceiling on wood. On August 8, 1942, however, a price ceiling was imposed, providing a certain price at roadside and a certain price for the delivered dry wood. Owing to a scarcity of other fuels throughout the dominion this large supply of wood was soon sold at ceiling prices. The price set by the fuel administrator resulted in a loss, in many instances, for the individual or wood operator.

After the wood was sold, after there had been many complaints and after the wood controller discovered that he had set the price of wood too low, early in January 1943 the price was increased by $2 a cord. This increase to the wood operator just meant the difference between operating at a loss and breaking even or having a fair profit. Hon. members would be interested to know who advised the fuel administrator when he set the price on fuel wood, because I am sure any hon. member who lives in a district in which there are dealings in wood must agree with me when I say that the price of fuel wood, either at roadside or delivered, as set by the fuel controller in his order of August, 1942, was too low. While the price was raised, the increase was made too late in the season. January of this year was too late for any wood operator or company to make contracts or arrangements to take out wood during the present winter. Up to that date they were faced with a low fixed price. The wood operator had to make a bargain with the owner of the wood lot. He had to make provision for the cutting of the wood, for the trucking of it from the wood lot to the roadside, and the piling at that point. He had to arrange with the trucker who would pick up the wood at the roadside and make deliveries to consumers in towns, villages or cities. Naturally any man who owned a wood lot wanted a fair price for his wood; the workman wanted a fair price, the trucker wanted a fair price—they all wanted a fair price, and they were entitled to it. The result has been that this winter in the counties of Hastings and Peterborough no one is taking out any wood or making provision for the sale of wood during the next winter season. This situation will become more serious, because these counties supply not only many small towns and villages, but also several large cities in the immediate vicinity.

Next comes the question of labour. No provision has yet been made under which the lumber or wood dealer can obtain a proper supply of labour to carry out his operations. The same condition applies to the lumber industry in my district. Lumber operators in the counties of Hastings and Peterborough might properly be classed as small operators, because they take out a cut of only half a million to two million feet a year. In addition they supply poles, ties and material of the kind.

During the summer of 1942 I had occasion to apply to the divisional registrar for the exemption from or postponement of service of a young man who was a lumber sawyer. This young man had been called for military service, and had been granted one or two exemptions, following which he had received his final notice to report. As the calling of sawyers and other key men in the lumber industry affected many in the counties of Hastings and Peterborough, I prepared a short brief dealing with the labour and lumber situation as it applied in my community, and I attended with the young man before the board at Kingston. After consulting with the board, however, the registrar advised me that as I was a lawyer I could not appear before the board or submit my brief. I then asked the registrar if I could appear as a member of parliament, and after a second consultation with the board he advised me I could not. However the young man was allowed to appear and state his case before the board, at which there was present an officer in uniform. He was refused any further exemption; but the registrar did mention one thing to me, namely that the small lumber operator for whom this sawyer was working did not have any government contract. That was true; very few small lumber operators have government contracts. But the fact remains that practically all the lumber, poles, timber and ties they take out are sold to industrial plants which are working on

government contracts. The operator in question had a large contract to supply lumber to the cement company at Pointe Anne, and he was supplying all the timber he could get of a certain kind to the shipyards at Kingston.

Just a few days after my visit to Kingston I received from the timber controller a long document dated September 1, 1942, which, I believe, all hon. members received. This document, addressed to Canada's lumber industry, states in the first paragraph:

> The paramount thing at the present time in the national interest is the maximum production of logs and lumber. We must accomplish this, even with our present difficulties of labour shortage,—

And so on.

Then follows a long list of districts in which lumbering is carried on. I wrote the timber controller and Mr. Little, who was then in charge of selective service, setting out the case of the wood and lumber operators in my counties. As usual I received a courteous reply from the director of national selective service, and a similar letter from the timber controller. In their letters they both pointed out that the matter of exemption of key men in the lumber industry had been brought to their attention before, that something was going to be worked out, that it was necessary that lumber be produced—and all the rest of it,—and that I would be advised in due course of what further action would be taken. That was the last I heard of the matter.

In closing this part of my observations may I point out that while these lumber operators are small, they have fairly large investments in equipment and machinery. They are all ready to operate. The government is urging that our lumber production be increased. With a set-up like this it seems most unfortunate that key men in the industry should be called for military service, and it is also unfortunate that the lumber operators are not permitted to obtain adequate labour to carry on this most important industry.

With respect to farm labour in my constituency I would point out that in 1942 the county of Hastings held the record for the largest cheese and pork products production in Ontario. The farmers have been asked to increase their pork production in 1943 by twenty per cent, and to increase further their cheese production, which is already at a record. There are in addition in these two counties many creameries which make anywhere from 200,000 to 700,000 pounds or more of butter a year. They also raise large quantities of beef, lamb, poultry, honey and other farm products. These two counties are ideally suited for mixed farming. I know all members will agree with me when I say that the farmer is just as willing and anxious as anyone else to produce the maximum amount for the war effort, but like the lumber dealer or the wood operator he is faced with a shortage of help. Large numbers of men in these two counties have enlisted in the armed forces, and large numbers of men and women have gone into the industrial centres. Many of our young men also have been called for military service. The result is that to-day on many farms you will find a farmer with only his wife to assist him in operating a farm which in normal times would have at least two or three men. If the farmer is to increase his production as he has been asked to do in 1943 he must be able to plan at least one season ahead; for he must increase his stock and arrange to cultivate a larger area in order to grow more feed.

As hon. members know, there is no such thing under the war service regulations as a permanent exemption. Postponements are granted which are renewable from time to time, or a man may receive a postponement until further notice. I know many young men in my district who received their call-up notice together with a transport warrant and instructions to report at the district depot in a matter of three or four days. It was a sorry spectacle last fall, Mr. Speaker, to see many crops of hay and grain left to rot in the snow simply because of the shortage of farm help. I would point out to the minister that the notices that are sent out to the young men by registered mail, enclosing a transport warrant and instructions to report at a depot, reach the young men in the country only two or three days before they are directed to report at the district depot. A sufficient time is not allowed to them to make application for postponement. I have been told that when the young man goes to the district depot and has been medically examined and accepted he is then allowed to apply for a postponement, but there is nothing in the call-up notice itself to indicate that he is entitled to apply for postponement at the district depot. The result has been that many of our young men from the farms, once they got to the district depot and passed the medical officer, soon found themselves in uniform.

The average farmer engaged in mixed farming, like the lumber or wood operator, for instance, has a large investment in his operations, and when his farm help is taken away he has no alternative but to reduce his stock and to cut down the number of acres he has under cultivation.

In the booklet, "Canada at War" No. 19, for December, 1942, it is stated at page 3 that in the army in Canada there are approximately 210,000 troops on active service, in addition to 200,000 men in the reserve army. It does not state in the book whether the figure of 210,000 troops on active service in Canada includes young men who have been called up under the National Resources Mobilization Act. I trust that when the Minister of National Defence (Mr. Ralston) speaks he will inform the house how this figure of 210,000 is made up, and whether it includes the "R" recruits. On the next page of the book it is stated that there are overseas upwards of 180,000 men, comprising five divisions.

Other members in referring to the troops overseas have brought up the important question whether adequate reinforcements have been provided. I would ask the Minister of National Defence, when he speaks on this important question of reinforcements, not to confine himself to simply stating that there are "adequate" reinforcements or some adjective of the kind. I ask him to tell us what percentage of reinforcements are needed, what percentage basis has been worked out. If the percentage basis is five, ten, twenty, or fifty per cent, I for one should like to know. I have inquired of many officers and I have never yet been able to find out the basis of what are considered adequate reinforcements. As was pointed out very forcefully by the hon. member for Weyburn (Mr. Douglas) yesterday, at Dieppe our casualties were some sixty-seven per cent. It is most important that the minister should tell us frankly the percentage basis of our reinforcements. I hope that he will be able to assure the house that no matter what type of action the Canadian forces may be engaged in overseas, provision has been made for supplying them with the necessary reinforcements to maintain the army as constituted at present.

In the next issue of "Canada at War", for January, an interesting table is given on page 20, showing the enlistments in the three branches of the armed forces. This table has been reproduced in the press and has caused much comment in various editorials. The table clearly shows that some sections of the country are supplying many more recruits than other sections. The table also shows the number of recruits who enlisted in the war of 1914-18, but whoever prepared the table neglected to show the approximate population of Canada in 1914 and its approximate population in 1939; nor does this table show the approximate number of discharges or casualties to date.

[Mr. White.]

The book also states that there are 200,000 men in our reserve army. I would ask the Minister of National Defence when he speaks to say whether that 200,000 is only a paper estimate, and to tell us how many men in the reserve army are actually training. The minister might further explain why it is necessary to keep an army of 210,000 men in Canada, because under recent regulations married men between certain ages are being called for military training, and regulations were recently passed providing that boys of seventeen years of age can be accepted in the armed forces. I ask the Minister of National Defence how he can possibly justify the accepting of boys seventeen years of age in the armed forces; because if a lad of that age takes the basic training, it lasts only two months; if he takes his advanced training, that is a further two months; and if he takes a course at a trade school, for instance, I understand it requires not more than seven to nine months, so that he still has some eleven months to put in before he can proceed overseas.

Perhaps this calling up of the married men and the accepting in the army of boys of seventeen is just another example of the effort to swell enlistment figures; or is it another example of trying to dodge the issue or delay the day when compulsory selective service for anywhere in the world will be put into effect? I for one would like to have the Minister of National Defence, when he speaks, explain fully why it is necessary to take boys of seventeen years of age into the armed forces.

The Prime Minister, as reported in *Hansard*, page 46, made this remark:

> Little if any account has been taken of the fact that unless there had been very careful planning at the outset, all the rest might likely have been a muddle. I claim for the present administration that we have planned carefully from the start.

Let me review briefly the "careful planning" which has taken place in regard to obtaining recruits for the armed forces.

In 1940 there was passed, with a great blare of trumpets, the National Resources Mobilization Act. But after parliament went home, regulations were passed by order in council which restricted the training to thirty days. Public opinion soon realized what a farce this thirty-day training was, and demanded a change, and it was changed to four months. Public opinion developed further, and it was then changed to "service for the duration", but subject always to the restriction that these men could not serve outside Canada. Again public opinion forced the government to take some action, and we had the second farce of the plebiscite which caused months

of further delay. After the plebiscite, which resulted in a large vote in favour of releasing the government from its promise, we had an amendment to the act, but this was nullified by the fact that it was not put into force, and is still not in operation. Does the Prime Minister pretend to claim that there was careful planning in regard to this matter? Can he dispute the fact that the whole operation of the act has been a muddle all the way through?

Then we have the question of the very large number of notices sent out, totalling some 750,611, requiring young men to report. Of this number, 146,276 were classed as delinquents or otherwise unaccounted for, some 96,830 notices were not delivered, and after it was all boiled down the mobilization machinery only got into the army some 14·3 per cent of the men who were called up. Does that look like careful planning to prevent a muddle?

Then we have the Hong Kong affair. Does anybody pretend to say that it was carefully planned and that there was no muddle? One has only to read the many dispatches in the press as to the training of the boys and the nature of the equipment they had at Dieppe, and compare that with the nature of the training and the equipment the boys had at Hong Kong, to see whether or not there was any kind of muddle.

Does the Prime Minister think there was very careful planning in the man-power situation which was so well reviewed yesterday by the hon. member for Vancouver South (Mr. Green), in which he set out the different changes, the new regulations which were passed every two or three months? Even during this debate, practically every speaker, irrespective of the party to which he belongs, has pointed out the very serious man-power situation. I wonder whether the Prime Minister thinks there was very careful planning in regard to that.

The Minister of Labour is not in his seat, but I wonder what he would say to this statement. Does he think there was very careful planning and no muddle as regards his labour policy? Is not the labour policy of this government responsible for the present unrest in labour and for the very recent steel and other strikes?

Then we have the question of cost of living bonuses for members of the armed forces. Was there any muddle about that? They are the one class of men and women who should have been the very first to receive the cost of living bonus, but instead of being the first they were the last, and they received it only after the greatest public pressure.

There is also the question of the various registrations which have taken place in this country, commencing with the national registration of 1940 and continuing down to date. Has that been a muddle? It has been a muddle from the very start, and I am advised that it is going to be necessary to have another registration before it can be straightened out.

Time does not permit me to deal with the social security legislation, but I should like to mention and to concur in a remark made by the hon. member for Victoria (Mr. Mayhew), on February 15, when, speaking of returned soldiers, he said—*Hansard,* page 441:

> I think we have reached the time when the onus of proving that a man's health has been impaired, that he has contracted tuberculosis on account of service overseas, should be the other way around; that the government should have to prove to the soldier that he did not contract the disease while away.

The hon. member who made that statement has put his finger on one of the most objectionable features of the whole pensions administration. Why should it be necessary for any soldier to have to go to his member of parliament, or to his mayor, or to a lawyer or anybody else to take up his case with the pensions board? Why should any private soldier have to fight the endless red tape of the pensions board? I know the Minister of Pensions and National Health (Mr. Mackenzie) will probably dispute that; but after some twenty years' experience in handling cases before the pensions board I have a pretty good idea of how tough they are to deal with. As I said once before in this house, if they would have on the administration boards of the pensions commission a few men who actually served overseas as privates, much of the present hardship would disappear.

Much has been said about the treatment handed out to the soldier who has been discharged in this war. If this government cannot ensure freedom from want to the small number of soldiers who have been discharged, how in the world do they expect to bring in a programme which will care for hundreds of thousands of persons after the war? The citizens of Canada do not want ex-service men cast aside with a small pension and obliged to tramp the streets looking for work. In my opinion the rehabilitation and care of the ex-service men is the most important job facing this parliament and the people of Canada. There should be proper plans and programmes of care for them, to see that they obtain gainful employment as soon as they are able to go to work.

In conclusion, there are several points which I should like to emphasize and lay before the government:

1. That the government consider the appointment of a minister to deal solely with soldiers' problems.

2. That the government produce to parliament the complete report of the Hong Kong investigation.

3. That a proper adjustment be made in farm prices.

4. That proper provision be made for the supply of adequate labour for farmers, wood and lumber dealers.

5. That the amendment to the National Resources Mobilization Act passed at the last session be brought into force at once so that all members of the armed forces will be available for service anywhere in the world.

6. That the government arrange in the near future for a secret session of this house when the Prime Minister may give the members a complete report of the Casablanca conference, and a complete report on the political situation in North Africa; that the Minister of National Defence may give a complete statement on our forces overseas and the matter of reinforcements; that private members may have the opportunity of asking the three defence ministers questions relating to the armed forces that cannot be asked in the house at a public sitting; and that the Minister of National Defence make a statement on the Dieppe operation.

7. That the government consider the granting of commissions to all aircrew overseas.

8. That the government introduce at this session, legislation along the lines of the Sparkman Act and the Soldiers' and Sailors' Civil Relief Act as passed by the United States congress to cover the following in regard to members of the armed forces:

(a) No eviction of families of those in service.

(b) No foreclosure of mortgage during period of service or for a reasonable period after the end of the war.

(c) No seizure or foreclosure of property for taxes.

(d) No forfeiture of instalment contracts except where things purchased are of a wasting character.

(e) Protection of life insurance policies against cancellation for non-payment of premiums.

(f) Protection against judgment or other legal proceedings for debts incurred before enlistment or call.

[Mr. White.]

Mr. ANTHONY HLYNKA (Vegreville): The speech from the throne of this session contains a statement concerning our improved position in the war, but at the same time it cautions us not to become over-optimistic lest we slacken in our war effort. Rather it suggests that we should increase our effort to attain our objective more quickly and with complete decisiveness. Among other things, the speech also provides a basis for the discussion of post-war reconstruction. So far in this debate many aspects of this latter item have already been dealt with by hon. members on both sides of the house. Speakers have particularly emphasized certain phases of social and economic problems. I should like, therefore, to add to this discussion by considering what I believe to be other important phases of the subject of post-war reconstruction, namely, Canada's relationship to the British commonwealth of nations, and Canada's nationhood in the post-war world.

I believe it will be generally conceded that the present struggle is more of a revolution than merely a war. It is definitely a struggle of ideologies. It is a struggle of philosophies of life. It is a struggle of peoples and powers. But more definitely than that, it is a struggle of the sovereignty of the individual within a sovereign nation as against the onrush of totalitarianism in one form or another.

There are, in my opinion, two main features of this revolutionary war. The one is that of its global or international character; the other is that of a domestic or national character. On the international scale it touches the structures upon which is based the relationship of many peoples and many powers to one another, while on the national scale it embraces the underlying principles of our social, economic and political aspects of life. This titanic eruption is the natural outcome of the unnatural shape of things of pre-war days. We realize now that we are forced to fight not only the axis powers, but also many evils of our own creation—our own mistakes, and our own blunders. We also know that we are paying a high price for these mistakes, in human life and in suffering. Therefore we dare not repeat them in the future.

Again, our present position may be likened to that of a ship on a stormy sea. On our hazardous journey we find ourselves in the midst of cross-currents and undercurrents of fascism, nazism, federal unionism and many other forms of "isms" which are out to destroy sovereignty—the very basis of democracy—the ideal which stands for the maximum amount of individual and national freedom.

In view of this fact we must guard against the possibility of being swept away by some of these currents and finding ourselves after the war with an ideology totally foreign to our Canadian way of life. Therefore it is imperative that we apply ourselves most vigorously to the task of liquidating the many obstacles which have stood between the people and their social, economic and political security. But at the same time we must exercise great care not to lose the positive accomplishments which we have evolved over the centuries. Among these accomplishments I list Canada's position within the British commonwealth of nations. This I wish to discuss now.

To me the British crown is the heart and symbol of the British commonwealth of free and sovereign peoples. To me the British crown is the symbol of unity and the heritage of British ideals of more than a thousand years. More than that, we should prize our position within the commonwealth because we are the benefactors in all and everything that has been achieved over centuries of progress. For instance, should it not occur to us that we are equal partners in a unique association of free sovereign nations, created by an orderly process of evolution in practical statecraft? Let me point out the underlying principle of our British democratic system. It is simply this, that the extent and the power of the British commonwealth of nations are consistent with the maximum of individual freedom, the maximum of local and provincial autonomy, and the maximum of sovereignty of each unit-nation, fitting into the pattern of the commonwealth. This philosophy of statecraft has been built on practical experience, and it is opposed to other philosophies which are supported by many, and which include the surrender of our national sovereignty in favour of some superstate. It will further be apparent from this comparison that the philosophy of the British people is diametrically opposite to that of totalitarianism in whatever form it appears.

In addition to what I have already said about the British commonwealth of nations we should also keep constantly in mind the fact that it was the British commonwealth of nations, and particularly the heroic British, who stood alone after the fall of France and single-handed saved the world from totalitarianism while others hesitatingly speculated. Therefore irrespective of what victories the allies have won so far and irrespective of what victories we shall win in the future, the credit for the greatest role in our total victory should undoubtedly go to the British. It is my definite conviction that democracy will live so long as the British commonwealth of nations lives, and that Canada will remain Canada so long as we share our heritage and our responsibilities with the British commonwealth of nations. Therefore I repeat that however close our association and our cooperation with other nations shall be in the future, the road of Canada is the road of the British commonwealth of nations.

So far I have dealt briefly with only a few of the outstanding features of our British heritage which we must retain from the past and the present and which must be projected into the future of post-war reconstruction. In addition we have acquired an equally priceless heritage in our own national life. The experiences of our forefathers which crystallized into self-government must not now be discarded, under the terrific impact of events, in favour of some system based on the surrender of our national sovereignty. The integrity of Canada's nationhood must forever remain our guiding principle. Therefore I should like now to discuss briefly our nationhood.

Speaking before the Canadian Institute of International Affairs in October, 1937, Lord Tweedsmuir, a great Britisher and an equally great Canadian, made the following statement:

> She (Canada) is a sovereign nation and cannot take her attitude to the world docilely from Britain or from the United States or from anybody else. A Canadian's first loyalty is not to the British commonwealth of nations, but to Canada and to Canada's king, and those who deny this are doing, to my mind, a great disservice to the commonwealth.

This statement, sir, expresses my sentiments on the subject. Therefore keeping in mind what I said in the first part of my address, that I do not care to subscribe to any "isms" of a social or political order, I wish to say, however, that I am a strong believer in one "ism" and that is Canadianism. It is my sincere conviction that if Canada is to make her utmost contribution to the winning of the war, and if she is to take her rightful place in the council of the nations, she must assume the role of a fully self-governing nation both in national and in international affairs.

Constitutionally Canada is now a sovereign nation, and also a self-governing nation. At the same time she is an equal partner in the commonwealth. This status was conferred upon Canada by the statute of Westminster, passed in 1931. Therefore Canada, having acquired this national maturity, now stands on the threshold of a new era.

While it must be admitted that certain changes and certain adjustments of a constitutional or legal nature must still be made, the

chief obstacles in the way of realization of our full nationhood lie, in the main, in the cultural and economic spheres. Although we have drawn upon Great Britain for much of what we possess in the way of culture, traditions, history, our way of life, our institutions, and centuries of experience in practical statecraft, nevertheless we have now arrived at a stage where we must begin to develop our own distinctive character.

I have already made reference to the constitutional and political framework of our nation. We also have a territory broad in extent and rich in natural resources. The third important element in the making of a nation is its people. We have drawn for our citizenship upon people of many nationalities, with rich and varied backgrounds. This diversity should by no means be a source of weakness; rather it should be a source of strength and potential cultural wealth. Here again is a task for the government, to bring about a harmonious coordination of these varied cultures into our common Canadian mosaic. Polite tolerance toward citizens of varied ethnic backgrounds is not enough; we must offer them something more positive. We must once and for all time realize that Johnson and Ivanyshyn are equally genuine Canadian names; for they mean one and the same thing. After all, the casualty lists of Dieppe did not draw any such distinctions.

So that when we undertake the task of post-war reconstruction in Canada we must do more than attain an outward unity; this unity must find expression in a common Canadian culture and a common Canadian spirit. While we are undertaking this whole development of our Canadian nationhood we must also keep in mind the fact that this development is necessarily based on the degree of economic welfare of our people. This should not be an obstacle in Canada's way, because we are the owners of one of the richest territories in the world. We have the capacity to produce more than we need, and of all sorts of commodities for all our people. One of our main obstacles in the past has been our inability to distribute our products and the unwillingness of governments to tackle this problem in a modern, scientific manner. I believe, however, that the time is not too far distant when it will be considered criminal mismanagement of the affairs of the people to permit goods and services to lie dormant while people starve in need of them.

I have made only a brief statement, Mr. Speaker, in approaching this great problem. I have tried to point out at least a few of the things that we must retain from our way of life, and at the same time I have made an endeavour to indicate some of the things which must be added. Should we fail in this task, as we failed in the past, we will be exposing ourselves, on the home front, to the danger of losing ground to totalitarianism in spite of our victories on the field of battle.

Mr. A. R. ADAMSON (York West): Mr. Speaker, there is a tendency in Canada today, and even in this house, to consider that the war is already won. I think this is deplorable. It is, however, the natural consequence of the government's policy of easing us gently into total war. For us in Canada it may reasonably be said that the decisive fighting still lies ahead. Because it is dangerous to look upon the war as already won there is no reason why we should not consider briefly the methods of winning it and the pattern of hostilities from now until the collapse of Germany.

I think it is reasonable to assume that we will be attacking Hitler's so-called fortress of Europe with our land forces in the reasonably near future. That the Canadian army will fight with the traditional heroism and fortitude of the Canadian expeditionary force of the last war goes without saying. It is unfortunate but also inevitable that casualties will be suffered at a rate even greater than during the first world war. I do not wish to take Dieppe as an example, but it must be remembered that there we suffered casualties amounting to almost seventy per cent of our effectives in a period of a little over nine hours. There is no military operation so hazardous as attacking, over a considerable body of water, a well-fortified shore base.

I have made these statements and brought out these unpleasant facts merely to lead up to the man-power situation in Canada. I do not know precisely the situation with regard to our trained reinforcements overseas. I believe, however, that they are insufficient to maintain the Canadian army at striking-force, shock-troop efficiency for an intensive campaign of even medium duration. It is therefore probable that the powers given to the government in the plebiscite may have to be invoked, and that soldiers in the home defence army may have to be sent outside of Canada as reinforcements for our troops fighting against Hitler. In mentioning this I make the plea to the government that when this decision has to be taken they do not call a snap election in order to obtain further authority from the people. To call an election during these intensive operations would be nothing short of infamous.

The other night the Prime Minister (Mr. Mackenzie King) quoted at length the message from General McNaughton to the troops on New Year's day, 1943. Dealing with the arrival of the first Canadian contingent overseas General McNaughton said:

> At that time our numbers of trained soldiers and experienced officers were very few indeed and our equipment consisted of little more than the rifles we carried and the clothing we wore.

I should like to compare that statement with a speech made by the then Minister of Finance, the present Minister of National Defence (Mr. Ralston) at Kingston on March 8, 1940, during the heat of an election campaign. I quote from the Ottawa *Evening Citizen* of March 9, 1940; these are the headlines:

> Ralston Says Canadians Went Over With Own Artillery, Machine Guns. Finance Minister Says Full Equipment Carried. Makes Known for First Time that Contingents Well Armed Before Proceeding Overseas.

The whole trend of the article gives the impression that the first Canadian division landed in England well equipped and ready for action. If a snap election is called, this is the sort of thing we may expect. With every day and every hour of vital importance we will see ministers going around the country campaigning, while the whole business of government will be aborted. The government now has all the authority in connection with man-power it can possibly need. It must be prepared to use it.

I come now, Mr. Speaker, to a subject second only in importance to that of the war; namely, the definite danger of inflation. What I am about to say will no doubt be unpopular with certain sections of the people, since there is no drug, no stimulating intoxicant, as wholly delightful as inflation in its early stages. It is easy to make sectional appeals and invite strife in both primary and secondary industries which would tend to break the price ceiling. In many cases the fantastic stupidity of controllers has caused derision and bungling. The regulations frequently defeat their own ends. They are ill-advised, hurriedly built bits of legislation which, because the government does not trust this house, have been imposed upon the Canadian people. Notwithstanding what I have said, however, I believe we must do everything we can to maintain the price structure on as even a keel as possible.

There is no reason for those who would like to see inflation to worry. No matter what controls either this government or the government of the United States imposes we are in an inflationary cycle which may, unless we are extremely careful, bring disaster. I see by the press to-day that we are spending at the rate of over five billion dollars a year. We are raising by taxation a little over two billions. The United States is spending close to eight billion dollars a month, and raising by taxation approximately two billions. That should give us sufficient warning. At present, particularly in the United States, reliance is placed on the desire of the people to invest or hoard their money. If this tendency shows signs of decreasing the strain on the price level of basic commodities may result in a fearsomely quick spiral of inflation.

As an illustration of what I mean when I speak of a condition where there is no control let me give a few examples of prices in England. These figures are for uncontrolled articles, or articles which in some cases may be considered luxuries. They do however give some indication of what people will pay, and what can happen to a price structure if the control is broken. These are not black market prices, but prices I saw for myself in London in the fall of 1942, just a few months ago. Here are a few of them: An ear of corn, 75 cents; a peach, $2.10; a bunch of grapes, $6; a bottle of brandy—purchased at an auction sale at Christie's—$48, a dozen oysters. $7.50. I could give a longer list, but were I to do so I might have to use proprietary names, and I would rather avoid doing that.

Our present situation is illustrated by an incident I observed when I was overseas. A Focke-Wulf 190 had come over, making a hit-and-run raid on a town in the southeast of England. As in many of such raids, it tackled the biggest thing it saw, which on that occasion happened to be the town gasometer—a large round tank about eighty feet high, full of coal gas for domestic purposes. It shot the gas holder full of holes, both with cannon and with machine guns. From each of the holes little spurts of flame were shooting into the air. On the top of the gas holder two employees of the gas company were courageously running around with sand bags, and every time a spurt of flame appeared it would be covered by a sand bag. Meantime other sand bags were being hauled up from the ground. I happened to be passing by with an air force officer, and I said to him, "What a terrific spectacle it would be if the thing went up." He said to me, "Yes, but neither you nor I would be here to see it." Incidentally, I might add that subsequently both the employees to whom I have referred were decorated for valour.

This incident is to me a symbol of what is happening in Canada to-day. We have certain necessary controls on price structure. People —unthinkingly, I believe—are doing every-

thing they can to break them wherever they can. I believe we should do everything in our power to assist the Minister of Finance (Mr. Ilsley) in his very difficult job of maintaining the country on an even economic balance.

For a time I lived in a country in South America where, in a period of a little less than three months the value of the currency decreased by sixty-five per cent. This, of course, was not the wild inflation of Germany; but I have not forgotten the scenes of hardship suffered by the native population. May I suggest in passing that hon. members who are interested in the subject would do well to read an article by Doctor Palyi, who was an official of the Reichsbank. This article appeared in the *Northern Miner* of February 4. I believe that completes all I have to say on the subject of inflation.

I now come to what might be called shelter, because to grace the present living conditions in many parts of our urban centres with the term housing would be wrong. We must look closely and dispassionately on the conditions which now exist, and also on the contributory causes which made those conditions. Furthermore we must be fearless in our approach to the subject, and prescribe and carry out the cure. Naturally it is impossible for a layman like myself adequately to cover so vast a subject. There are people in Canada who are experts and who, I hope, will be called before the committee on reconstruction at this session.

Let us, however, look very generally at the situation as it exists. Before the war the average yearly construction of new houses was 15,000. The need was 65,000. It has been estimated that there was a backlog of needed houses amounting to 150,000, across Canada, 110,000 of which existed in urban communities of over 30,000 population. It is obvious that the situation has become much more acute during the war years—and this despite all the efforts of Wartime Housing Limited. It has further been estimated in Washington, officially, by Frederick M. Babcock, that Canada must build in the ten-year period subsequent to the war between 750,000 and a million houses, in order to maintain a reasonable standard of living. Under the Canadian economy before the war sixty per cent of the population were unable to buy what the market afforded. This is based on the established theory that twenty per cent of the gross income of a family should go for shelter. The cost of production per house by private enterprise is too high to satisfy the needs of sixty per cent of the population. When I refer to housing I mean decent houses—not the substandard dwelling so common in our urban communities. It has been estimated that the income of fifty per cent of our population is less than $1,000 a year, and ten per cent have actually less than $600 a year. On the basis of twenty per cent of their income for shelter they could afford to pay only $10 to $17 a month for rent. It is obvious they cannot get shelter for anything like this sum, so that they pay more and go without their full quota of one or other of the essentials of life, such as proper food, clothing or medical care.

There is material available to show the effect that slums produced by these conditions have on Canadians. There is infinitely more material available concerning such conditions in the United States. With your permission, Mr. Speaker, I shall quote briefly from a few typical reports, and first from a report submitted to the Toronto board of control by a committee on housing in that city. The report was submitted in November, 1942, and this is what it has to say in the first paragraph about health:

> Many people are living under conditions which are injurious to health.

This is 1942, remember! It goes on:

> In certain areas men, women and children are existing in basements designed for vegetable or other storage; others are housed in damp, cold, draughty and vermin-infested quarters; as many as eight persons are living, eating and sleeping in one room. Evictions and threats of eviction are putting a heavy strain on the physical and moral reserves of soldiers' dependents, war workers and persons in the low income group, in fact on all who are unable to purchase houses or to find suitable rentable accommodation.

It goes on to give figures comparing the health standards in two areas of the city, Yorkville and Moss Park, but these figures have been quoted so frequently that I shall not put them on *Hansard*. They can be found in the brief submitted by the federation of agriculture, in *Health*, and in many other publications.

I should like to quote from the *Journal* of the Royal Architectural Institute of Canada, from a report on housing made by Professor E. R. Arthur, of the university of Toronto, in September, 1942. Professor Arthur says—I shall quote just two paragraphs:

> The lieutenant-governor's report on housing conditions in Toronto published in 1934 first drew the attention of the general public to the fact that a Canadian city housed a large section of its citizens in conditions not much higher than would be demanded for animals. Of 1,332 dwellings examined, 43 per cent were without cellars, 82 per cent had no method of heating other than stoves, 58 per cent were damp and 20 per cent subject to flood; 55 per cent were verminous, 59 per cent were without baths and

20 per cent had outside toilets subject to freezing. The houses examined are in a great slum area which we still have. Since 1934 a committee of civil officials has condemned some houses and enforced the repairs and improvements of others. The condemnation of houses has aggravated congestion in an area, where in 1934, 57 per cent averaged more than one person per room and 16 per cent averaged two or more persons per room. "Improvement" has kept the inhabitants of some dwellings dry, but the congestion remains the same or worse, and the environment grows progressively undesirable. The lieutenant-governor's report caused a mild stir and had the effect of bandaging a gangrenous sore where an operation of a major character was necessary.

Mr. COLDWELL: What city is that?

Mr. ADAMSON: Toronto. He goes on, in the next paragraph:

I mention the case of Toronto because the report is an excellent one and was as complete as the funds allotted would permit and time would allow. A similar investigation in Montreal, Hamilton or Winnipeg would reveal equally ghastly housing conditions and an equally callous disregard for human life. In the intervening years, government, press and public have been alike apathetic. Even labour, which in every democratic country including Great Britain, the United States, Sweden, Holland and pre-Hitler Germany, had been the driving force in housing reform, made no serious representations to government. Since housing for the lower income groups can only be financed by the federal government, the municipalities cannot be blamed for the fact that our slums still exist, and that the low wage-earner cannot find a house suited to the needs of his family in a district that is not sub-standard in regard to all the decencies of life.

That, I think, speaks for itself. I should like to quote from one more document, the official Document of the United States government, prepared by the federal emergency administration of public works. This will show that good housing is good business. I quote:

Aside from any question of need for additional accommodations and their provision for the needy, is the problem of the slum with its cost in dollars and cents, and in human life and misery. The eradication of the evils adherent to blighted areas is a prime factor in any general housing programme.

The staggering cost to the public for the maintenance of slum areas has only recently been learned.

During 1932, in a certain slum area in Cleveland, where 2·47 per cent of the population of the city dwelt on 0·73 per cent of the land area, the tax income was $225,035, whereas the total cost of maintaining the section was $1,972,437, or a net loss of $1,747,402. Likewise in Indianapolis, in those areas of greatest economic drain, it has been found that taxpayers are spending each year for the maintenance of each person $27.29, as against $4 per person in other areas; 26 per cent of the taxes spent for police, fire, health, and sanitary services are maintaining only 10 per cent of the city's population. Thirty per cent of the city hospital service in 1932 went into this area of 10 per cent of the population. More than 33 per cent of the public relief and 36 per cent of the city expenditure for arrests, trials and imprisonments were likewise absorbed by these 11 census tracts. Again during 1933, a study of a sub-standard area in South Boston of 769 families indicates an income of $27,093.23 and expenses of $275,113.74 or an excess of expenses over income of $248,020.51. These figures, astounding as they may be, are typical in a general way of every city in America where there are slums, and this means practically every one.

What are the remedies for this situation? First let me say that many countries have tackled this problem, but I would stress this point, that because a certain scheme works well elsewhere it does not necessarily follow that it would be satisfactory in Canada. There is, however, information available to show in broad outline what general principles may be followed. In very general terms, therefore, Mr. Speaker, I will look at the remedies.

First, we could raise all wages and income to a level where the people could afford to pay for housing at its present cost. But this would defeat its own end because it would immediately increase the cost of houses. Up would go the price of building materials; up would go the price of labour; up would go the price of the finished house; and it would be the starting point of the spiral of inflation.

Second, we could lower the cost of building. But under present building and financing methods this is impossible. The overhead which the small speculative builder has to carry in order to finance a house may run as high as thirty per cent. His operations are of necessity on a small scale, and he is forced to sub-contract for many items such as the foundation, plumbing and electrical work, flooring, lath and plastering, et cetera. All this adds to the cost. A number of these small speculative builders have told me that they could not make a reasonable profit on a house costing less than four thousand dollars and that they would much prefer to build for six thousand dollars and above.

Third, government help. It is, I believe, established in the United States that private enterprise under existing conditions cannot solve the housing problem of the low income groups. Government assistance has been absolutely necessary in England and elsewhere. There is no reason to believe that Canada will be different. Government help must be given in a number of different ways. The three principal ones may be summarized as follows:

(a) The government builds the houses and rents them to low income groups.

(b) The government subsidizes private enterprise and gives them the differential between the rent they must ask and the price the people can afford to pay.

(c) The government gives loans to cooperative organizations or large scale building operators at a low rate of interest to build houses on mass production methods. This leaves the private builder the field of five thousand dollars and above.

I should like briefly to mention here that it has been found in the United States and in Europe that the cheapest method and that having the greatest social benefits is for the municipal government to own and operate the houses.

In the foregoing I have made no attempt to differentiate between municipal, provincial and federal government agencies, but it is my opinion that the federal government will have to undertake the major part of the financing. It is essential that the municipality have and make a firm commitment to carry out a comprehensive scheme of town planning. If this is not done the investment by the federal government will not be safeguarded.

Various methods of financing have been made elsewhere in the world, and the relations between the federal and municipal authorities with regard to a just sharing of the tax burden have been worked out. I do not propose to go into this matter in detail now. It is sufficient to say that the financing is not a serious obstacle.

Opposition to public housing frequently comes from private interests who believe they will be adversely affected by government operations. This has never been found to be true. In fact, United States experience shows that private interests stand tremendously to gain by any comprehensive state housing scheme.

The sociological benefits of proper housing cannot possibly be overestimated. A number of people approached me with the "coal in the bath" story. Here again United States experience has shown that less than two per cent of the poorest people moved into modern surroundings do not immediately appreciate the improved environment. After a few years this percentage becomes infinitesimal. If it could be produced, the relation between the soldiers discharged from the Canadian army for ill health and their previous housing conditions would be most interesting.

I regard the housing of Canada to be of paramount importance. We are the only civilized nation in the world that has not tackled this problem. It has been estimated that to house properly the people of Canada would give employment for 200,000 men for ten years, and this figure is, I believe, an understatement. I know the government are interested and are working along these lines, but I would urge on them that the time is short and that the experts who understand town planning and construction, as well as the bright scientists in our present war factories, be consulted and brought to Ottawa to check with the house committee on reconstruction. Plans take much thought and time. Now is the time they should be being formulated, not after the million and a half workers in our war industries and the six hundred thousand in our armed forces are clamouring for work.

The subject about which I have been speaking is a vital necessity in my riding. I returned from England, where even in the midst of aerial attack they are providing better emergency shelter than most Canadians have to put up with as permanent homes.

I believe that in York West I represent the largest diversified industrial riding in Canada, but I am extremely happy to say that in the entire period of the war there has not been one industrial dispute; as far as I am aware, there has been no strike of any kind in my riding. We must see that these people who have worked so steadfastly to win this war are properly housed, and we must do everything in our power to ensure that the matter is tackled without delay. Naturally the same applies to our fighting forces when they return to civilian life.

There is one group of workers, however, to which I wish to pay a special tribute. I refer to the railway workers. In York West we have two of the largest freight yards not only in Canada, but, for volume of traffic, in the entire north American continent. I refer to the Mimico yards of the Canadian National railway and the Lambton yards of the Canadian Pacific railway. These key arteries of our war effort have accomplished things which in short are astounding. This work has been carried on under the rigours of our climate at a constant pressure far greater than that which exists in most factories. The work is of necessity hazardous and exacting, yet at no time have I heard any grumbling or complaints of any kind on account of the pressure of work. I believe that these railway men belong to the strongest trade union on the north American continent, and I should like to pay them this tribute, as an example of what trade unionism can do and will do for the good of the country. We have both in peace and in war a magnificent group of workers in these yards. They deserve the very best we can provide in the way of housing.

Mr. G. A. CRUICKSHANK (Fraser Valley): Mr. Speaker, with all due respect to you, I am sorry I was not in the position of the previous speaker. I should like to have had the privilege of speaking when the hon. member for Victoria, B.C. (Mr. Mayhew) was in the Chair, and I know of no hon. gentleman as well equipped to follow as speaker on the other side, as the hon. member for Victoria, B.C. It has been my good fortune, every time I have had the privilege of speaking in this house, to listen to a thesis being read by an hon. member from Toronto; on each occasion I seem to follow him.

I know that my good friends the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address will pardon me if I offer no apologies for not complimenting them upon their work. I have no time to waste in compliments to them, because it is going to take me all my time to compliment the acting assistant leader of the Conservative party. I am not sure whether it is called the Conservative party. Since I have been in politics it has had about ten different names. First, it was the "Conservative" party, and then the "Liberal Conservative" party; then the "National Conservative" party, and now I understand it is the "Progressive Conservative" party.

I wish to congratulate the Liberal party and sympathize with the Conservative party. The opposition had a golden opportunity, with two excellent young lawyers, both returned men who would have appealed to the returning soldier vote, available for the leadership, and they did not take advantage of it. I could have told my good friend the hon. member for Vancouver South (Mr. Green) that he never had a chance because the east will never let us run this country. I might have been leader myself had it not been that I was snowed in and I did not get back in time. I do not know whether it was a compliment to me or not, but I have been given a medal. Goering has many medals and I have an extra medal myself. Probably I should put it on before I start to speak, but it bears the inscription, "National Conservative convention, Winnipeg, December 9, 10, 11, 1942." I do not know who presented it to me, but somebody did.

It might have saved much of the time of the house if the suggestion I am going to make had been adopted. I understand that the vote is to be taken to-night, and that is why the Liberal party saved me for the last, so that I cannot discuss the foolish amendments that have been offered. But I do suggest that they might have saved time if, by the unanimous consent of the house, we had put on the *Votes and Proceedings* the report of the Winnipeg convention. Had that been done, every one who has spoken, who is interested in that report, would not have put it on *Hansard*. Platforms adopted at conventions are, to me, very much like the barber's pole. There is only one ring on it that means anything; the rest is for show. That is the way with their programme. I cannot agree with the Cooperative Commonwealth Federation. I was not here, as I say; I was snowbound in the wilds of Saskatchewan—it is wild out there anyway—but I cannot agree with that party when they do not approve of members of the armed forces having the privilege of having members represent them here.

Mr. COLDWELL: Nobody said that.

Mr. CRUICKSHANK: According to *Hansard*, that is the way I read it.

Mr. DOUGLAS (Weyburn): Quote it.

Mr. CRUICKSHANK: You have plenty of time; I have only until six o'clock. My roommate happens to be overseas, where he has been serving for two years, and another friend of mine from Nanaimo has been serving for two years. I believe, therefore, that the armed forces have every right to have members of parliament represent them here. I cannot agree with my hon. friends to the left, including that party which has not even a name or a leader, because they had an ideal chance to offer criticism and they passed it up. Instead, they are talking twaddle about rents of houses or something else. Why do they not go after these boards? I do not agree with everything that the government has done, but I am glad that the Minister of Agriculture (Mr. Gardiner) has come back into the chamber, because I am interested in agriculture.

Mr. GARDINER: I came back to listen to my hon. friend.

Mr. CRUICKSHANK: Much as I disagree with some of the policy of the Minister of Agriculture, there is, in my opinion, not another member of this parliament sitting here to-day who could replace him. He is the first Minister of Agriculture who—

Mr. PERLEY: Is the minister not glad he came in?

Mr. CRUICKSHANK: I will come to dollar wheat before I have finished my remarks. I may have to ask for extra time at six o'clock if there are any other interruptions. I was going to say, the hon. gentleman is the first federal Minister of Agriculture who, when he came to my riding, did not come to meet any of the members of his own

party or to meet the representative, who happens at present to be myself. Instead, he came to meet delegations of farmers, the actual producers, and they told him their own story. What they had to say was not stated through the member of parliament; they told their own story, and we are entirely satisfied that we obtained some results out of his visit. This does not say that I agree with all that the minister has said, but I think we would get far better results in agriculture if the minister, instead of boards, actually had something to do with running it. I disagree with my leader, who said that we should not criticize some of these boards. I expressed my opinion of these boards the first week I was here, and I hope I shall express the same opinion when I go—and let me say that I shall be here when many of the rest of my hon. friends have gone. I had the privilege of meeting Mr. Donald Gordon. I knew that he was a being, like the rest of us, but I am still more or less inclined to believe that he is not exactly a human being. He sets prices of farm products about which he knows absolutely nothing. I am not depreciating his work, because I think he is doing a good job in a hard position, but it is up to the Minister of Agriculture to see that we have practical agricultural men advising him and not a bunch of lawyers or bankers from the Bank of Canada telling him what prices of farm products are.

I wish to quote a few figures in connection with dairying, a subject in which I am particularly interested, as far as my riding is concerned. We have a good deal of diversified farming, but dairying is our principal form of agriculture. There is one point on which I agree with the opposition, and that is that so far the Minister of Agriculture and the Minister of Labour have not offered any solution of the farm problem. They have offered absolutely no solution as far as farm labour is concerned. Although we have plenty now, and I do not think that rationing is needed at the moment in connection with any farm commodity in Canada, nevertheless there is going to be a tremendous shortage in farm produce. I do not think labour armies of boys and girls or women will solve the farm labour problem. The only solution is to be found in paying the farmer an adequate price so that he can compete in the labour market with other industries, and the government must assume the responsibility in that regard. Two years ago my friends in the new Progressive Conservative party offered, as their sole solution of the world's evils, the conscription of men for overseas. They wanted to send every man, woman and dog overseas, and yet I have heard any number of them now saying that we have sent too many men and that we have not enough to run the farms. Well, you cannot have your cake and eat it. Probably I am unique as a member, as far as this question is concerned, but I have not yet recommended that the son of any farmer be given postponement. I have refused to do so, because I do not think a politician has any right to make recommendations or to interfere in this matter. In British Columbia we are fortunate in having a most excellent judge in charge of the board and he is absolutely fair. I have not agreed with some of his decisions, but I say that it is up to the Department of Agriculture to see that we get sufficient help for the farms in order to produce, so that we can compete in the open market.

In British Columbia, taking 2,260 dairymen last year, we averaged $4 a day from milch cows. Out of that $4, or $123 a month, we have to pay taxes, maintain our herds, keep up our machinery and buildings in as good repair as we can, and support a family. Any boy can make more than that in any job he wants to fill in British Columbia. As far as I am concerned, the Department of Agriculture must take the responsibility. There is no use in passing the buck to the boards, because, if they are to run agriculture, we may as well close down agriculture in the dominion. Just a short time ago they gave a bonus or subsidy of two cents a quart on milk. In Vancouver, the third city of Canada, where men are making more money than they have ever made before, in spite of the working conditions that prevail, they are getting milk at nine cents a quart. Is that any solution of the problem? The consumer is getting a bonus of eighty cents a can, while the average bonus to the farmer in British Columbia is nineteen cents a can. Is there any rhyme or reason in that? If the government can bonus the consumer eighty cents a can on milk, what justification have they for giving the farmer a bonus of nineteen cents for 100 pounds? Yet we are asked to increase production at all times.

In the area which I represent, and in part of the other riding in Fraser Valley, there is a milk-shed that produces forty per cent of the milk produced in British Columbia. That district is about 30 miles wide and 110 miles long. Last year we produced 200,000,000 pounds of milk, which, as I say, was forty per cent of the provincial production. One point which I wish to make and to impress upon the department, the government and some Ontario members is this. The average farm taxes in that milk shed were over $3 an acre. I know one dairy farm, excellent land, fifteen minutes by car from the centre of Toronto,

about eighty-six acres, that pays $216 a year in taxes. In the municipality from which I come, for eighty-six acres one would pay $380 in taxes. That is one of the things we have to contend with in British Columbia; our municipal and school taxes are far higher than those in any part with which we compete. Yet boards come along, and instead of paying a subsidy as we think it should be set, namely, a general subsidy on butter-fat produced, it is paid on the fluid milk. In Canada only about thirty per cent of the milk goes into the fluid milk market. We think that subsidy should be on the total butter-fat. It makes a tremendous difference. We are now penalizing the farmer who is not immediately adjacent to the large industrial centres where the fluid milk market is. That is one thing the department should take up.

I wish to quote a few figures. In the Fraser Valley we have been getting the following prices for milk:

Year	Production (pounds)	Average price (cents)
1930	5,000,000	54·1
1931	6,000,000	36·7
1932 (nearly) .	7,000,000	28

The price in 1930 was five cents below the average of 1921-29. The average for 1931 to 1940 was thirty-four cents a pound butter-fat. It is not necessary to point out that farmers cannot exist on such prices other than as peasants, and surely it is not the policy of the government or the people of Canada that the farmer should be forced to become a peasant. But he cannot exist on thirty-four cents a pound for butter-fat. Yet the solution offered by these boards is to subsidize the consumer eighty cents a can and the farmer nineteen cents.

Let me give some actual figures. On two thousand farms the average income over a ten-year period on the farm was $850, or $2.35 a day. On such a return, can a man pay these high taxes, support his family and keep up repairs? When I hear these Saskatchewan farmers talk about wheat it makes me wonder what they would ever do if they had to live on a dairy farm.

I turn to selective service. As far as British Columbia is concerned, selective service has fallen down. One thing that may be a minor matter, but to which I strenuously object, is the way people are dealt with in the offices. There is no privacy. When a man or woman goes in there they are not going with their hat in their hand; they go as Canadian citizens, entitled to all consideration. They are not going for relief; they are merely fulfilling what the law requires.

Another point is this. I do not know who is to blame, whether it is the Minister of National Defence (Mr. Ralston) or the Minister of Pensions and National Health (Mr. Mackenzie), who should not have such things, coming from such a fine province and riding; but unquestionably men coming back from this war are not being properly treated. That complaint comes from all parts of the house and there can be no dispute about it. One thing that is wrong is this. Many of these men who are being discharged as medically unfit were service station operators or clerks or men in different kinds of business, put out of action by war conditions, and they are not in physical condition to work in shipyards or at logging or other hard labour. In Vancouver and right in my own riding some are actually destitute, and that is not to the credit of this government or this parliament. Naturally I am all in favour of social security. But these conditions are not evidence of our good faith in our talk of social security, nor is the fact that we are still paying $20 a month in old age pensions.

There is one reform I could suggest to the government, and I know where the money could come from. I mention this because I know that most of the members are afraid to say it on the floor of the house for fear it will appear in *Hansard* and thus get back to their ridings, but I do not care. The government could make a little saving in the way I am about to suggest and allow some expense money to hon. members instead of imposing the income tax. I well remember the hon. member for Vancouver-Burrard (Mr. McGeer), when he ran in my riding, speaking on this subject. We thought the problem would be solved in two weeks when he got back, but unfortunately he did not get back. I speak of reform of the senate. The hon. member for Rosetown-Biggar (Mr. Coldwell) was criticized for talking politics when he talked senate reform. I did not say I was in favour of senate reform for the simple reason that I forgot, or I would have done so. I know I shall never get into that political museum, a useless bunch of old men sitting there talking, the only thing they do—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. The hon. gentleman is not entitled to use those expressions.

Mr. CRUICKSHANK: I withdraw it, Mr. Speaker. But if the other place were to be abolished it would save a great amount of money and save the morals of some of the members; about all they do in an entire year is to listen to a few key-hole divorce cases.

In connection with selective service I suggest—

Mr. SPEAKER: Order. Was the hon. gentleman referring to members of parliament listening at keyholes?

Mr. CRUICKSHANK: No.

Mr. SPEAKER: What was the expression used by the hon. gentleman?

Mr. CRUICKSHANK: I was not referring to parliament at all, Mr. Speaker.

Mr. SPEAKER: The hon. member was referring to members of parliament?

Mr. CRUICKSHANK: No, Mr. Speaker. If I did I withdraw it; I certainly did not intend to. I had better leave the other place alone; I am getting into trouble. I should like to suggest to the Minister of Labour that the selective service regulations be modified, particularly concerning men coming back from the army, and elderly men. A tremendous number of people are not old enough for old age pensions and are not entirely medically unfit; yet in order to get employment they must conform to the regulations as laid down under the selective service. Under present conditions I think the regulations should be amended to give those people a free hand to seek employment where they can get it. This should also apply to returned soldiers.

I wish to say something in connection with the air force. In my opinion the best-conducted branch of the entire government is that of the Minister of National Defence for Air (Mr. Power); I say that with all respect for other ministers. He has done a magnificent job and has never been criticized in this house. But there is one thing which to me is utter nonsense: Two boys, one a sergeant-pilot, and the other a pilot officer, fly over Berlin. Every one of those aircrew men should have commissioned rank. It is unreasonable that when they come back one should have to go to a different mess from that to which the other who flew with him goes.

Another branch that I consider has been neglected is that of the radio technician. They are still serving as privates in the Royal Canadian Air Force attached to the Royal Air Force, overseas, and to me this seems absolutely unfair. They are highly skilled men; they had to take intensive courses; yet they get no further than the rank corresponding to private, which I believe is leading aircraftsman. That does not seem reasonable to me, and I think the minister should take this matter into consideration. I am very proud of the fact that in my riding we have the best airport in Canada, and I would invite any investigation into the price paid for the land. There was no cost-plus arrangement with regard to this airport, and an excellent job has been done. I noticed an inquiry by the hon. member for Rosetown-Biggar (Mr. Coldwell) as to the price paid for land in another instance. Just what he is fishing for I do not know, but I can assure him that the price paid in connection with the airport in my constituency was nothing like the price paid for the land around Winnipeg. In my case there was no criticism at all, and would not have been even from the C.C.F., though there are no C.C.F. voters in my riding; they all vote for Cruickshank.

I know hon. members would be surprised if I did not say something about the Japanese in British Columbia. I cannot agree with the Minister of Labour (Mr. Mitchell) that the commission set up to deal with the Japanese made a good job of handling the problem. I think they made a terrible job of it, but we have got rid of a great many Japanese, and I wish to commend the government for proceeding to sell the land out there which was owned by the Japanese. There is no reason why it should not be sold, if their boats and other possessions can be treated in that way, and it is also good business. In the Fraser valley at the present time there are some two thousand acres of land formerly owned by the Japanese which have not been cultivated, and now that we are short of food this seems criminal to me. The Department of Agriculture should give consideration to the advisability of making some sort of grant to the farmers who have taken over that land in order to keep it in production. In all fairness to the security commission I think I should say that I have not heard of any great extravagance in handling the Japanese. I have here some pictures of the houses which were built to accommodate two families, at a cost of $145 each, which I consider was a pretty reasonable amount to pay.

I am very much interested in the soldier problem. It has been said before, but I want to say again that I believe it is unfair that officers on duty on our coasts, who are on active service just as much as they would be in Tunisia, should be required to pay income tax. I do not want to pay any more income tax than I have to, but I think the Minister of Finance might, if necessary, tax some of the rest of us a little more and not tax those officers who are eligible for service anywhere.

On one point I agree with the opposition to a certain extent. We and the people of

Canada are entitled to know whether or not we have sufficient trained and equipped men to reinforce our army overseas, though of course I realize that the minister cannot give that information publicly. I am one of those who believe that Canada never should have tried to handle five divisions overseas. If we can equip and maintain four divisions over there we are doing very well indeed. Some opportunity should be found, if necessary in secret session, to tell us just where we stand as far as reinforcements are concerned. If we have sufficient, that is fine. I hope we have, and personally I believe we have; I am sure the minister would attend to that. But in order that any doubts which may exist across Canada may be allayed, we should be fully informed upon that point. I am not a military strategist like the hon. member for Vancouver South. I do not know just how we are going to defend our coasts, and I do not think he does, either. Last year he was going to send our army to Australia; the other day he was going to send it to Japan. If I understood the hon. gentleman correctly the other evening, he wanted them to be sent to the jungle to get their experience. That is strange, in view of the fact that before the Conservative returned soldier organization in Vancouver he objected to them being sent to Africa.

Mr. GREEN: Oh, no, I did not.

Mr. CRUICKSHANK: Then I am mistaken.

An hon. MEMBER: That is not strange.

Mr. CRUICKSHANK: Certainly some of those who were at the meeting of the Canadian corps association, which is nothing but a Conservative military organization, made the statement that they objected to our soldiers going to Africa to get experience, and the hon. member for Vancouver South was at the meeting.

Mr. GREEN: That does not say I made the statement.

Mr. CRUICKSHANK: No, and I withdraw the remark, but the hon. member was in bad company and he must put up with the consequences. I have great respect for the hon. member for Vancouver South. He is a good friend of mine, and I do not altogether blame him for fainting at Winnipeg. I would faint, too, if I thought I was going to be selected as leader of that party. In British Columbia we have a beautiful and ornamental fern. I do not know if it is common to the rest of Canada, but we have it in abundance in my province, and it makes one of the finest decorations one could hope to see. A strange thing about it, though, is that if it is transplanted or moved in any way it withers and dies; yet in its own element it gets on very well. We call it the bracken, and I think the same result will follow in another instance. I intend no disrespect at all to the gentleman who I understand some day may be the leader of the opposition. I have never had the privilege of meeting that gentleman, but as a matter of fact right now I do not know, and no one else knows, who is leading the Progressive Conservatives. They do not know themselves.

In conclusion, I should like to urge that the Minister of Agriculture (Mr. Gardiner) who has, as I see it, not yet tackled the problem of food production in Canada, and I make that statement while repeating that in my opinion there is no man in this house who could fill his shoes. I do not think he realizes as yet how serious the food situation is, because, if he did, with all his ability I am sure he would see that some action was taken. Let him fire all these boards; let him take over the problem himself and go to work immediately, together with the Minister of Labour. I am sure that together they can solve the labour problem on our farms.

I want to add that in my opinion the Liberal party has had bad luck occasionally, just as the Conservative party has. I believe if some years ago the Prime Minister (Mr. Mackenzie King) had used all his powers of persuasion to induce the present Minister of Justice (Mr. St. Laurent) to take a seat in this house, it would have been a grand thing for Canada, because he has been a great asset since he came here. That is my opinion of the minister; I think he is a wonderful asset to this house, and I am sorry he did not come sooner.

I should like to say a word in connection with the Prime Minister. I for one, as a Liberal member, as a returned soldier and as a farmer, am sick and tired of hearing criticism of our Prime Minister.

An hon. MEMBER: Why?

Mr. CRUICKSHANK: It is all very well for my hon. friends to the left to talk. They know they will never get into power. I will admit that they have many good ideas, but they will never come to power in Canada, and they know it perfectly well. If any hon. member would be fair about it; if he would sit down and talk it over, off the record if necessary, I would defy him to name any man in parliament or anywhere else in Canada capable of leading Canada as Mackenzie King has led it. It is very easy to criticize—

Mr. JOHNSTON (Bow River): All the secretary jobs are filled.

Mr. CASTLEDEN: There are vacancies in the senate.

Mr. CRUICKSHANK: Perhaps all the secretary jobs are filled, but with material of the calibre we have in our party they will be properly filled no matter who takes them.

It is time that we as Canadians, instead of belittling the leader of our country, should try to help him. I do not expect everyone to agree with his decisions at all times. I do not always agree with them, and I am a member of his party. But I do not think it is worthy of my hon. friends as Canadians at all times to give lip-service in the House of Commons, saying, "We will cooperate with the government; we will do this; we will do that," and then to telephone to that little committee of two hundred in Toronto, ask their instructions, and do everything possible to knock the efforts of the Prime Minister of Canada.

I sympathize with the hon. member for Peel (Mr. Graydon). He must have a tremendous long-distance telephone bill. I understand he has a committee meeting every day at two o'clock to find out what he is to say and what he is to do. I admit that our Prime Minister falls down in that regard, because he does not call me in very often.

Mr. ROSS (Souris): The hon. member was not acquainted with his leader in the last war.

Mr. CRUICKSHANK: No, I was not, for the simple reason that I was not old enough to be a member of parliament. If I had been I would have been here then.

Mr. ROSS (Souris): The hon. member would not have found him here.

Mr. CRUICKSHANK: Listen; I have made many speeches in this House of Commons. In them I have criticized the present leader of the government; I have criticized the hon. member for York-Sunbury (Mr. Hanson), and I criticized Mr. Meighen when he wanted to become leader of the government; but no remark I made respecting any member of the house has been at all personal, no matter to what party a person has belonged, and I do not intend to start now.

Mr. Speaker, my time has almost expired. The only reason why the party asked me to continue talking until six o'clock was that we were afraid we might hear more nonsense from the left. I do not think I need tell the house how I am going to vote. However I do understand that the hon. member for Qu'Appelle (Mr. Perley) is going to vote with the government, because I promised him—and I should not have made such a promise—that if he would, not only would we pay him for ploughing all his farm again this year, but we would put water into all the little holes he has around his farm.

In conclusion, and in all seriousness, I wish to impress upon the hon. member who is now leading the house, and through him the government, that we now have an ideal opportunity of doing something worth while. I do not think there is a member in the house who would not in every way possible assist the government in bringing about some form of social security. Certainly no hon. member knows what that solution would be. No one can foretell what the future may bring. But we, as a parliament, and you, as a government, have an ideal chance within the next month or two to show our sincerity in bringing about a token of social security by increasing the old age pension.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. EDOUARD LACROIX (Beauce) (Translation): Mr. Speaker, this 1943 speech from the throne differs very little from that of 1942, save for its veiled terms instead of a clear statement of the government's intention of increasing the war expenditures without regard for the position in which the inhabitants of this country have already been put, of also increasing contributions in the form of gifts for the allied countries, principally for Great Britain. A better understanding of this requires connecting the speech from the throne with the Prime Minister's (Mr. Mackenzie King) own speech.

You must therefore be advised, Mr. Speaker, that we have seen the day—a day now gone by—when an exhausted Canada has become a country where the people are destined to live in slavery for a century to come.

Is there no one in this country in a position to figure and count? As there surely must exist some such men, is it not possible for our government to use their services?

Where are the financial experts who in 1939 advised the government to the effect that Canada could participate in the conflict up to 750 million dollars yearly, maybe up to one billion, but not beyond, without jeopardizing her economic structure? Where are the experts who, in 1939, never stopped saying that it would be the height of folly for Canada to go to Europe every twenty years in order to police the world?

In the single year of 1942, we have spent in Canada—including the gift of $1,000,000,000

to England—for the administration of the country and the cost of war, a sum of $4,758,000,000, divided as follows: estimates for 1942, $3,900,000,000; supplementary estimates voted this week, $858,000,000, making a total of $4,758,00,000, or $413 per capita.

What does a sum of $413 mean for each one of us? In my province, where the average number of children is six, so that with the father and mother there are eight persons in each family, it means that the expenditures of 1941-42 for war and for the administration of the country have reached the tidy sum of $3,304 for each Quebec family; in other words, within a single year, Canada has spent the entire property of those whose assessment is only $3,000.

And because we ask the right hon. the Prime Minister what has become of his moderate war, and are then compelled to leave him in protest, he says we are people without honour. I wish to quote what he said on February 1, as reported on page 47 of *Hansard*:

> Yet at this critical time, of all times, hon. gentlemen in the far corner opposite find it necessary to separate themselves from colleagues in their province in order to support an isolationist view with regard to the war effort of Canada. Their action does credit neither to themselves, nor to their province or to our country.

First, I answer with all possible frankness: "How, Mr. Speaker, am I disgracing my family, my province, my country?" I came to this side of the house to remain consistent with myself, faithful to the lessons imparted to me by the Prime Minister, from 1921 to 1939.

Let us consider his own statements. In 1939: I quote the words of the Prime Minister on conscription as printed on page 2426 of *Hansard* for March 30, 1939 session, vol. 3:

> The present government believes that conscription of men for overseas service would not be a necessary or effective step. Let me say that so long as this government may be in power, no such measure will be enacted.

And what had the minister stated in the preceding paragraph?

> One strategic fact is clear: the days of great expeditionary forces of infantry crossing the oceans are not likely to recur. Two years ago, I expressed in this house the view that it was extremely doubtful if any of the British dominions would ever send another expeditionary force to Europe.

And then on page 2419, what are the words of the Prime Minister? I quote them verbatim:

> We have tremendous tasks to do at home, in housing the people, in caring for the aged and helpless, in relieving drought and unemployment, in building roads, in meeting our heavy burden of debt, in making provision for Canada's defence, and in bringing our standards of living and civilization to the levels our knowledge now makes possible. There is no great margin of realizable wealth for this purpose; we must, to a greater or less extent, choose between keeping our own house in order, and trying to save Europe and Asia. The idea that every twenty years this country should automatically and as a matter of course take part in a war overseas for democracy or self-determination of other small nations, that a country which has all it can do to run itself should feel called upon to save, periodically, a continent that cannot run itself, and to these ends risk the lives of its people, risk bankruptcy and political disunion, seems to many a nightmare and sheer madness.

I am not the one who said these words, Mr. Speaker, I am not the one who professed that doctrine. But in opposition to these teachings, the leader of the Liberal government caused the house in 1939 to vote for participation in the war. Assurance was then given by him that such participation was to be moderate, proportionate to the means of the country. It was to be a voluntary participation—I need not here repeat the statements of the Prime Minister—but everything was to be on a voluntary basis and limited to the financial capacity of the country.

To be consistent with my past attitude, I voted against our participation in 1939. I then said what I repeat to-night, that to my mind it was the path leading to ruin, the road leading to compulsory military service, that is, to conscription.

I believe our present effort is exaggerated for a population of 11,500,000 inhabitants.

Canada has a male population of 5,900,000. Of this number, 1,900,000 are either too young or too old to work or are medically unfit, leaving some 4,000,000 able-bodied men. Of this number, 700,000 are to-day in the armed forces, and, according to the latest figures, 1,100,000 are employed in the war industries or in the shipyards, making a total of 1,800,000 men either in the army or engaged in the construction of weapons of war. This means that on the day of the armistice, one Canadian out of every two will find himself out of work.

In what position will we be as a result of a participation so out of proportion with our population?

This situation will become intolerable immediately after the war and will expose our people to lose the peace as a result of a thoughtless administration, an exaggerated participation which, in 1940, was to be moderate and, to-day, has become an all-out participation, to the last dollar and the last man, directly in opposition to the policy outlined by the present government during the 1940 electoral campaign.

In 1941, the government mobilized our young men for the defence of Canada in Canada.

What did the government leader have to say on this subject in his radio address of February 2, 1941? I quote some excerpts from his book "Le Canada et la guerre," page 232, and from "Canada at Britains' Side," page 203. First, why does this book bear different titles in the French and the English editions, since they both contain extracts from the same addresses? Here are the two books. The binding is better on the one than on the other, that is the only difference between them. The contents are exactly the same. Everyone knows that the translation of "Le Canada et la guerre" is "Canada at War"; and that the English title "Canada at Britain's Side" should be translated by "Le Canada aux côtés de l'Angleterre." One type of policy is expounded to the French Canadians and another to the English-speaking Canadians.

It is nothing but a political expedient! "Le Canada et la guerre," in the author's mind, is less objectionable to the French Canadians, and, on the other hand, "Canada at Britain's Side" sounds better to another group of Canadians.

I therefore read an extract from page 204 of the English edition:

> Total effort can be achieved in two ways. It can be compelled by dictatorial force—that is the enemy's way. It can be obtained by the free-will offering of a free people—that is our way, and the way we must strive to preserve. We are a free people, and every day since the war began, there has been proof of the growing willingness of our people to spare no effort or sacrifice, that the needs of the war demand.

Yet to-day the right hon. the prime minister says that we are not honourable, we who sit in this corner of the house, quite near the exit. I represent a fairly populous constituency and I am convinced that my electors will keep me in the House of Commons for many years to come.

Mr. Speaker, I wish to quote some excerpts from an article by Morton Smith which appeared on page 6 of the May 12, 1942, issue of the American magazine *PIC*. The article is entitled "What is an honest politician?" and it begins with these words:

> To be honest is to be great.

Here is what I read in the third column of the article:

> It is worth stressing again and again about Franklin D. Roosevelt as President that he has never in any major issue tried to fool or double-cross the people. . . .

And further on:

> Roosevelt's record of square dealing is remarkable for showing few instances of important compromises on political personalities and almost none on principles. As far as he could he has kept his administration free of the double dealers and opportunists.

In his book the prime minister also tells us about the voluntary service of a free people.

At first, mobilization entailed one month's training; later, four months' military service was required; still later, a year's training was decreed and, finally, men were drafted for the duration of the war. And to-day, by order in council, these draftees are being sent outside the country. A scarcely honourable method, a roundabout means. But, after all, the entire set up of the war machine is along that line. The book I hold in hand is one example of it.

May I tell you, Mr. Speaker, that in my experience I have been given lessons in honour from two sources. The first one, in my youth, came from my mother—a memory which will ever abide with me. Her words were these: "Never do unto others as you would not have others do unto you and guard scrupulously over property entrusted to your care."

The second contribution to my education up to 1939 came from my political leader, the Right Hon. Mackenzie King. He taught me a political doctrine in which I believed and in which I still believe. If his conception of honour allows him to forget his past, my mother's teachings, as far as I am concerned, do not allow me to do so.

In conscience does he blame me? I think not.

And to-day the leader of the Liberal government is doing exactly what he judged ridiculous in 1939. The lives of our soldiers are threatened, financial bankruptcy in this country is an accomplished fact and all through the fault of a government who were warning the people against such a catastrophe.

That policy goes to such extremes that no limits are set anywhere. Let us consider, for instance, the navy item. Is is not astounding that, according to the publication "Canada at war", No. 21, page 7, whereas in 1939 we had 1,717 men serving in the navy we now have 52,000? In 1939, we had fifteen warships, whereas to-day, according to that publication, we have over 500.

If the predecessor of the right hon. the Prime Minister were here, what blame he could level against the present government! What a contrast between the three small ships of Laurier in 1911 and the 500 ships we have to-day!

That is not all. Here is what is said on page 8 of that publication:

The Canadian navy now has nearly one-half the number of men the Royal Navy had at the outbreak of war.

And on page 9:

The Canadian navy is rapidly increasing, as a result of the production of Canadian and British shipyards.

Canada, which formerly was so peaceful and whose policy was so moderate in 1939 is now building as many ships as possible. Moreover, Canada is having built in England as many ships as she can obtain for the present war.

Why should a government go to such extremes? For, after all, England, twenty times wealthier than Canada, can use all her resources to build ships. Why should England build ships for us? Such a policy is extreme and short-sighted.

I have said enough. Those who in 1940 were supposedly supporting a moderate participation have reached the point where they are building the largest possible number of ships in Canada and are having ships built in British yards for Canada.

Mr. Speaker, what is the reason for this participation, and this exaggerated effort, which is out of proportion with the size of our population and financial means?

It is the act of thoughtless men, they show revealing panic among our leaders. We are on the road to perdition and slipping fast. The Liberal government and the Conservative party are allied in the prosecution of an extremist and imperialistic policy.

Yet, to-day, the Prime Minister is surprised that men such as I find it necessary to forsake his party.

Mr. Speaker, I have been a follower of the Prime Minister from 1921 to 1939. I have thoroughly understood his teachings. I have contributed much of my own money and effort in support of his truly Canadian policy. I put my faith in him, convinced as I was at that time of his sincerity; I supported him loyally until September 9, 1939. Then, I realized that the Liberal leader was turning his back on the political principles which he had upheld until then, and, from 1939 to this day, I have been an astounded witness to the means employed by his government, blind extremists that they are, to ensure our present limitless contribution to the war.

The propaganda resorted to from 1939 to this day is an exact replica of that used from 1914 to 1918, except that it is more hypocritical.

Government experts and astute lawyers tell us that conscription is not in force in Canada. in the *Canada Gazette* of February 9 was published a proclamation calling up all the young men born in 1924, that is, 19 years of age. Why are young men of 19 needed in the army at the present time if not to release those already mobilized for service overseas? Why go to such extremes?

We have a shortage of farm labour. Large quantities of wheat were left standing under the snow in western Canada. The mixed farmer can hardly supply the Canadian population with the necessary quantity of butter; the live-stock producer will be far from meeting the consumer demand. Beef is about to be rationed. There is a scarcity of wool—hundreds and hundreds of soldiers carry on their military training dressed in civilian clothes. There is a scarcity of fat and potatoes in certain parts of the country. Our pulp mills are short of wood for lack of labour. Lumber is scarce for the same reason. It is a shame to see young girls, young children of fifteen, showing signs of poor health, forced to work at night in industrial establishments of the province of Quebec.

And then our young men of nineteen are mobilized for military training. We are even told that from the 1st of March all single men between nineteen and forty-five and all married men between nineteen and twenty-five will be called up for medical examination. This happens at a time when we have already 700,000 men in the armed forces.

Is it not true, according to the words of the Prime Minister himself, that Canada's war effort is greater in proportion to its population than that of any other country? In my opinion we have in this country a group of leaders whose zeal exceeds in every particular what may be found in other lands.

The most solemn pledges count for little or nothing; we seem to be under the most rigid dictatorship known in any of the allied nations at war; the Canadian gestapo plagues our people.

Has not society been completely disorganized in this country? Not the slightest consideration is being shown for the common people.

Boards have been established whose members are not responsible to the people, men who are paid by their regular employers and who give their services for one dollar a year—and in many instances in the interest of their respective businesses.

The trust in certain lines of business is represented by some of these dollar-a-year men by whom personal liberty is being sabotaged.

The trade of the country general merchant is being sabotaged. Restrictions imposed are often unfair. Butter rationing is fixed at five ounces a week, alcohol at forty ounces.

The dressmaker is short of needles, of hair pins, etc., etc., but we pay over to Great Britain $200,000,000 for her war machinery in Canada, machinery which will be worth the price of scrap metal less than one year after the end of war, providing our government at that time does not, to our undoing, dispose of it in favour of unscrupulous dealers who will resell it to our enemies that they may the better lay us low twenty years later.

What a government! What a Babel! And we hear boastings of good administration.

Subsidies equivalent to 65 million dollars are being granted to a company with American subscribed capital, on the basis of a sufficient allowance for depreciation over a period of two years, so that financing is thereby assured for the construction of hydro electric plants with a total capacity of one and one-half million horsepower.

Why so much protection for these groups? And to meet such prodigalities, the people are taxed to a point where they can no longer meet their obligations. Private initiative is being completely ruined.

Mr. Speaker, the Liberal party, the present government, have made their own the extremist programme of the Conservative party. We have heard them singing each other's praise. The other day, the Prime Minister spent fifteen minutes complimenting the former leader of the opposition and congratulating him on his achievements during recent years.

Was not the hon. member for York-Sunbury (Mr. Hanson) one of the group who deprived the right hon. the Prime Minister of his seat in 1926? When I then offered my own seat to the Prime Minister, was it perchance my first dishonourable gesture?

Mr. Speaker, what a striking contrast between the praises addressed to his opponents and the blame cast upon his friends of twenty-five years' standing! I may say that I am not ashamed of having crossed to this side of the house as a member of "the bloc populaire canadien".

I have been identified for twenty-five years with the Quebec "bloc". During those years that "bloc" has almost continuously given sixty members to this government. I am remaining a member of that "bloc", that is all. The Quebec "bloc" will remain. This time it is the government that have parted from the Quebec "bloc" which had been of so much help to them. The government's policy is so imperialistic and extreme that Quebec is compelled to dissociate itself from them.

[Mr. E. Lacroix.]

Mr. FAUTEUX: Not Quebec; three members only.

Mr. LACROIX (Beauce): The people of the province of Quebec are Canadian first. Have they not shown it at every opportunity? But they do and will always remember how they have been deceived.

From a participation "by free collaboration" to a dictatorial participation by order in council, the Prime Minister has launched us into extreme participation in the war.

What is the use of compelling our small population of eleven million and a half to throw itself between Germany and Russia? We all know that Russia has a population of nearly two hundred million people and we know that her natural increase is five million people a year; we know that she can wage war for a century without decreasing her population.

What is the use of our sparsely populated country throwing 200,000, 300,000 or 500,000 men between China and Japan? China has a population of five hundred million people, with a natural increase of twelve million and a half a year and she can wage war during an indefinite period without decreasing her population.

How sound was the reasoning of our Prime Minister previous to 1939? It is too bad that he has not remained consistent with himself. Those countries must be fed. Why should we not supply them with our wheat and all other foodstuffs?

No doubt our all-out war effort seems ridiculous to the populations of Sweden, Turkey, Ireland, India, Spain, Portugal and South America.

For 1942, our exaggerated war expenditures amount to almost 5 billion dollars, compared to 50 billions in the United States, and for 1943 they will exceed 8 billions. In a comparison with the United States some will say that we are no more than they are. Let us not forget that the United States are spending the gold which they have accumulated, while we are mortgaging the property of our descendants. When this war is over, if the United States have increased their public debt by 200 billions, they will be in a position to issue immediately currency for that amount on the international basis of 25 per cent gold coverage and they still will have the soundest currency in the world. They will be able to write off their debt any day they choose. On the other hand, lacking the same reserves in proportion to the population, such a course will not be possible for us in this country. In my opinion, the United States are spending what they hold in reserve in Fort Knox, while

we are spending what we do not possess. We are mortgaging the credit of future generations, and as our country borders on the United States those who will follow us will have to live in a state of slavery in order to survive.

The comparison is a very simple one. Here are two neighbours; one has a family of 26 and has a bank account of $200,000 of which he spends $150,000 during the war. At the close of hostilities, he still owns $50,000. The other family is thirteen times smaller, counting only two members; during the war this man spend $12,000 and, in order to do that, he must mortgage his property and pay interest. At the end of the war, he is bankrupt; he loses his property or goes into bankruptcy, while his neighbour is still a wealthy man. This example, to my mind, is a fair illustration of Canada's situation as compared to that of the United States.

Much is said, in Canada, about inflation. In government circles, it is claimed that inflation is being checked. Has any government ever done so much as the present administration to provoke inflation of debts in the country? No limit is set on the increase of the national debt. We are governed through inflation of orders in council. Trusts are resorting to inflation of their control on trade. Inflation is checked among our people by preventing them, through a pyramiding of laws and orders in council, from paying their debts and from realizing profits that would allow them to carry on.

Has there been, since confederation, any government who have inflated taxes to the same extent as the present one. To-day, personal taxes have reached an aggregate average of 37½ per cent of the individual incomes.

Mr. Speaker, I could pursue this subject indefinitely, but I believe my time has expired.

The ACTING SPEAKER (Mr. Jean): I must inform the hon. member that his time has expired.

Mr. LACROIX (Beauce): I repeat: in order to be consistent with myself, I shall vote against the address, against the amendment and against the amendment to the amendment.

Mr. HARRY R. JACKMAN (Rosedale): Mr. Speaker, may I first offer my congratulations to the mover (Mr. Harris) and the seconder (Mr. Hallé) of the address in reply to the speech from the throne. These honourable and gallant members did honour to themselves and to the armed forces which they represent. While it is true that as yet the Canadian army has seen little of actual conflict, they stand on guard for us; and to no one has the long period of training and preparation been more trying than to the soldiers themselves. Seldom do I enter this chamber without observing in the hallway the statue of Lieutenant-Colonel Baker, who made the supreme sacrifice during the last war. It would indeed be a strange commentary on our democratic institutions if members of this house were forbidden to offer themselves in the highest form of all service, namely the armed service of their country in time of war. Indeed, the constituency whose representative wears the king's uniform is doubly honoured.

One statement contained in the speech from the throne is particularly comforting at this time; that is, that as members of this house and citizens of this country we could be heartened by the improved position of the united nations. We can take comfort from the fact that the course of the war is now more favourable to the cause of freedom than it has been in the past. There is satisfaction to be gained from the fact that we are now approaching the hill from which victory may be seen in the distance, though still a long way off. We realize that great sacrifices still must be made, but if we are even a little nearer victory than before it means that many lives which otherwise would have been sacrificed will be saved to us and the other united nations. We have advanced far along the road. In the beginning we were totally unprepared, and for two years we were almost overcome by the enemy attacks and reeled from their blows, wherever they cared to strike. We have won the battle of Britain, and by so doing we have given civilization and our democratic way of life a chance to save itself from barbarism. We have now a victorious Russia, a hard-fighting United States and thirty other united nations on our side. We are definitely on the offensive. We have equality or superiority in arms, and we never doubted the quality of our seamen, our soldiers and our airmen. Their spirit of sacrifice is an inspiration to us all, though sometimes we forget it. The road ahead is still long and hard, but we will put our shoulders to the wheel and see this conflict through to the victorious end.

We are proud of the leaders of the united nations, of Prime Minister Churchill and President Roosevelt; we are proud of the achievements of Stalin and the Russian people. We are proud to be associated with Churchill and Roosevelt in the planning of the grand strategy of this war, even though our connection is only by remote control and absentee representation. It is obvious that all the

united nations could not be represented at Casablanca, but there is a feeling on the part of many Canadians that closer and better cooperation could be achieved through direct representation on an imperial war council, or British commonwealth council, if you like, in London. Particularly is this so because our army is being held in Great Britain as a spearhead pointed at the heart of Berlin. Perhaps I should use the term "united nations council," on which we should seek representation, because it is almost inevitable that United States troops will form part of the attacking forces. Many people in this country believe that high ministerial representation should be sought on a supreme war council. Not a week passes without some utterance which affects Canada coming from one or another of the allied leaders, and one wonders exactly how instructions are given or consent is signified by this country. In 1916, in reference to an imperial war cabinet, Sir Robert Borden said:

> It can hardly be expected that we shall put 400,000 or 500,000 men in the field and willingly accept the position of having no more voice and receiving no more consideration than if we were toy automata. Any person cherishing such expectation cherishes an unfortunate and even dangerous delusion.

The Prime Minister (Mr. Mackenzie King) said recently that the agencies of communication have greatly improved since the last war. At that time, however, we had almost instantaneous communication by cable, and I doubt very much if even to-day secret messages can be sent over the radio. It is true that aeroplane transportation makes documentary dispatch easier, but the mechanical means of transportation were almost as perfect in the last war as they are to-day, and there is no closer communication now than there was at that time. It is not enough for those who have charge of government in this country to know what is in the minds of those who are directing the conduct of this war. Are our ministers and those responsible for our military commitments always to be on the receiving end? Can they only reply to the suggestions of others? Can they never volunteer information or military help? Can they never initiate proposals? Must they always act as a brake on the wheels of progress? One might almost as well suggest that parliament be not convened, that the members remain at home in their constituencies and rely on the endless press releases and official documents which are sent to them. The purpose of parliament, like the purpose of a war council, is to represent our constituencies, exchange our views and find a common ground of national action. Our war contribution promises to be very great. We should seek the position of an equal, not that of a helpful appendage. Many things are not asked of us because the ideas must originate with us. Can we possibly have a proper understanding of all the facts bearing on the various matters which come up if we are not part and parcel of the planning council?

The Prime Minister has stated that every day the government receives not one, but at least a dozen dispatches, if not more, direct from the government of Britain, in relation to matters immediately affecting the war. What innumerable problems must be the subject-matter of these dispatches? How many of them require definite and striking leadership? Mere consultation between the government of this country and the governments of the other united nations is not sufficient. The whole life of our nation at the present time is directed to the supreme effort of winning this war, and there is no place where direct and continuous representation is more needed than on a war council.

Where the supreme control of war planning lies is not clear. I doubt if any hon. member can tell me exactly where the grand board of strategy is. In his speech the other week the Prime Minister said:

> Our chiefs of staff in this city are in constant touch with the combined chiefs of staff having their headquarters at Washington. The war committee of the cabinet is informed of the discussions taking place there from day to day. We have a permanent liaison officer, an official of the government, who is there at the present time, and is there also throughout the year. We are entitled to follow the discussions and to be heard respecting any aspect of the war situation we may wish to present. Canada's interests in all these matters are placed fully before these boards that are continuously sitting and dealing with these matters.

May I again remind the house of what Sir Robert Borden said in 1916:

> Let us be done with liaison officers, and have direct participation. Let us put off our swaddling clothes, and put on the raiment of nationhood.

May I ask the Prime Minister if consultation is to be the measure of Canada's participation in the peace conference, to which we are all looking forward, a conference which we trust will bring peace and prosperity not only to our children, but to our children's children. Is Canada to have a liaison officer permitted to attend that momentous conference? What consideration shall this country receive at the council or committee which will implement the provisions of the Atlantic charter, and on all the great economic conferences which are bound to follow this war? Are we merely to have liaison officers attached to these very important conferences?

Is the Prime Minister, also, the only minister who can be sent to attend these conferences, wherever they may be held? He has said that his place is in the House of Commons and in this country. From a political point of view the Prime Minister is leader of a political party; but, if so little national unity, and so little unity of purpose have been achieved, that his presence is required here, then surely some other Canadian statesman can be substituted for him to attend these conferences. Inasmuch as one must cut one's coat according to one's cloth, I offer the name of the Minister of National Defence (Mr. Ralston).

In a volume entitled "Speeches and Documents on the British Dominions, 1918-1931," which has as a subtitle "From self-government to national sovereignty," edited by Arthur Berriedale Keith, we find this:

> Common effort and sacrifice in war have inevitably led to the recognition of equality of status between the responsible governments of the empire. This equality has long been acknowledged in principle and found its adequate expression in 1917 in the creation, or rather the natural coming into being, of the imperial war cabinet, as an instrument for evolving a common imperial policy in the conduct of the war.

The deliberations of the imperial war cabinet covered the whole field of empire policy, and also many aspects of foreign policy, and the war aims for which the British commonwealth was then fighting. If Canada does not take part in such a council, then surely it is following a retrogressive step. It has failed to assume and discharge its rightful duty, namely, to share in the joint administration of the war.

This war has differed very much from the last in the quietitude of its early stages, then the unexpected successes of the enemy in May, 1940, and then the unparalleled success of Russia in the winter of 1942-43. The relative quiet and building up, and the making of preparations on the European front now induce a feeling that the present method of consultation and partnership is quite adequate. But, sir, I do not believe that it will be adequate for the time when stresses and strains are greatly increased. Then the need will come. Then will be the utmost urgency. Then will be the need for consultation and cooperation which will not be present.

Hon. members who are intimate with the history of the imperial war cabinet will recall that that cabinet solved many problems which might have grown into matters of substantial friction. For instance, Sir Arthur Currie found that he did not receive the cooperation to which he felt he was entitled, and which was necessary, from the British officers. It was a matter of great importance, and finally the command of the Canadian soldiers was put entirely under General Currie. In this war we have benefited from our experiences in the last, and we have started off on the right foot.

If we are to interpret and carry out the policies necessary for the winning of this war, it may be that the Prime Minister must remain in Canada. These policies undoubtedly are difficult to apply; but we should obtain representation of a high political character on the board which does the planning of the grand strategy in this war.

While the Prime Minister has said that his place is in this country, we find proofs to the contrary in his acts, rather than in his words. Not only has he himself found it necessary to visit Great Britain, but many of his chief ministers, together with their staffs, have gone to Britain—not once, but several times—in order to learn and to contribute at first hand. Despite the means of communication these visits were entailed only by the greatest necessity. Nothing could indicate better than these visits the necessity for representation on an imperial cabinet. In the last war there were benefits, other than the chief one of joint direction and cooperation in the war, to be derived from the imperial war cabinet. At that time there was a difficult problem in connection with India and the empire. Some of the dominions—and I think Canada was one—did not welcome the immigration of East Indians into their respective countries. This was an offending matter to India. But the difficulty was solved around a common round-table by pointing out to India that if she chose she, too, could exclude the nationals of other British commonwealth countries.

It is possible that if we had a British commonwealth round-table sitting at the present time we might find a solution of the perplexing problem of dominion status for India. We might be able to make a contribution which would help to solve the problem of a recalcitrant Eire. We find a certain difference of opinion on the part of Prime Minister Curtin of Australia as to where the most important theatre of war is at the present time. It is possible that if Mr. Curtin were at a round-table conference he would see, not an immediate danger to Australia, but rather the ultimate and inevitable danger to our sister commonwealth if we pursued a course different from that which we are pursuing. As the volume of dispatches and correspondence received by our Prime Minister indicates, there is great usefulness to be served by a common-discussion

table. Indeed, its usefulness cannot even be conjectured, much less measured. The opinion of Mr. Churchill given only last Thursday in the British House of Commons concerning the value of face-to-face consultations between allied leaders is well worth quoting in support of my contention. I quote Mr. Churchill:

> When you have half-a-dozen important theatres of war open in various parts of the globe there are bound to be divergencies of views when the problem is studied from different angles. There have been many divergencies of views before we came together and it is for that reason I pressed for many months a meeting of as many of our great allies as possible. These divergencies are on emphasis and priority rather than principle. They can only be removed by prolonged association of consenting and instructed minds.

Another matter I should like to mention is that of the incredible bravery of our forces at Dieppe and the winning of the Victoria Cross by Lieutenant-Colonel Merritt. The action of our troops calls forth the highest praise of our people, and similarly those of our men who patrol the seas are entitled to our highest praise. The intrepid exploits of the men of the Royal Canadian Air Force and the Royal Air Force are the pride of Canada and are our greatest fighting contribution to the cause of freedom. It was with interest, then that I learned from the speech from the throne that Canada is to assume increased responsibility for the maintenance of Canada's airmen and Canadian air squadrons serving abroad. I wonder if the Canadian people know that our government pays not one cent for the upkeep of our No. 1 ace, Flying Officer Beurling, D.S.O., D.F.C., D.F.M., and bar, who was rejected by the Royal Canadian Air Force several times and accepted by the Royal Air Force? Do the Canadian people know that our boys in the Royal Canadian Air Force overseas are largely paid and maintained by the British government, which also pays for their equipment? Who pays for what in this war is not important, but when we boast about giving a billion dollar credit to Great Britain, we should look facts in the face and be given as true a picture as is possible. As the Minister of National Defence for Air (Mr. Power) stated last year in this house: It would take a generation of accountants to figure out the tangle of accounts as between Canada and Great Britain. While the balance may be upon our side, the people of Canada should know that the Royal Canadian Air Force personnel is paid by Great Britain once it leaves our shores, and that we are responsible only for paying the difference between the Royal Air Force rate of pay and the rate for the Royal Canadian Air Force. In the meantime, may I join with the hon. member for York-Sunbury (Mr. Hanson) in paying a high tribute to the administration of the Department of National Defence for Air. The British commonwealth air training plan is our greatest contribution to this war.

Another matter which I wish to bring to the attention of the house and which I feel I would be remiss in my duty if I did not mention before this debate closes is in regard to the rightful hopes and expectations of the people of Canada in reference to the application of the Ruml plan to this dominion. It would indeed be hard to find a single Canadian who does not favour the adoption of this plan to the situation as it exists in Canada. Just as it would not be true to say that the Canadian public do not want to pay or are unwilling to pay their rightful taxes, provided that the money is well spent, so it would be unfair to say that the taxpayers this year or any year are unwilling to provide the financial sinews which are necessary to the winning of victory.

In the time which is at my disposal I shall not be able to go into this subject at length, but I wish to sketch it out briefly so that it will at least be on the record before this house is threatened with a bill which will be cut-and-dried reflecting not the will of the people of Canada, but the will only of those who are in the Department of Finance. The Minister of Finance (Mr. Ilsley) should be informed of the desires of the electors of this country. The government is merely the agent, not the master, of the people in the matter of tax collection; and if a more equitable method can be devised which will not result in loss to the treasury, then it is the duty of the treasury to adopt that method. It was not many years ago that income tax did not exist at all upon incomes in the lower brackets, and even the taxes on the higher-bracket incomes were relatively easy to pay. The following figures cover a four-year period, 1938-1942, and indicate the rapidity of taxation growth in this country. In no other country has taxation grown at the rate at which it has in this country. In Great Britain they were accustomed to a high income tax before the war. It was not just a tax to meet the needs of government but was in effect a redistribution of the national income. Not only have we in Canada met the rates of taxation, in many brackets which they have in England, but in some brackets we have exceeded their rates, and on top of that we have corporation

taxes which even on the amount of pre-war profits amount to a minimum of forty per cent. To show the house how fast the rate of taxation has grown in this country I quote the following figures which are applicable to Ontario, and they would probably be very similar for any other province.

A married man with two children paid in 1938 and in 1942 respectively the following amounts of income tax:

Income	Income Taxation paid in 1938	Income Taxation paid in 1942
$ 2,000	nil	$ 214 80
5,000	$118 00	1,662 00
10,000	668 21	4,546 00

It is the pace, not the race, that kills. It was customary and feasible for every citizen to pay a previous year's taxes out of a succeeding year's income. Indeed, the government seldom announced the rate of taxation until the end of the first or second quarter of the year following that in which the income was earned. But taxation has now become such a large proportion of even very low incomes that it is impossible to pay taxes on last year's income and at the same time save sufficient in order to pay the tax on the income currently being earned. The result is that every tax-paying individual in Canada is faced with a burden of debt which in most instances he will be totally unable to discharge. When he will be able to do so it is impossible to say, because he can never catch up with the income tax the way it is at the present time, and because of the history of its progressive increases. If the income decreases or ceases with retirement, accident, sickness, unemployment or death, the taxpayer not having as great an income, or having no income, is faced with a burden of tax debt which cannot be met.

How does the adoption of the Ruml plan for Canada cope with this problem of lessening the tax burden for a man when he no longer has as much income or perhaps any income out of which to pay the tax? The adoption of the plan would free the individual from an overwhelming burden of worry and uncertainty which fear of a never-to-be discharged debt causes in the mind of the ordinary prudent citizen. Under the plan the desired result would be accomplished by the taxpayer paying this year and every year to the maximum of his current earning capacity according to the needs of the treasury and the laws of the land. But at the same time he would at the end of the year be free from an overhanging burden of debt. The method to be adopted would be as follows: the taxes paid in this year would apply to the 1943 assessment, and not to the 1942 assessment as is the case to a large extent at the present time. The incomes of the year 1942 are now spent and gone, and the moving forward of the base from 1942 to 1943 is precisely the same as the adoption of daylight saving: the hand of the clock is moved forward one hour; nothing is changed, but seven o'clock now becomes eight o'clock.

Mr. HOMUTH: Leaving the government in the dark.

Mr. JACKMAN: The government is not cheated out of an hour, and God is not asked to forgive us for not accounting for one hour of our life on earth. Under the present system, for which the government is as much or more responsible than the individual, the taxpayer is always a year late. With the adoption of the Ruml plan by Canada the citizen will be taxed as he earns his income; he will pay as he goes.

Like Tennyson's brook, men may come and men may go, but the government goes on for ever.

Mr. HOMUTH: Not this one.

Mr. JACKMAN: There will be no year when the government will be without its full tax revenue. Ministers of finance, the present one and those preceding him, have endeavoured to have the government proceed on a pay-as-you-go basis. The adoption of this plan in Canada will make it possible for the taxpayer to be put on a pay-as-you-go basis also.

Under the plan the government gives up nothing; indeed, it will probably gain, inasmuch as there will be a greater national income to be taxed in 1943 than in 1942. Moreover, by the adoption of this plan, will be in a better position to collect more adequately from the 1943 crop of new workers than it is under the existing system. As it is, taxes on the new workers are to some extent not payable until 1944. The government has levied and will levy taxes according to our capacity to pay, this year and next year and as long as this is necessary to the winning of the war. The individual will pay as long as he earns income, and will be currently taxed, but at the end of the year he will be free from any overhanging burden of debt. In a year in which the taxpayer has less income through death, retirement, sickness, accident or partial unemployment, he will be taxed according to his then income, not according to an income which is spent and gone.

Inasmuch as the government will tax all it can, it is fruitless for it to suggest that in addition to paying the 1943 taxes in full as we go, we shall also pay the 1942 taxes spread over a number of years on the instalment plan, because the taxes this year will undoubtedly be, as they were last year, as heavy as the Canadian people can bear without the system breaking down entirely. The theory of collecting 1942 taxes in addition, even on the instalment plan, is both fallacious and illusory. The government will take all it can, as it has done during the last few years.

While the implications of the Ruml plan may not be fully understood by all the people of Canada, its adoption is desired by approximately 100 per cent of the people. Indeed, the government is fortunate to have this opportunity of being able to institute the collection of virtually all taxes at the source of the income instead of having to wait until the income is in many instances spent and gone, and the taxes irretrievably lost. Indeed, as we are proceeding at the present time, if even partial unemployment obtains after the war, during a period of switching-over from war-time to peace-time activity, there will be many workers who will owe for the previous year's taxes but who will be unable with a reduced income to meet them and we shall find a disrespect for law similar to that which obtained in the prohibition era.

The adoption of the Ruml plan without modification will cost the government nothing. It will relieve the individual from the psychological and real fear of constant and perpetual indebtedness. While it will not relieve the Canadian people of one dollar of taxes, it will relieve each and every individual taxpayer of a tax burden which he cannot and will not in the majority of instances be able to meet when his income is no longer existent.

Except in those instances where the income tax operates as a capital levy, the government is already facing an eventual impossibility of collection of taxes on incomes spent and gone. The situation exists; it should be recognized, and a pay-as-you-go policy should be adopted immediately.

At the end of last year some taxpayers had paid thirty per cent of their 1942 taxes and some had paid more. A few had not paid even back taxes. There will be administrative problems to solve, and I urge that the government adopt the democratic way of referring the matter to a special committee or use the banking and commerce committee in order to put this country's tax collection on a sound basis, so that the will of the people will be reflected and that we shall have a pay-as-you-go system for all our people.

[Mr. Jackman.]

Mr. PIERRE GAUTHIER (Portneuf): Notwithstanding the pleasant remark of the Prime Minister (Mr. Mackenzie King) the other day, with reference to my two colleagues, the hon. member for Beauce (Mr. Lacroix), and the hon. member for Beauharnois-Laprairie (Mr. Raymond), and myself, I am not ashamed to address this house from an opposition bench. For the first time after having attended sixteen sessions of parliament I am opposing a government. Had the Liberal party fulfilled its engagement and honoured its word, I would not be here. The delegation of Quebec has been sworn in, especially during the provincial election of 1939, before the people of the province, that "no one would support any government, be it Liberal or Conservative, and every one would oppose any government that would vote for conscription for overseas, or apply it". This was our oath. No one should forget it now that conscription has been voted by a Liberal government and, whatever can be said, is applied. No one here should be surprised to see us on this side of the house. The present conscription differs in its application from the conscription of 1917, but it is working perfectly.

May I be permitted to give a few examples. Take, for instance, a member of this house giving a recommendation in favour of a married man, let us say, thirty years of age, with a wife and three children. This man cannot be appointed as postmaster if he is of military age, and if he has no discharge from military service. The result is this: no discharge, no position; no position, no meals, no clothing. A man thirty-seven years of age with a wife and seven children applied for a position as blacksmith in the marine department in Quebec. The first question was, Since you are of military age, have you been discharged from the army? The result is: no discharge from the army, no job. Since these two men could not enlist voluntarily for home defence, but could enlist voluntarily only in the active forces, because they were not called up in accordance with the National Resources Mobilization Act, they are free to enlist for overseas or to remain without a job. No job, no meals, no clothing, no living. Let us examine the case of a young doctor, single or married, but without children, aged twenty-five. Under the act, he is called up for military service. He enjoys perfect freedom with respect to military service. If he wants to serve as a medical man in the army, he must enlist in the active forces to serve anywhere in the world; otherwise he must serve as a private in home defence. A wonderful voluntary system! Take the case of a young student in one of the last two years of his

classical course. Success does not always smile on the most brilliant pupils, and if this young man is unfortunate enough to fail, he is not given another chance to go through. The road is wide open before him to the army. A consoling voluntary system!

As a resumé of all this, I would say, as one of my friends said one day, this is a real voluntary system: you do not want to enlist but the government wants you to, and there you are. These are a few cases of the newly patented voluntary system for the recruiting of Canadian soldiers for overseas in the second world war.

Under the authority of order in council P.C. 11159, Canadian soldiers have been sent to Newfoundland, Alaska and Labrador. Another step further. The next is overseas; and if there is another delay between the promised order in council and the divulging of it, our soldiers will have time to write to their parents and receive an answer before the government has decided to make the order in council public. A very open and frank policy! The coating used by the politicians of the two old political parties of this country has become too thin, so thin that the people taste the pill and refuse to swallow it. The policy ends at the same spot; the ways of application differ.

The war effort was too inadequate, the government too slow for our Conservative friends, and by studied and well organized pressure they have forced the Liberals to come across. These promises of a moderate and voluntary effort to win the provincial elections of 1939 in Quebec have volatilized under the warm rays of the imperial sun and the cacophonic brass band of the two hundred. An identical offensive on the plebiscite put into action the old see-saw policy invented to conciliate finance, the politicians and the claims of the people.

We witnessed in this house strongly opposed members voting in favour of the plebiscite, and it has been admitted by members sitting in this house and by many newspapers that an important percentage of the population did not exactly know whether this "yes" or "no" vote was connected with conscription. It had been so clearly put before the people! However, one thing certain is that the "no" vote in Quebec was against conscription and, if it has changed, it is toward an increase in the negative vote. It was then that a new word was born, a word that is now used freely with reference to those who are opposing the old political parties in this country—"isolationist." What a handy word! For a few years the word "communist" had been stewed on every occasion where the old political parties wanted to stigmatize their opponents, especially those strongly advocating reforms on social and economic grounds, and in accordance with a true Canadian policy. Now, however, that Mr. Buck and his partisans, members of a party which has not yet been legalized, can spread vigorous propaganda everywhere in the country; now that help to Russia has become a duty among the united nations; now that Russia itself has balanced the fortunes of war in our favour, the word "communist" does not fit any longer. "Isolationist" is the new blend.

But if one examines very carefully the general selective service, the food and war material rationing, if one scrutinizes the whole system which is now held in honour within the boundaries of our country, he cannot help seeing the great analogy with the policy which has been developed in Russia since Lenin, and especially after the accession of Stalin to power. I should like very much to know the names of the men responsible for this general economic policy, their connections in the world and their racial origin. Shall I be called isolationist if I ask the government to be very careful in the choice of its financial and economic experts, in order that this dominion will not be confronted with a system which will be in the hands of men not giving a thought to the country in which they operate, ignoring national boundaries, and ignoring the boundaries of nations, whether they be enemies or allies. This war will come to and end some day, and there will be another peace treaty written. The government then in power, with its experts, will suffer another Casablanca if these experts are not real Canadians having in mind the specific interests of Canada. Shall I be called isolationist if I point out that Canada will have to act as a nation of America before acting as a colony? The rate at which we are spending should cause us to have a system of collection toward the nations, especially those which might have in mind sooner or later the erasing of the war debts.

Shall I be called isolationist if I ask the government to stop and think for a moment that our agriculture is doomed if the farmers' sons are not sent back to the land? It is all very well for the government and its numerous propagandists to flash periodically the exemption of farmers' sons, but it is not so pleasant for the farmer to spend days and weeks begging the authorities to grant postponement, which is often granted after the boy has spent from four to six months in camp and is turned back to the land after the work is partly done or, in many instances, after the crop is lost. It is all very well for the provincial friends of the government to say,

we will have to be careful about the training of farmers' sons and farm help, but it would be better for those gentlemen to help those who have been urging the government to agree upon a specific policy toward agriculture in connection with military training. Why not exempt farmers' sons and farm help once and for all, and stop that flow of farmers to the commission? Let them work instead; and if they give to the cutting of wood fuel the time they are forced to spend in these trips to obtain delays from the military authorities, we should not have any shortage of this material. Let the government stop its policy of zig-zag. The farmers' sons have registered; why call them up at all?

I suppose I shall be called isolationist and opposed to the war effort if I tell this house that the work of women in war industries, especially where certain chemical products are used, is a crime against the families of this country? It is destroying a generation. What is more, if it is not stopped the next generation will be still-born. I am not the first one to give that warning to the government; a prominent doctor in Toronto gave a severe warning months ago.

That is the situation of this country, built up entirely by those who call us isolationists, to hide their real failure toward the true Canadian policy. If Canada is the granary for the united nations, it would have been wiser on the part of the administration to leave on the land those who by their patient and constant work can provide our allies with the necessary food. If, moreover, Canada is the arsenal of the allies, it would have been more prudent to organize the labour within the country than to cry out loud when hundreds of thousands of men are overseas. The trouble is that the small population of Canada was not taken into consideration. Only one thing mattered—to send men overseas. In the meantime the disorganization was increasing rapidly.

In 1939 we warned the government not to go too far and too fast. The answer was: moderate and voluntary effort. A year afterwards, one of our statesmen said in this house, "How can we participate in a war moderately?"

The war effort was changed into a total war effort. Conscription for Canada gave place to a disguised conscription for overseas service. Then, after the plebiscite, conscription was voted in this parliament under the pressure of the same men who just a few years ago were advocating a policy of no participation in any external war. And because we believe that this policy of no participation or of a moderate and voluntary effort should have been the real Canadian policy, the same men disdainfully call us isolationists. What a transformation! They were first called isolationists by their Conservative friends, and after their secret marriage they found it an appropriate term by which to characterize those among their supporters who refuse to participate in the comedy built up by those who forsook the Canadian cause. I think that at the next election the people of this country are going to isolate some of these people from power.

It is no pleasure to be isolated. I had the experience of forty-four days of isolation at the citadel in Quebec. We were nine altogether under close arrest. Some of them are not yet out. Four men were still in the "clink" the day before yesterday, nearly four months after their arrest. Two of them are married, their families living on fresh water and public charity.

I do not question the respectability of the members of that public court-martial which opened in Quebec on November 22, 1942—I do not mean the final judgment; I do not discuss that—and none of the accused officers and men had any complaints against them. What has been unbearable for us and our families, for the medical profession and for our race is the pitiful lack of judgment leading to the decision to make the court-martial public. Since it was open to the public I shall make use of my privilege to say a few words about it.

The trial clearly proved that these men had not broken their oath either as soldiers or as medical men. They sold no blue papers—I mean discharges from the army—and did not give benevolent classification to any recruit to the active forces. These men have been under close arrest nearly all the time since the end of October for the non-commissioned officers and from November 2 for the medical officers. Three of the officers are free now and have resumed their duty in the army. One private was handcuffed for eleven days, day and night, and the three others for four days, day and night. When one realizes the hygienic conditions of the "clink" in the citadel, he can imagine the intolerable conditions which these men endured. Except for the exclusive privilege of being gently balanced at the end of a rope, or of enjoying the last moments of their lives while cosily seated in an electric chair, even killers do not undergo worse treatment.

The officers were under close arrest nearly all the time at the officers' quarters, each enjoying the steady presence of an escort. These were dangerous people facing that public trial! There was no bail for them.

For weeks and months they fed the newspaper chronicles and formed part of the radio journal, especially that of the Canadian Broadcasting Corporation network. I was sorry for my prison mates to have been with them, because I immediately realized that it would be impossible for certain newspapers of my own and other provinces to resist the temptation to announce that a Quebec member of parliament was facing trial, that he was garbed in civilian clothes, and the Canadian Broadcasting Corporation announcer even went so far as to say that I was wearing a brown suit, though he omitted to state the colour of my necktie. It was said that I was one of the lieutenants of Mr. Maxime Raymond, chief of the bloc populaire Canadien, the newly appointed organizer for the Quebec district, and so forth. Look at the size of the type in the headlines. But I must be fair to the Ottawa *Journal;* when I was acquitted they gave me two good columns, with my picture—not the best I have, but, just the same, my picture.

What a start for a new movement; the organizer in gaol! What an advertisement for the Quebec medical profession; five of its members in gaol! What a good piece of French Canadian for some people to chew on! Why a public court martial in that case? To serve as an example; hobbling explanation. Apart from the thousands of other courts-martial that could have been held publicly in other districts in order to make examples, if that was the purpose, one was held in the same building at the same time, but it was held privately. Apparently it would not have been interesting to the public; the man was not from Quebec. I would not for a moment dare to think it was done for reasons of secrecy. The Quebec medical profession has no reason to envy the medical profession of any other province, or any other profession, and that public court-martial was an insult to the medical profession.

In a democracy the accused is innocent as long as the court has not found him guilty. The judges we have appointed have always respected this democratic principle. The way in which we were treated clearly proved that we were found guilty before the trial by those whose lack of judgment, be they in Ottawa or the advisers of the national defence department in the Quebec district, whose unfitness for the positions they hold in the medical corps or at headquarters made them the conscious or unconscious persecutors of respectable families and the slanderers of the medical profession and of French Canadians. I shall pass over the little war of nerves designed to bring the officers and men to a plea of guilty. That would have been such a nice feather in the caps of those who had smelled a big scandal and who, after the inquiry commenced, were obliged to put up a show to hide their incompetence from the courts and from their superiors. Let me quote *Le Semaine Religieuse* of Montreal, under date of January 20, 1943:

A Regrettable Court-Martial

(Translation): The court-martial of a group of medical men of Quebec has come to an end. Those hoping that something scandalous nature would come out of it were disappointed. The charges were light and in most cases definitely false. But the rumours which preceded this action and the publicity given to the charges have poisoned the minds from one end of the country to the other. Such doings can only hamper the national cause. It is regrettable that they occur.

I said a few moments ago that the people are tired, and I will add that in Quebec they are tired of being treated differently. There is a legal way of democratic election which they will use freely. The mention of the bloc populaire Canadien may bring a smile to someone's lips, but that smile will change into a grin when the youth of this country turns its back to its forsakers.

Mr. W. R. AYLESWORTH (Frontenac-Addington): Mr. Speaker, I represent a rural riding in this house. The people of Frontenac-Addington are among the finest people in this land, but they are not wealthy. They are good, honest, patriotic Canadian farmers who earn their living by hard work and the grace of God. Their standard of living depends upon the prices they receive for their products, and a few cents here or there may mean the difference between fair living and poor living. Thus they have felt grave concern over the treatment they have received since the beginning of this great struggle. They have not complained unduly; they have done their best to produce to their utmost in order to assist in the task of feeding our armed forces, our allies and our home population, but, as we all know, times before the war were not too good to them. Their farms had suffered and needed repairs, which could not be made. They had begged for parity prices, but to no avail; and then, when it seemed that their dream would be realized through the increased demand created by the war, ceilings were placed upon the prices of their products. This was not just. The ceilings should have been so adjusted that parity prices would prevail.

Parity prices to the farmer mean only one thing, namely, that he receives for his products the cost of production plus a reasonable profit. That is what industry is getting; that is what the farmer should get. Can he go on producing to the maximum without assistance in

some form? I do not think he can. He is growing older, and cannot work as hard. He has lost his sons and hired help to industry and the armed forces. His machinery is wearing out, and must be replaced if possible.

The farmer is in a position very much different from that of industry. Industry buys its raw materials, fabricates its products and fulfils its sales contracts in a matter of days or a few weeks. Production is not started until satisfactory sales arrangements have been completed. Delivery is then made before there is any general change in production costs.

That is not so, however, with the farmer. His only guarantee of even the cost of production is his faith in the weather, God and the future—which in too many instances does not satisfy his banker. What is the prospect of meeting our food requirements in 1943? I should say it is hopeless unless something is done immediately to help the farmer. The year 1942 was, from a climatic point of view as nearly perfect as could be imagined. Although our supply of farm labour dwindled rapidly in 1942, yet during most of the year the longer hours on the farm, combined with increased work by men, women and children, resulted in the greatest production of food we have ever had. This was the condition, despite the fact that nearly 300,000 persons have been withdrawn from the farm labour supply since the beginning of 1940. Fuel supplies for trucks, tractors and other farm vehicles were not curtailed.

We do not know what Providence will give us by way of weather in the coming year, but we do know that in every other respect the capacity of the farmer to produce will be seriously curtailed if present policies are followed. Fuel will be scarce; the production of farm machinery is limited, and labour is much scarcer than last year. The men, women and children on the farms cannot work longer hours or do more than they did last year.

Then, farmers are also confronted with uncertainty as to whether they will be able to secure prices which will enable them to meet the cost of production. Expenses of farm operation are constantly increasing. Wages are double. Prices of second-hand machinery are high. Taxes and other costs are increasing. We are confronted with the fact, too, that many farm units devoted to the production of most essential foods such as meats and dairy products have gone out of existence.

In addition to all these handicaps, many farmers are sincerely and honestly afraid to plan for their future farming operations for the simple reason that they do not know what further restrictions may be imposed. All hon. members realize that while many untrained people can be very helpful in supplying labour on the farms, to meet the seasonal demands, still the maximum production requires the work of men of experience, men who are skilled in the art of producing and feeding live stock and poultry, men who are trained in respect of dairy production, crop production and the handling of modern machinery and equipment.

The practice of paying subsidies to avoid raising prices to the consumer cannot be fairly considered as preventing inflation, because the same total amount is paid, whether the consumer pays it all, or pays only part of it and the taxpayer the balance. I am utterly opposed to the use of subsidies in lieu of fair prices on the market place, particularly at a time when consumers are fully able to pay fair prices. Subsidies are inflationary. They conceal costs, and defeat their own purpose. They promote inefficiency, destroy initiative and undermine character. They are not the means of building an independent and self-reliant people. Subsidies are simply an expedient way of dodging a disagreeable issue. They are the means of evading a fundamental correction to an unbalanced economy. They open the way to political abuse. Once they are used, subsidies are hard to get rid of. If we employ them now, during a period of maximum income, how can we abandon them when the war is over and income falls? An empty treasury would mean that they would have to be dropped. Food prices would have to rise or the farmer would become bankrupt; this would involve rising food prices with declining purchasing power. I seek a free and self-supporting agriculture. The allocation of materials for the production of farm machinery must be also increased immediately. We need more machinery than usual to make up for labour shortages.

I should like now to discuss the beef situation. There is a price ceiling on beef, but I venture to say that most of the beef sold in Canada to-day is sold above the ceiling price. Speaking in this debate, the hon. member for Elgin (Mr. Mills) referred to the black market on beef. No one knows better than he does that when he sells his cattle for twelve cents a pound at the barn, the beef from those cattle is certainly not sold under the ceiling price. One need only look at the market report to find that good butcher cattle are selling at from 12 to 12½ cents a pound live weight. These same cattle yield around fifty-six per cent in the killing. If they are sold under the price ceiling, the wholesaler would lose $25 a head or four cents a pound on the beef. For example, let us take a beef cow weighing 1,200 pounds. The wholesaler pays

ten cents a pound, or $120 live weight. The 600 pounds of beef that he will get, at fifteen cents a pound ceiling, would net him only $90, or a loss of $30, or five cents a pound. I do not think he is taking that loss. If the government still holds to a ceiling on beef, then I suggest that it should be a fair and reasonable ceiling. The number of cattle shipped from western to eastern Canada for feeding and killing increased by 78·6 per cent in 1942; yet the number of inspected killings fell by 5·9 per cent. But there are no records of uninspected killings. Estimates place the increase in uninspected killings at 100 per cent.

On January 31, 1943, the Montreal *Standard* quoted the representatives of two leading packing houses in that city as saying that most Montrealers who were eating beef that week-end were eating the product of the black market. Why not raise the ceiling four or five cents a pound? The consumer would not have to pay any more than he is now paying. The spread at present between the producer and the consumer was never greater. The farmer must find it strange to have to pay high prices in the butcher shop for beef which has been sold under the ceiling.

Farmers who are feeding cattle this winter are worried. During the month of May, when the highest ceiling price will prevail, too many cattle will be placed on the market and, to my mind, this will force a drop in price. Some protection must be given the cattle producer.

Butter is another product on which a ceiling might well be raised, so as to bring it on a par with cheese. Even to earn the 10-cent subsidy the butter fat must be taken to the creamery. In my constituency, with many of the roads blocked with snow, this cannot always be done, with the result that many of the farmers are letting their cows go dry this winter. Yet we are asked greatly to increase our production of milk. With money plentiful as it is to-day, most people will pay more in order to get butter, and thus another black market may spring up.

In line with the government's plan to increase food production this year, we should have the ban on new electrical connections lifted in order to permit extensions to additional farms and to allow short extensions of existing rural distribution lines to operate specified farm production equipment. It is to be expected that such extensions will among other things assist in increasing the country's supply of meats, poultry and dairy products, and in some measure relieve the farm labour shortage. It is the greatest help that could be provided to the Canadian farmer. Because too many rural people do not have what we call the conveniences of life, it does not follow that they do not deserve them. Indeed, they do, and it is our job to see that the people on the land, upon whom the country relies in times of stress, are recognized according to their merits.

When this war is over, and I pray that it will be soon, we shall be called upon to help in feeding the millions of people who now have little food and will not have much for years to come on account of the scorched-earth policy and war-torn ground. It is possible to estimate that five hundred million people will be suffering from some degree of food shortage after this war and that some European countries such as Norway, Holland, France, Greece, Poland, Yugoslavia and the Baltic states will be much worse off than after the last war. Then twenty-seven million tons of food were supplied to Europe, sixteen million by the United States, and the rest by the British empire—food to the value of six billion dollars—and it will be many times greater this time. But we must furnish it. To save these millions after the war is not alone an act of compassion. It is the only road to peace.

In conclusion, Mr. Speaker, we urgently need to determine what we can do within our strength of man-power, materials, workshops and agriculture. We need to decide which of our tasks comes first, and if we determine rightly we shall place agriculture in the first rank of the war effort, alongside planes, guns and ships.

Our imperative necessity is maximum food production. The Canadian farmer will produce to the utmost if he is given a chance. The fate of the world may depend on it.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I intend at this stage of the debate to be very brief and to indicate to the house the position which the Progressive Conservative party will take with respect to the amendment to the amendment which was moved by the hon. member for Rosetown-Biggar (Mr. Coldwell) and seconded by the hon. member for Vancouver East (Mr. MacInnis).

Perhaps at the beginning of my remarks I may be permitted to read to the house the precise wording of the amendment to the amendment. It is as follows:

That the motion be further amended by adding to the amendment the following words:

"And further we regret that Your Excellency's advisers have failed to take the necessary action to achieve a total war effort by neglecting to apply the powers contained in the National Resources Mobilization Act to war industries

and financial institutions in the same manner as they are being applied to the mobilization of man-power for military service."

In dealing with this amendment to the amendment I should like to call the attention of the house particularly to its very careful and considered phraseology. It indicates that the Cooperative Commonwealth Federation party takes the stand that with respect to two branches of our war effort, namely, war industry and war finance, the powers contained in the National Resources Mobilization Act should be applied. But the amendment goes further in its wording, which leaves no room for doubt. They want these powers applied "in the same manner"—and I call special attention to those four words—as these powers are being applied to the mobilization of man-power for military service.

The National Resources Mobilization Act gives wide and sweeping powers to the government to mobilize the human, material and financial resources of the nation for the purpose of waging total war. These are the broad powers, and assuming for the moment that the government has not applied these powers in the case of war industries and finance to the same extent as it might have done, consonant with the national interest in a war-time period, let us see how the proposed amendment to the amendment would assist in bringing us nearer to a total war effort than we now are.

Let us examine the results which would flow from the acceptance of the amendment to the amendment by the house. It would mean that from now on two great branches of our national war endeavour—war industry, and finance—would be mobilized "in the same manner"—mark those four words again—as is man-power for military service. In simple words, the Cooperative Commonwealth Federation expresses implied satisfaction with the application of the powers of the National Resources Mobilization Act in so far as the mobilization of man-power for military service is concerned.

The people of Canada and the Progressive Conservative party believe, and I think there is plenty of evidence to substantiate such belief, that our whole man-power policy in Canada is a mess, a misfit and a muddle. In our opinion it is not possible to separate entirely in any effective, master man-power plan the mobilization of man-power for military service from that of any other part of the master man-power plan which should be in operation. Our objection is very strong on the point that no really over-all plan relating to our man-power has been in existence since the war began, whether it be for military service, or agriculture, or other primary enterprises, or industry. We as a party will refuse to support an amendment to the amendment such as this, where the government's present muddling man-power policy is proposed to be used as a basis for the mobilization of war industry and finance. It would imply that our party is in favour of and is satisfied with the present man-power policy of the government—which it is not.

In every instance where a further mobilization of our war industries and finance is essential to the interests of a more extensive and total war effort, let us not hesitate vigorously to take those necessary steps as a nation, let the chips fall where they may; but when we do so, let us not take as our example the muddled policy which has been ineffectively and timorously applied to another branch of the wartime mobilization.

Were this very carefully drawn amendment to the amendment to carry, let us see what it would further mean. If the powers under the National Resources Mobilization Act were to be applied to war industries and financial institutions in the same manner as they are being applied to man-power for military service, it might easily lead to hopeless confusion. I do not think this house would dare to support such a proposal, because the application of these powers to the mobilization of man-power for military service involves many points which cannot be logically and practically applied to the case of war industry and finance; yet the words "in the same manner" indicate that this is what the draftsman of this carefully worded amendment to the amendment and its mover and seconder had in mind.

Here are some of the implications which might readily result:

1. Two important factors entering into the call-up of man-power for military service are age and condition of health. Surely the length of time a war industry or financial institution has been in business, or the state of its economic and financial health, cannot seriously be considered in applying "in the same manner" the man-power call-up provisions to these two other branches of our war effort. Yet that is what the wording "in the same manner" in the amendment to the amendment clearly indicates.

2. It is said that one out of every 107 of our population in Canada has been mobilized under the provisions of the National Resources Mobilization Act. Surely, if war industries and financial institutions are to be mobilized for a total war effort in Canada, this would be

a very puny percentage and could scarcely be regarded as an important contribution to our war effort generally.

3. The present man-power mobilization features of the National Resources Mobilization Act as at present applied call men for service within Canada only, or the territorial waters thereof. It is difficult to see how it could seriously be proposed that our war industries shall manufacture their materials of war for use within the territorial boundaries and limits of Canada and that shipments overseas should be on a purely voluntary basis; yet that is what the four words "in the same manner" seem to imply.

The amendment to the amendment, in our opinion, provides a faulty basis for the mobilization of our war industries and our financial institutions. It impliedly endorses the present muddled man-power policy of the government. It constitutes a retrograde and half-hearted step rather than an advanced move toward total war. It leaves us who represent a new Progressive Conservative movement with no option but to vote against it, in view of the definite and unequivocal policy laid down at the Winnipeg convention, which states:

We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry and finance, as well as man-power, and that our aim should be at all times to bring about so far as human means can achieve it, an equality of sacrifice.

Upon that platform and that policy we stand. The present amendment to the amendment is a weak and feeble thing when contrasted with the war policy of the Winnipeg convention, and we cannot support it.

The house divided on the amendment to the amendment (Mr. Coldwell) which was negatived on the following division:

YEAS

Messrs:

Blackmore
Castleden
Coldwell
Douglas (Weyburn)
Fair
Gillis
Hansell
Hlynka
Jaques
Johnston (Bow River)
Knowles
Kuhl
MacInnis
Marshall
Nicholson
Nielsen, Mrs.
Noseworthy
Quelch
Shaw
Wright—20.

NAYS

Messrs:

Abbott
Adamson
Anderson
Authier
Aylesworth
Bence
Bertrand (Laurier)
Bertrand (Prescott)
Bertrand (Terrebonne)
Black (Chateauguay-Huntingdon)
Black (Cumberland)
Blair
Blanchette
Bonnier
Boucher
Bourget
Bradette
Breithaupt
Bruce
Brunelle
Cardiff
Cardin
Casselman, Mrs. (Edmonton East)
Casselman (Grenville-Dundas)
Chevrier
Church
Clark
Claxton
Cleaver
Cloutier
Corman
Coté
Crerar
Cruickshank
d'Anjou
Dechene
Denis
Diefenbaker
Donnelly
Dorion
Douglas (Queens)
Dubois
Dubuc
Dupuis
Durocher
Edwards
Emmerson
Eudes
Farquhar
Fauteux
Ferland
Ferron
Fontaine
Fournier (Hull)
Fraser (Northumberland, Ont.)
Fraser (Peterborough West)
Furniss
Gardiner
Gauthier
Gershaw
Gibson
Gingues
Gladstone
Golding
Goulet
Graham
Gray
Graydon
Green
Gregory
Hanson (Skeena)
Harris (Danforth)
Harris (Grey-Bruce)
Hazen
Healy
Henderson
Hill
Homuth
Howden
Hurtubise
Ilsley
Isnor
Jackman
Jean
King, Mackenzie
Kirk
Lacombe
Lacroix (Beauce)
Laflamme
LaFlèche
Lafontaine
Lalonde
Leader
Leclerc
Leduc
Leger
Little
Lizotte
Lockhart
McCann
McCuaig
McCubbin
McCulloch
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
McDonald (Pontiac)
McGarry
McGibbon
McGregor
McIlraith
McIvor
MacKenzie (Lambton-Kent)
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McKinnon (Kenora-Rainy River)
MacKinnon (Kootenay East)
McLarty
MacLean (Cape Breton North-Victoria)
McLean (Simcoe East)
Macmillan
McNevin (Victoria, Ont.)
McNiven (Regina City)
Marier
Martin
Matthews
Maybank
Mayhew
Michaud
Mills
Mitchell
Mullins
Mulock
Mutch
Neill
Nixon
O'Brien
O'Neill
Perley
Picard
Pinard
Pottier
Pouliot
Power
Purdy
Ralston
Reid
Rennie
Rhéaume
Rickard
Roebuck

Ross (Calgary East)	Stokes
Ross (Hamilton East)	Taylor
Ross (Middlesex East)	Telford
Ross (Moose Jaw)	Thauvette
Ross (St. Paul's)	Tripp
Ross (Souris)	Turgeon
Rowe	Turner
Roy	Veniot
Ryan	Ward
St. Laurent	Warren
Sanderson	Weir
Senn	White
Sissons	Whitman
Soper	Winkler
Stirling	Wood—182.

Mr. ROY: Before the question is put—have I the floor, Mr. Speaker?

Mr. SPEAKER: No.

Hon. P. J. ARTHUR CARDIN (Richelieu-Verchères): I do not intend to make any extended remarks at this stage of the debate. The speech I delivered the other day expressed clearly enough my own views—

Mr. ROY: I rise to a point of order. I would call the attention of the Chair to the fact that the hon. gentleman now speaking has already spoken on the question. I read in *Hansard* of February 9, 1943, at page 281, this which was said by the hon. member on that date:

> . . . may I say to the leader of the opposition that his amendment to the main motion is an example of those hesitating moves and vacillating attitudes which help to discredit parliament in the eyes of the people.

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. I understand the hon. member is taking exception to the hon. member for Richelieu-Verchères speaking now because he has already spoken. Am I correct?

Mr. ROY: He has spoken on the amendment moved by the leader of the opposition.

Mr. SPEAKER: All hon. members who have spoken after the hon. member moved his amendment are entitled to speak now to the main amendment. The hon. member is quite in order. I might point out to the hon. member for Gaspé that if his contention were right he himself would not have the right to speak.

Mr. ROY: Pardon me, Mr. Speaker, I never said anything on the amendment moved by the Conservative group.

Mr. CARDIN: I do not intend to make any extensive remarks on the question which has been before the house for some days. The observations I made in the speech I last delivered laid down the principles and the premises upon which I propose now to base a conclusion. During all this debate it has been apparent to everyone in this house and to everyone in the country who follows the debates of the House of Commons that we are suffering in Canada at the present time from an increasing shortage of man-power in so far as the farms are concerned, and at the same time the country is suffering from a shortage of man-power in our war industries, not to mention the fact that we are short of labour also in many other important and most essential industrial and transportation activities. Without going into any detail, I may mention rail transportation. I have been told recently by a man who is in a position to speak his own mind that they are afraid of running short of rolling stock on our railways in Canada. No one who has observed the situation has any doubt that there is a real shortage of man-power. Since the beginning of the debate, not a single member who has spoken has failed to draw the attention of the house and the country to the fact that we are short of labour in the main important fields of our activities. Therefore there can be no doubt that there is a very serious shortage of man-power. The suggestion has been made, and this indicates very well the truth of what I am now saying, that we should use prisoners of war, that we should use the Japanese, that we should use those who have been declared unfit for military service—

Mr. REID: Not in British Columbia.

Mr. CARDIN: —that we should use them where we are short of labour on the farms and in war industries as well as other essential industries of our country. So that the fact cannot be denied that there is a shortage.

The leader of the opposition (Mr. Graydon), as I said the other day, did not suggest a real remedy for the situation. He complained about the lack of a proper policy on the part of the government to meet the situation. He blamed the government for not having adopted a proper policy, but he did not say what in his opinion was a proper policy. He complained also about the situation in regard to labour but did not indicate in any definite terms what method and what means he had in mind as a remedy for the difficult situation in which the country finds itself at present. The amendment is so framed that it could be used in support of all shades of opinion.

I was accused in mild terms by the former house leader of the official opposition (Mr. Hanson) of arguing the case of the isolationists. I am not an isolationist; and if the hon. gentleman had taken the trouble to look at the record, he would have discovered that on many occasions I went a great deal further than he did in order to bring about and maintain unity between all

parts of Canada. As a result I found myself in difficulties which he has never experienced. I think I have gone the limit in that regard; and with the people of my province and my race I have gone much further than he has ever gone in order to explain to them the sentiments, feelings and ideas of the citizens of other sections of Canada. To the best of my ability I have tried to interpret the opinions and sentiments of the English-speaking people of Canada to the French citizens of the province of Quebec. I have done all I could, and I think all that any reasonable man could expect from a public man in my position.

I have been criticized in my own province for having preached the doctrine I did preach in 1939, supporting our participation in the war and asking the people of Canada to unite behind the government, to do all they possibly could in order to support the cause of the united nations. It was not a popular case to argue before the electors of the province of Quebec, but just the same I argued it; and when the general election came in 1940 I did the very same thing. I explained in clear language, without being afraid of expressing my views, what the position was at that time.

The late Right Hon. Ernest Lapointe, the late Hon. Fernand Rinfret and myself did all we could to help the people of the province of Quebec understand the necessities and exigencies of the situation in which Canada found herself at that time. We succeeded then to a certain extent in interpreting the sentiments and the opinions of the English-speaking citizens of Canada.

I am proud to say that during my long political life I have never been afraid to voice my thoughts, and I have always devoted my energies and the limited talents that are mine in endeavouring to bring together as closely as possible the different races composing the population of Canada. I have suffered from this politically. I am still suffering from it, because some people do not understand the position I have taken at certain times. They do not understand even now that I was attempting to fill the breach which existed between the two races, and trying to secure mutual concessions in order to bring them together so that they would be happy, prosperous and at peace within Canada. My attitude has been misrepresented even in this house by certain hon. gentlemen who have never been able to understand the situation with which the government was then confronted, and the position in which I personally was placed on many occasions.

I have always tried, to the best of my ability, and even by making personal sacrifices, to bring about a better understanding between all citizens of Canada. My voice has not always been heard, nor have my views been accepted in every case, but I am very happy to have heard lately, from the province of Ontario an echo of the views I expressed not very long ago, when I tried to explain that necessarily there was a difference in sentiment between the English-speaking citizens of Canada and the French Canadians. But few people understood my stand at that time, and my words were misrepresented or misinterpreted.

Just a few days ago, a gentleman enjoying a very high position in politics in the province of Ontario said in a public speech that we must recognize that we cannot see things in the same way because we are descendants of different races. And he said that he was not surprised that French Canadians do not always see the racial problems in the same light as English Canadians, because he could not feel the same way toward France as he does toward Britain. This is an echo of the sentiments I expressed, and I am very happy to record it; it is indeed for me a source of comfort.

I take second place to no one in this chamber or in the country as far as love for Canada is concerned, or as far as sacrifices are concerned. My patriotism is beyond question; my love for Canada is beyond question, and I have the right, as anyone else has, to state and explain my personal views in this House of Commons, where, thank God, we still enjoy a certain amount of liberty.

In conclusion, Mr. Speaker, and I may say as the conclusion of the premises I laid down in the speech I delivered the other day, I move, seconded by the hon. member for Chicoutimi (Mr. Dubuc), as an amendment to the amendment:

That all the words after the word "that" in the first line of the said amendment be struck out and that the following be substituted therefor:

"This house is of the opinion that in view of the recognized shortage of farm labour, also the admitted shortage of labour in war industries and in other essential industrial and transportation activities, Your Excellency's advisers should have provided for the withholding of the operation of the National Resources Mobilization Act in regard to the raising of men for military service until, at least, a complete investigation is made by a committee of the house, to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war, without destroying the economic, social and national life of the country."

Mr. MACKENZIE KING: Mr. Speaker, I do not rise to speak to the motion, but I have had a word with the leaders of the other groups in the house, and I believe it is the general wish of hon. members to conclude the debate this evening, provided the discussion does not run on too long. With the consent of the house I was going to move that the house sit after eleven o'clock this day.

Some hon. MEMBERS: No.

Mr. COLDWELL: Mr. Speaker, as one of those agreeing with the right hon. gentleman, may I say that in view of this important amendment which, I imagine, will be debated, I do not feel that those of us who gave our consent to prolonging the sitting of the house to-night should be held to that bargain. We should adjourn as usual at eleven o'clock.

Mr. MACKENZIE KING: Certainly; if my hon. friend has changed his mind I am quite prepared not to press the motion. When I asked him I presume he had no knowledge of the amendment about to be moved.

Mr. COLDWELL: No, none at all.

On motion of Mr. Pouliot the debate was adjourned.

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

Friday, February 19, 1943

The house met at three o'clock.

CIVIL SERVICE

STATEMENT AS TO PROGRESS IN CONSTRUCTION OF WOMEN'S HOSTEL IN OTTAWA

On the orders of the day:

Hon. ALPHONSE FOURNIER (Minister of Public Works): Mr. Speaker, yesterday the hon. member for Peterborough West (Mr. Fraser) put a question concerning the women's hostel in Ottawa. The information I have is as follows:

The only hostel which comes under the jurisdiction of the Department of Public Works is the one in Ottawa. It is true progress is slow on this but it is owing entirely to the inability on the part of the contractor to obtain priorities to provide the necessary materials. Provision of construction materials to-day has become acute, particularly lumber, timber, hardware, electrical equipment and plumbing supplies. In view of the difficulties in obtaining these materials, it is considered that the contractors are making as good time as is possible. There has been during the past month a small amount of lost time on account of weather conditions, but anyone familiar with the construction industry knows that little or no progress has been made with any project under weather conditions such as have prevailed at certain times in the past month.

The answer to the question raised by the hon. member for Lincoln (Mr. Lockhart) will have to be obtained from Wartime Housing Limited through the medium of the Department of Munitions and Supply, through which this company operates.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Thursday, February 18, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Cardin.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I have been in politics for thirty-four years, and I am in my nineteenth year as a member of parliament. This is the most important debate that has ever taken place in this chamber. The purpose of the debate is to know precisely whether our war effort is to continue or whether it is to stop on account of the lack of man-power in industry at large; and when I say that I want to make special mention of agriculture, of railways, and of war industry properly so called.

Since the beginning of the war I have regretted very deeply that the instruments at the disposal of the government for propaganda—and I mention the Canadian Broadcasting Corporation, Wartime Information pamphlets, and the censor—have not been used at all to help the Canadian people understand the real aim and purpose of the National Resources Mobilization Act.

A halo of glory has been placed around the heads of those wearing the uniform—quite properly so for those who are really in the army, but very improperly so for the slackers in uniform; and there has been a real deficiency in the fact that the farmers of this country, who are doing work that is essential in war as well as in peace, the railwaymen who carry men and food across the country, the workmen in the war industries, those who make arms and ammunition,

have not perhaps in the public mind the same glory that has been bestowed upon the army. But if they did not exist, if they were not doing work that is so essential, the army would be unable to fight. I regret, therefore, that the Canadian people have been left under a false impression by such propaganda, which was intended to serve ends other than those we are fighting for.

If you look at a watch, if you look at a clock, you will see the hands that mark the time, but you will not see the movements of the clock which do the work and owing to which the hands indicate the right time. We do not see those movements. The work of the farmers, the work of the railwaymen, the work of the men in war industries has been unseen by many, but it has been real; and to-day, if some countries in the world are fighting our enemy with such success, that success is due not only to the soldiers who are in the field, or the sailors at sea, but also to the humble working men covered with sweat, whose overalls are covered with grease spots and who do work which is indispensable now, which cannot be ignored and which must have the best encouragement possible from the country which, so far as we are concerned, we represent in this house.

There is one more reason why it is my duty to point out that this is the most important debate that has ever taken place in this parliament, because now the eyes of all my hon. colleagues are opening to the reality of facts. What I deeply admire from the bottom of my heart is the unanimity of expression in all the speeches which have been delivered by hon. members, from the Prime Minister (Mr. Mackenzie King) down to the most humble member. Members of parliament observe that the bright skies of enthusiasm are dissipated. For the first time since the beginning of the war members of parliament are considering war objectively. They are considering war with the logical purpose of winning by putting everyone in his place, in order that each man, whether he be in the army or out of the army, shall do the very best he can towards our common aim, which is victory.

The acoustics of this chamber are not very good and, therefore, I have taken the trouble, rather I should say it was a satisfaction, a pleasure, to read the speeches that have been delivered by all hon. members, showing a unanimity of expression that reveals unanimity of purpose in seeing to it that the National Resources Mobilization Act shall be enforced so that it can guarantee to the army that they will always have food and arms and munitions and guarantee to the civilian population that they shall not suffer from any shortage of food.

I have made a list giving the names of all hon. members who have spoken on man-power since the beginning of this debate, and the pages of *Hansard* to which I refer: The Prime Minister, page 45; the Minister of Agriculture (Mr. Gardiner), 267-271; the hon. member for New Westminster (Mr. Reid), 130-131; the hon. member for Richelieu-Verchères (Mr. Cardin), 284; the hon. member for Champlain (Mr. Brunelle), 315-316; the hon. member for Edmonton East (Mrs. Casselman), 355; the hon. member for Elgin (Mr. Mills), 365; the hon. member for Rimouski (Mr. d'Anjou), 428-429—and may I congratulate him upon his excellent speech—the hon. member for Macdonald (Mr. Weir), 476; the hon. member for Durham (Mr. Rickard), 483-484; the hon. member for Bellechasse (Mr. Picard), 497; the hon. member for Compton (Mr. Blanchette) who is the Quebec whip for the government, 513-514, and the member for Témiscouata, 343-344. All those fourteen government members spoke the same way about it. We want the mobilization act to be useful in this country; we do not want it to serve only one purpose among the many that are expected from it; we want it to give a full result. I shall say a word about that in a moment.

Speaking on the other side of the house my hon. friends will pardon me; this list is not complete; it goes to the day before yesterday, but I will make special mention of yesterday—the hon. member for Gaspé (Mr. Roy) made an excellent speech, pages 317-320 of *Hansard;* the hon. member for Charlevoix-Saguenay (Mr. Dorion), 456, the hon. member for Beauharnois-Laprairie (Mr. Raymond), 310-312; the hon. member for Laval-Two Mountains (Mr. Lacombe) 478; the hon. member for North Battleford (Mrs. Nielsen), 150-151; the hon. member for Weyburn (Mr. Douglas), 516; the hon. member for Rosetown-Biggar (Mr. Coldwell), 58-59; the hon. member for Melfort (Mr. Wright), 97-98; the hon. member for Mackenzie (Mr. Nicholson), 348; the hon. member for Vancouver East (Mr. MacInnis), 372; the hon. member for Yorkton (Mr. Castleden) 431, and the hon. member for Red Deer (Mr. Shaw), 289.

With regard to the Conservative side of the house I have heard to-day that to some people it looks strange that the official opposition, which has been battling for some time for conscription for overseas at all costs, has now adopted another view. Their view is now in comformity with what has been

said on this side of the house, even by members of the cabinet. It has been said by representatives of independent groups; it has been said by Liberals; it has been said by Conservatives also. I pay special tribute to my good friend the hon. member for Haldimand (Mr. Senn) for the excellent speech that he made; I refer to pages 85, 87, 88 and 90; the hon. member for Souris (Mr. Ross), 136; the hon. member for Peterborough West (Mr. Fraser), 160-161; the hon. member for Qu'Appelle (Mr. Perley), 179-180; the hon. member for Carleton (Mr. Boucher), 244-245; the hon. member for York-Sunbury (Mr. Hanson), 275 and 447; the hon. member for Waterloo South (Mr. Homuth), 277; the hon. member for Dufferin-Simcoe (Mr. Rowe), 335-337; the hon. member for St. Paul's (Mr. Ross), 356; and the hon. member for Parkdale (Mr. Bruce), 464.

If I now take *Hansard* of yesterday, besides the hon. member for Compton, to whom I referred a moment ago, I find the hon. member for Hastings-Peterborough (Mr. White), together with many others, and especially my good friends the hon. members for Beauce (Mr. Lacroix), Portneuf (Mr. Gauthier) and Frontenac-Addington (Mr. Aylesworth), to mention those whom I have heard.

I do not say that this list is complete, but I went through *Hansard* as carefully but also as fast as I could. I came to the conclusion that never in the history of this parliament was there such unanimity about a matter of vital importance. I congratulate my hon. colleagues upon the speeches they have made, as representing the real feelings of their constituents. My hon. friends have been true to the mandate that they have received from them.

What are we going to do? I was greatly impressed yesterday when I saw the hon. member for Richelieu-Verchères (Mr. Cardin) rising in his place in parliament to ask hon. members to act in accordance with what has been said by all. He wants the members of parliament to be logical with themselves, by passing an act which will remedy the evils that all now deplore.

Everybody has been complaining also of bureaucracy; everybody is complaining that the rights of parliament have been overlooked for a long time. The remedy suggested by the hon. member for Richelieu-Verchères is that at the present time the mobilization act should be suspended until members of parliament gathered together in a committee get enough information about the needs of all industries in Canada for the war effort and in conformity with the letter and spirit of the act. This is fair.

Mr. MACKENZIE (Vancouver Centre): The amendment does not say so.

Mr. POULIOT: I regret very much that the hon. gentleman has not read it—

Mr. MACKENZIE (Vancouver Centre): I have.

Mr. POULIOT:—but I have not time to read it. It is at page 551 of *Hansard,* and if he will read it, it will be much better for him than to laugh with the Minister of National Defence for Naval Services (Mr. Macdonald) when I speak of serious matters. It is not a time for joking; sometimes we make little jokes, but at this time I am talking seriously and everyone is serious except those two hon. gentlemen. I want them to understand that the matter is worthy of consideration, especially at Vancouver as well as at home.

At the present time the national selective service is just the tool of the Department of National Defence. What do I mean by that? I have explained it in an article about manpower which I have sent to every hon. gentleman. The purpose of the mobilization act is to consider not only the case of an individual but at the same time to consider what can best be done by this man or that woman for the state, the nation. At the county fairs farmers are praised; they are told that they are the salt of the earth, that they have qualities and virtues equalled by no others and that they are kings on their farms. But one must remember that the work of the farmer is very hard, that tilling the land means many sacrifices, and that when a farmer is uprooted it is impossible to transplant him again on a farm. This is the experience of all nations. Yet with the solemn promises that have been made to the farmers not to disturb them at the present time I have evidence that the national selective service is acting like the ordnance stores to fill the requisitions of the national defence department. They receive from that department a request for men; then they try to get those men, from the farms or from industry. That is how national selective service works, and probably that is why the offices of the registrars which were under the Department of National War Services have been transferred to the Department of Labour.

Is that clear enough? I want hon. gentlemen to understand fully the point I am making. I say that national selective service cannot be only the tool of the army. It is impossible; it cannot work. National selective service as we have created it by an act

of parliament is an organization which should direct each man and woman of military age to the job he or she can do best to help in winning the war. That was the intent of the law makers; that is the purpose of the legislation. That is why we should act at this time in accordance with the suggestion offered by the hon. member for Richelieu-Verchères (Mr. Cardin) in his subamendment and withhold the operation of the National Resources Mobilization Act in regard to the raising of men for military service until at least a complete investigation is made by a committee of the house to ascertain and determine by what means or methods—

Mr. MACKENZIE (Vancouver Centre): That is not the correct phraseology of the amendment. Please read it as it appears at page 551 of *Hansard*.

Mr. POULIOT: I will sit down and let my hon. friend read it, and I shall correct him. Everyone has the amendment before him. I am ready to answer any questions but I do not want to be interrupted when I am speaking. However, if I have time I shall read it in full, so there may be no mistake:

This house is of the opinion that in view of the recognized shortage of farm labour, also the admitted shortage of labour in war industries and in other essential industrial and transportation activities, Your Excellency's advisers should have provided for the withholding—

That is, the suspension; I say that in case somebody may misunderstand it. That word is not there, but it will appear in *Hansard* as my own.

—of the operation of the National Resources Mobilization Act in regard to the raising of men for military service until, at least a complete investigation is made by a committee of the house, to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war, without destroying the economic, social and national life of the country.

That is the amendment that everyone heard last night or read in the morning papers or heard to-day. This is a vital question. From ocean to ocean, from south to north, in every Canadian home those who were listening to the radio last night at eleven and twelve o'clock and this morning at eight o'clock, eight thirty and nine o'clock, in rich mansions and poor dwellings, asked themselves the same question: What will be the attitude of my member of parliament on this vital issue? Of course temptations are great. There are many vacancies in the senate. There is a job which will be open at the transport board. There are the new jobs that have been created for parliamentary secretaries. The Christmas tree is in full swing. "What will my member of parliament do? Will he think only of himself or will he remember the poor farmers of his county, the miners, the railway men, those engaged in war industries, all those who are trying to do their best to help the war effort?" They all ask that, and they say it is time to separate the wheat from the chaff. They will say, "We hope our member of parliament will not sell our birthright for a mess of pottage." I remember that during a by-election in New Brunswick, in the maritimes, a big bully who was minister of public works of that province was holding a meeting, at which I asked for the opportunity of some discussion. He spoke first, and he told the good people who were there, "Vote for my candidate, and you will get everything; vote against him and you will get nothing." When it came my turn to reply I made reference to that biblical scene describing the temptation of Our Lord, after His fast of forty days in the desert. I said to those good people, "Now history repeats itself. That man is talking like Satan, when he tried to tempt Our Lord by showing Him large cities and wealth which would be His if He dared kneel before Satan." I said to them, "I know your answer will be the same as that made by Our Lord Himself —get thee behind me, Satan!"

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I think it is advisable for me to intervene at an early stage in the debate on this amendment to the amendment if for no reason other than first to make perfectly clear what in reality the amendment to the amendment says and proposes and, in the second place, what, in our parliamentary practice, it means.

Notwithstanding the fact that the hon. member who has just taken his seat has read the subamendment in part, I should like to repeat what he has read, and also a portion of the subamendment he did not read. After it is stated that the hon. member for Richelieu-Verchères (Mr. Cardin) moves, seconded by the hon. member for Chicoutimi (Mr. Dubuc) the subamendment begins:

That all the words after the word "that" in the first line of the said amendment be struck out and that the following be substituted therefor.

The point I wish to make perfectly clear is this, that the amendment of the hon. member for Richelieu-Verchères is in the nature of a want of confidence motion in the present government. The hon. member seeks to effect that end by substituting a want of confidence motion of his own for the want of

confidence motion moved by the leader of hon. members sitting immediately opposite. The hon. member for Richelieu-Verchères proposes that the house should strike out of their amendment all the words except the first few, namely, "We respectfully submit to Your Excellency that—". Those words are allowed to remain, but all the words following are to be stricken out, and in their stead are to be substituted words which I shall read in a few minutes.

I do not know that I could take any exception to that part of the subamendment which would strike out the want of confidence motion on the part of the Progressive Conservative party. I doubt however if they will be prepared to have their want of confidence motion eliminated in order that they might support the substitute motion which is being proposed by the hon. member for Richelieu-Verchères.

The words the hon. member for Richelieu-Verchères wishes to substitute are the following:

This house is of the opinion that in view of the recognized shortage of farm labour, also the admitted shortage of labour in war industries and in other essential industrial and transportation activities, Your Excellency's advisers should have provided for the withholding of the operation of the National Resources Mobilization Act in regard to the raising of men for military service until, at least, a complete investigation is made by a committee of the house, to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war, without destroying the economic, social and national life of the country.

Let me examine these various statements. First:

This house is of the opinion—

And what is the opinion in which we are asked to concur?

—that Your Excellency's advisers should have provided for the withholding of the operation of the National Resources Mobilization Act in regard to the raising of men for military service—

Note first these words:

—should have provided for the withholding of the operation of the National Resources Mobilization Act—

"Should have provided"— in other words, before parliament assembled, and when the speech from the throne was being prepared, it is suggested by the hon. member that, instead of setting forth what was set forth in the speech from the throne of the government's programme, the government should have had His Excelleny say that a part of the government's programme was to withhold the operation of the National Resources Mobilization Act in regard to the raising of men for military service.

That point I wish to make perfectly clear. It indicates what my hon. friend thinks the government should have done, namely, that it should have come to the house when parliament assembled and told hon. members that part of its policy was to withhold at once the operation of that part of the National Resources Mobilization Act in regard to the raising of men for military service.

And for how long was the operation of this portion of the act to be withheld? The next clause in the amendment makes that clear:

—until at least a complete investigation is made by a committee of the house.

Only yesterday the hon. member for Broadview (Mr. Church) requested a debate in the house before another important matter, namely, social security, should go to a committee of the house for investigation. As his reason for wishing to have the debate at once he said that matters which went to committees were likely to be discussed there for the whole of a session, and that in all probability no recommendations would be made until the end of the session. I said to him at the time I did not think he was wholly correct in that assumption. However, it is perfectly clear from the amendment to the amendment that what the hon. member for Richelieu-Verchères wished the government to do was to tell the house that until there had been full investigation by a committee of the house into the matters to which he has referred in his subamendment there should be no further operation of that part of the act which relates to the raising of men for military service.

But an even more remarkable feature, perhaps, is what the investigation was to determine. This investigation was—

—to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war.

In other words it was to be left to a committee of the house to determine the means and the methods by which Canada can now most effectively contribute to the winning of the war.

My hon. friend is an old colleague. I have known him well, both within the cabinet and without it; and I recall very distinctly that when we were colleagues in the cabinet together no one was more insistent than my hon. friend upon the government having a policy of its own, and not leaving it to a committee of the house or any other body to determine its policy. Yet to-day he suggests in regard to the all-important matter

of winning the war that the best method to employ from now on would be to leave the matter, in the first instance, to a committee of the house.

This is all the more surprising, coming from the hon. member for Richelieu-Verchères, when we find that the hon. member himself has quite frankly stated his warm approval of what the government has already done in the matter of its war effort. And this war effort, which my hon. friend has praised so unreservedly, was achieved by the present administration, with the support of the house, it is true, but without any reference to a select committee in the first instance. Let me read what the hon. member said in that regard in one of his speeches in the present debate:

> The speech from the throne also reviews our war effort. It has been a magnificent effort, I admit, and I am glad of it. All Canadians are proud of it, and we have the profound satisfaction of having it recognized that our war effort surpasses that of any other country of our size. As far as man-power and finance are concerned, our war effort is superior to that of the great republic to the south, the United States.

I say to my hon. friend: If the government of the day was capable of so planning its war effort that up to the present time it merits the encomium which he himself has passed upon it, surely the government still remains capable of deciding the best ways and means by which Canada's war effort may be carried on during the remainder of the time it may have that responsibility.

But my hon. friend goes a step further. He suggests that we carry this out without destroying the economic, social and national life of the country. I shall have a word to say later in regard to that particular clause.

I have indicated what my hon. friend in his amendment says the government should have done when it came to parliament, when parliament opened. I want to ask him, and I want to ask hon. members: what would have been said of the government if it had come to this house with the recommendation which he says we should have made at the time, or if we had followed the course which he says we should have adopted? Assuming that we had agreed to the view of my hon. friend and had come to this house and said: We have decided to withhold the operation of the national mobilization act with respect to the calling up of men for service until a committee of this house has made a full investigation and reported to the House of Commons on the best ways and means of carrying on the war from now on. How would that have been received in different quarters?

To begin with, so far as this House of Commons is concerned, there would instantly have been a cry from the other side to the effect that we no longer enjoyed the confidence of the house because we were unable to state a policy which was our own with respect to the carrying on of the war. What would have been the effect upon the people of Canada of a pronouncement of this kind? Simultaneously, from one end of the country to the other, it would have been said that the government was preparing to back out of the war; that the government was quitting the war altogether; that it had started off by suspending the operation of the national mobilization act with respect to the calling up of men.

May I point out in this connection that it is to that part of the mobilization act which refers to the calling up of men for the defence of Canada in Canada and immediate environments that my hon. friend's amendment refers. My hon. friend has made no reference in any particular to the sending of men overseas; that does not enter into it. He himself was a party in the cabinet to the drafting of the National Resources Mobilization Act; he was a supporter of it on the floor of this house. My hon. friend will recall that the National Resources Mobilization Act was enacted immediately after the collapse of France. He was eloquent at that time in his support of the act. Why? Because of what it would mean for the defence of Canada, as well as for the defence of freedom in other parts of the world. Throughout the country there was the strongest appeal for the support of this act, and the calling up of men under it to serve in the defence of Canada. Has the situation so developed that to-day the defence of Canada by men called up under the mobilization act is not as necessary as it has been at any time in this war? Unless I am wrong in my reading of the times, the necessity is greater than ever for protection against an enemy as powerful as the axis powers are at this present time. Let me repeat, my hon. friend was one who supported the policy embodied in the act; he advocated it; but now he says that we should suspend the operation of an important part of the very act he so strongly endorsed.

What would have been the effect of action of that kind on the part of our government upon our men who are serving in all parts of the world in the armed forces of the country? What would have been the effect upon our troops in Great Britain and elsewhere? I say that it would have created consternation in the minds of the men of the armed forces in all parts of the world, if it could have been

said by anyone that the government of the day at this time of war had ceased to continue in operation the part of the mobilization act which related to the defence of Canada itself. Those men who are a long distance from home, who are helping to protect this country and to save it from disaster, would be asking themselves: Is this the kind of support we are getting from our home country and from our government? Is our parliament going to support that kind of action? Does it mean that while we are fighting here we are not going to get the reinforcements that we had hoped would be ready to come if they were necessary? Does it mean that we are not going to get the supplies that are needed at the time of our greatest need? I ask my hon. friend, I ask all hon. members, what would be the effect upon the whole war effort of Canada if a feeling of that kind were spread abroad among the armed forces of this country?

What would have been the effect upon Great Britain and other British dominions? Great Britain to-day has her men fighting in all parts of the world. They are fighting for the protection of Canada as well as for the protection of Britain. They are fighting for the defence of freedom throughout the world. They are fighting to prevent the axis powers from dominating this world. What would have been the effect in Great Britain if the government of Canada had met this parliament with the announcement that it no longer intended to operate under an act with respect to the calling up of men for military service which the parliament of Canada itself had passed, until a whole session of parliament had been devoted to making an investigation as to ways and means in which the war effort of Canada could be carried on from now on?

What about Australia, where men are fighting the Japanese? They are fighting our battle as well as their own when they are keeping the enemy engaged in the southwestern portion of the Pacific. What about the men of New Zealand, who have been fighting in Africa and in other parts of the world and who, at any time, may have to fight on their own territory? What about the men of South Africa who are fighting in north Africa? These men are fighting for the defence of their soil and for the defence of freedom. What would have been the effect upon them if they had read that the government of Canada had for the time being suspended the operation of an act which related to the calling up of men for the defence of its own country and territory?

To go a step further, what would have been the effect upon our allies other than those I have mentioned? What would have been the effect in the United States? If my hon. friend had wished to give to the isolationists of the United States the finest weapon they ever had, he would have put one into their hands by having a proposal of that kind accepted. That weapon would be put into their hands now if this House of Commons were to adopt his amendment at this time. Does anyone think that, throughout the United States, from one end of that country to the other, attention would not have been drawn to the fact that the government of Canada had ceased to call up men? What would those isolationists have asked of their administration? We would soon have heard of a widespread demand throughout the United States that there be no more calling up of men for military service. How much would we be helping the cause of freedom and the allies if a cry of that kind were raised in the great country to the south? But my hon. friend has made clear in one of his speeches what he feels about the service that is being rendered by others of our allies. When I referred a moment ago to what my hon. friend said about the war effort I was referring to what he said on February 9, not last night.

I want to read to the house another statement which my hon. friend made on February 9, and I must say that when I heard him make that statement I felt that at last he had grasped the full significance of this war—that it was a world war, that it was a war which affects all the countries which love freedom, and that every country which sought to preserve its freedom was helping to preserve the freedom of other countries. No words could have been more emphatic than those which were used by my hon. friend when he said, speaking of China and Russia:

> Dear old China, that we love so much to-day, that we praise so much to-day and proclaim to be one of the first peoples in the world!

And a little further on:

> We have discovered that she is a great country, a country that deserves our praise and support. We have modified our views; we have become a little more courageous and ready to help China now, as well as Russia. Let us give them what they need most, not men but food and armaments. That is what they want to enable them to carry on this struggle. As a matter of fact they are fighting for us as much as they are fighting for their country.

That is what my hon. friend said, that China is fighting as much for us as she is fighting for China. I think my hon. friend had the correct vision then, the larger vision, and realized that we owe it to China to do all we can in a similiar way for her, that in fighting for ourselves, we are also fighting for her, and vice versa.

What did he say with respect to Russia:

If we have some success to-day, who has achieved that success? The Russians. Without Russia where would we be? Probably we would be signing a treaty of peace, not according to our terms or our will, but according to the will of others. That would be our position.

I say, Mr. Speaker, that if my hon. friend would go out through his own province from one end of it to the other and make those statements to the people, he would be rendering a real service to his country and a real service to the cause of freedom. I believe that there are few truer statements, no more correct perspective of this war and its significance for Canada as well as for our allies than are to be found in these two statements made by the hon. member for Richelieu-Verchères. If we have some success to-day, he asks, who has achieved that success? I would not confine the answer to the Russians; I would include all the countries that are banded together as part of the united nations. It is true that the Russians have within the last year taken a part in the war which has saved other nations of the world and, in the mind of my hon. friend as expressed in the words I have quoted, has saved this dominion from being conquered—that is what it is—Russia has saved this dominion from being conquered. Without Russia, he asked, where would we be? And he went on:

Probably we would be signing a treaty of peace, not according to our terms or our will, but according to the will of others. That would be our position.

Are we going to reward China, are we going to reward Russia, for what these great countries have done for us as well as for themselves and others through the sacrifices of their men and women, by telling them that we in Canada have now reached a decision that we are not going to call up any more men under our National Resources Mobilization Act for service in our own country, but are going to suspend our war effort for a time while parliament and the government make up their minds how best they can carry out the war aims of Canada? I say to my hon. friend that if his resolution were to carry and these words were to be read in China and in Russia to-morrow, there would be cause for humiliation indeed on the part of this country, and shameful humiliation at that.

There is one other all-important aspect to be considered. I have spoken of the effect of his proposals upon our allies. What about their effect upon our enemies? And here I hope this House of Commons will appreciate the real significance of amendments of this character and of statements of this character when made in this House of Commons. The hon. member for Témiscouata (Mr. Pouliot) said that in every home throughout his province the people would be reading to-day the statement which was made by the hon. member for Richelieu-Verchères last night. Well, perhaps, Mr. Speaker, in every home in Germany to-day that statement is being poured into the ears of the German people. Perhaps in every home in Japan this statement of a former member of the government of Canada —and stated as being such—is being poured into the ears of the Japanese people. You ask, why would they do that? Well, could anything bring more comfort to the enemy than to tell them that the parliament of Canada at last had had one of its members stand up and advocate that the Canadian government should not have its war policies clearly defined and those policies carried out until a committee of the House of Commons had begun, after months and months of study and investigation, to indicate what should be done?

Here may I read the last words of the proposed amendment and give them their true significance:

. . . until, at least, a complete investigation is made by a committee of the house, to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war, without destroying the economic, social and national life of the country.

Do not those last words carry with them the implication that the government's policies are destroying the economic, social and national life of the country? And if they carry that implication in our minds here, or were intended to have that implication on the part of the mover of the subamendment, how will they be interpreted in Germany? How will they be interpreted in Japan? They will be interpreted there as meaning that already in Canada the economic, social and national life of the country is beginning to be destroyed. Destroyed why? Because of Germany's successes! Because of Japan's successes, because of the power of the axis! It will be said that because of these successes we see already in the Dominion of Canada, the first of the great dominions of the British empire, a former minister of the crown and a member of parliament saying that the economic, social and national life of the country is being destroyed or about to be destroyed or may be destroyed in consequence of the war and the government's war policies. Is there anything that these axis powers desire more than to sow that kind of belief in the minds of their people, that here and there, first one nation, and then another nation, and then another, are becoming dissatisfied and beginning to withdraw

from active participation in the war in which they have been participating up to the present time? I can imagine what Goebbels is saying to the German people. I can imagine what his vile tongue will repeat to the German people as to what is taking place in the Dominion of Canada. I wish to repeat that these are the things that count in this war—the morale of a people, the belief in the unity and determination of a people. These things mean more at this present crisis than any thing else could possibly mean. For any word to go out from Canada which could be construed in any way as meaning that the economic, social and national life of Canada was being destroyed because of the part we are taking in this war—I say that nothing more unpatriotic could possibly be expressed.

But is it a fact? What about the economic, social, and national life of our country? My hon. friend has spoken about agriculture and about industry. Is it not true that to-day industrial production and agricultural production are greater than they have ever been in the history of Canada? Is it not true that the national income and the revenues of this country are higher to-day than they have been at any other time in its history? Is it not true that more men and women are in gainful employment to-day than have ever been in gainful employment in Canada in the whole of our history? How then can it be said that our economic, social and national life is being destroyed? I believe that there has never been a time in Canada's history when the Canadian people, speaking generally—not taking note of individuals here and there, but speaking generally—were more united and determined in any effort than they are in our war effort at the present time? And may I add to what I have said, as to the position of Canada, that there never was a time when consumer goods were as equitably distributed among the great body of the people as they are in Canada at this time.

Let me come now to the nature of the amendment to the amendment itself. I indicated at the outset that it was a no confidence motion, and I want every hon. member of this house to understand that. Those who support this motion are supporting a motion of no confidence in the administration. I want to ask the mover of this motion, the hon. member for Richelieu-Verchères, this question: If he has no confidence in this administration, in whom has he confidence? I ask, has he confidence in the Progressive Conservative party opposite? Is he prepared to give his support to them? Has he confidence in the Cooperative Commonwealth Federation, and is he prepared to give his support to that party? Has he confidence in the Social Credit party, and is he prepared to give his support to them? Has he confidence in the leader of the so-called Canadian party, the hon. member for Laval-Two Mountains (Mr. Lacombe), and is he prepared to give his support to him? Is he prepared to give his support to the new leader of le bloc populaire Canadien? And I notice there are several others who are styled as independents. Is he prepared to give his support and confidence to them? If he is not prepared to give his support and confidence to any of these parties, or groups, or individuals, why does he try to destroy the confidence of the people of this country in the one party upon whose shoulders rests the responsibility of carrying on this war?

There is something I should like to point out at this moment, which I think is very significant indeed in the history of Canada, in the light of what we have witnessed in Europe since the beginning of the war. It is the danger there is to a country that begins to have a great number of different political parties. Look at France as she was prior to the war. Why did France collapse? France collapsed because, prior to the war itself, there began to spring up in that country political party after political party and personal and political rivalries—personal rivalries as well as political. We had an illustration of that sort of thing in this house last night. My hon. friend who moved this motion rose to introduce it, and immediately the hon. member for Gaspe (Mr. Roy) felt that he was a political rival and that he should score, that he must have an opportunity of presenting a motion, no doubt something of the same character, before the hon. member, who was a former minister of the crown, obtained a chance to present his motion.

Mr. ROY: May I be permitted.

Some hon. MEMBERS: Sit down.

Mr. MACKENZIE KING: What is my hon. friend saying?

Mr. ROY: Will the Prime Minister permit me to make a statement?

Mr. MACKENZIE KING: Certainly.

Mr. ROY: The hon. member for Richelieu-Verchères did not rise before me; I rose before he did.

Mr. MACKENZIE KING: I think *Hansard* will show very clearly where the personal and political rivalries came in, and I want to emphasize that fact. Those gentlemen who are forming new parties of their own, who are constituting themselves new leaders with a

view to asserting certain views of their own in particular parts of the country, are doing the very same thing that was done by individuals in France in seeking to create parties and groups which would be able to satisfy their own personal ambitions, their own political aims; and the result was that the chamber of deputies in France—

Mr. GAUTHIER: On a point of order, I would call your attention, Mr. Speaker, to standing order 41. Even the Prime Minister is not allowed in this house to impute motives to any member, be he independent or a member of le bloc populaire Canadien, and this is the second time that the Prime Minister has done so this afternoon. I want him to withdraw that remark.

Mr. SPEAKER: With reference to the point of order raised by the hon. member, I did not take it that the Prime Minister imputed motives to anyone.

Mr. LACOMBE: Mr. Speaker, if you will permit me, I will read standing order 41:

> No member shall speak disrespectfully of His Majesty, nor of any of the royal family; nor of the governor or person administering the government of Canada; nor use offensive words against either house, or against any member thereof. No member may reflect upon any vote of the house, except for the purpose of moving that such vote be rescinded.

I think the Prime Minister should withdraw the remark.

Mr. SPEAKER: I have already ruled that I did not take it that the Prime Minister had used offensive remarks regarding any hon. member, or imputed motives to any hon. member.

Mr. MACKENZIE KING: I spoke of personal ambitions and political aims, and I said that certain gentlemen had personal ambitions and political aims in this country, seeking to exert their influence beyond this House of Commons among the people of the country. These different parties are beginning to create within Canada itself a situation such as existed in France prior to the beginning of the war. I say it is part of my duty, perceiving that situation, and realizing what it has led to in the old world, to point out that danger to the people of Canada at this time. And I say—and I hope my hon. friends will heed these words—if they will look at the present situation of the French people to-day, in France, in north Africa, and what has helped to make the situation the tragedy that it is, they will see the unwisdom of forming innumerable political parties for personal aims and political ambitions.

Now, Mr. Speaker, the session opened last year with an effort to divide this house on a major political issue. I thought I perceived at the time where that issue would lead, if this house ever became divided and the country became divided upon it. I did my utmost to keep this country united through the whole of that crisis, and I am a proud man to-day because I feel that I succeeded in that great aim despite all the belittlement, all the detraction that persons from different parts of this country as well as some inside this house sought to level at me. What I want to make plain is this: I do not intend to go through another storm of that kind this session. If we are going to have this session open with an effort again to divide this country, to destroy the unity that we now have, the sooner the government of this country knows it the better. And I want to say to my hon. friends around me that I look to them to show where they stand in their support of me. If we are going to have a multitude of leaders in this country I want to know whether I have the support that will commend my leadership to the people of all Canada, or whether I am among the number that cannot count upon their own following.

Mr. LIGUORI LACOMBE (Laval-Two Mountains): Mr. Speaker, I shall be very brief, I shall give my entire support to the amendment to the amendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin); not for reasons of political ambition but as a true Canadian. The amendment to the amendment moved by the hon. member deserves my support. It reflects a constructive policy, because it relates to the reestablisment of farm labour and industrial war workers.

On February 19, 1942, I moved a similar amendment. This one goes farther, since it deals with the post-war period and reminds the government that it is very important to protect right now the economy of the nation. The hon. member is quite right in attempting to withhold operation of the National Resources Mobilization Act, which has caused us and is still causing us so much harm in all domains. An investigation should be instituted immediately of all our resources. This will put a stop to the wastage of man-power and materials and to the ruin which is awaiting our agriculture.

One year ago to-day I moved in this house the following amendment as reported at page 722 of *Hansard:*

> That all the words after "this house regrets that Your Excellency's advisers" in the amendment be deleted and the following substituted therefor:

"(a) did not deem it proper to advise Your Excellency that the government should adhere to its commitments and the terms of its mandate against conscription for overseas service which it received from the people of Canada at the general elections held on March 26, 1940;

(b) that the farmers, farm employees, fishermen, fisheries employees and all persons engaged in industries connected with agriculture or with war industries, should be exempt from military service."

Eleven hon. members, including the mover and the seconder, voted in favour of this amendment. I sincerely hope that the hon. member for Richelieu-Verchères will get more generous support. I shall indeed vote for his amendment, because I never refuse to adhere to a good measure, no matter where it comes from. Will any hon. member of this house, whether he represents an agricultural, labour or industrial riding, dare vote against the amendment moved by the hon. member? By doing so he would be in favour of ruining agriculture, he would refuse to the farmer the labour he needs so badly to operate his farm, he would approve the disorganization of our economy which is so acute and the lack of labour which exists in all our industries.

By all means we must withhold the operation of the National Resources Mobilization Act. Its present application threatens with bankruptcy our agricultural, industrial, social and economic domain. The amendment to the amendment which is the subject of the present debate deals with the basis of all these activities. I much prefer it to the vague programme of social legislation announced in the speech from the throne. I always prefer a frank and practical policy to a vague and unbalanced programme. I am satisfied with the amendment to the amendment because it is honest, sincere, loyal and in the interest of Canada. Therefore it is with pleasure that I shall vote in favour of it.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I do not think our party would desire to have this important amendment to the amendment go to a vote before I at least declared in a very few words our position with respect to it. In beginning my remarks, which will be in very simple terms, I think I should say that with regard to the whole problem of man-power in Canada we have not been in agreement with governmental policy. As I have said on the floor of this house on previous occasions, we have felt marked disagreement with respect to what I choose to call the muddled man-power policy of this government. As a result of the haphazard allocation of labour that policy has been responsible for the shortage mentioned in the amendment to the amendment which has been moved by the hon. member for Richelieu-Verchères (Mr. Cardin); and in the position we as a party take with respect to the amendment to the amendment I want it distinctly understood that we are opposed to the policy of the government which made possible these man-power shortages in agriculture and industry. We have believed, and we still believe, that under a proper man-power policy in Canada there would have been no necessity for these shortages to have arisen.

In our opinion there is only one real issue facing parliament and the Canadian people at this time, namely, the winning of this war. Much as we are opposed to what we think is in many instances a bungling policy on the part of this government, at the same time we wish to make it clear that while in many ways this government has shackled itself with respect to the war effort, we do not think that by supporting this amendment to the amendment we should now shackle it further. Accordingly it is our opinion that if this amendment were to carry it would be a retrograde step rather than an advance toward the objectives which this party has in view. We are being faced now with what the Prime Minister (Mr. Mackenzie King) on more than one occasion has referred to as a major shooting war; and much as I disagree with the policy of the government concerning the whole question of man-power, at the same time I do not want this country put in a position which would permit the rest of the world to say that we in Canada were stopping short of total war. In the months that lie ahead we shall need reinforcements for our army. Let us, as a parliament and as a country, not leave any doubt in the minds of those fighting with us in this great war for freedom; let us not permit the word to go forth that we are not ready to do everything that may be necessary with respect to man-power, financial resources and all things that will bring forth a total war effort in this dominion.

I said in the beginning that my remarks would be brief, and my position and the position of this party is very simple. We have not tried to embarrass the administration in the effective prosecution of this war. We are not going to embarrass them at this time, because there are greater things in public life than striving for power or political manoeuvring.

Mr. CARDIN: If the leader of the opposition would permit me a question, I do not want to embarrass him, but what would be the effect of his amendment, if it were carried, if not to destroy the government?

Mr. GRAYDON: It is true that our own amendment is a vote of want of confidence in the government, but it is founded on grounds that we think will make for a greater war effort in Canada instead of a lesser one, as would be the case if the hon. gentleman's amendment should carry.

I speak very much from the heart this afternoon, without attempting to dress or adorn my words in any special parliamentary phraseology. Let us be clear on this one point. We in this country are Canadians, not simply members of political parties. We are striving toward a common objective; and no matter how much I may disagree with the manner in which the government is carrying on—and in many instances we do disagree most sharply—I do not want to stand in my place in the house this afternoon and give support to an amendment which in my opinion will not increase our war effort but will have the effect of decreasing it, of lowering our position as a nation fighting this war, as well as lessening our prestige all over the world. Therefore, in taking this position to-day I am only carrying out an undertaking which I hope we on this side may continue to carry out during the period of this war. We may not always succeed; it may be that sometimes our point of view is wrong, but we are going to try to put our country first.

Mr. T. C. DOUGLAS (Weyburn): Mr. Speaker, I should like to say a word with regard to the subamendment and the attitude of this group with reference to it. The Prime Minister (Mr. Mackenzie King) has already analysed the amendment, so that I hardly think any further analysis is necessary. However, I draw the attention of the house to these words:

> . . . Your Excellency's advisers should have provided for the withholding of the operation of the National Resources Mobilization Act in regard to the raising of men for military service. . . .

I wish to point out first that this act was passed in June, 1940, and that it was in operation for two years during which the hon. gentleman who moved the subamendment, the hon. member for Richelieu-Verchères (Mr. Cardin), was a member of the administration. Never was there any suggestion that the operation of this act should be withheld, from the time it was passed by this house until last night, despite the fact that for two years the hon. gentleman was a member of the administration responsible for administering this piece of legislation.

With what the hon. member said in reference to the allocation of man-power we are to a large extent in agreement. We have said repeatedly that we think there ought to be a more adequate plan for the utilization of man-power in Canada. We have urged repeatedly that the government ought to take a more courageous stand with regard to allocating our man-power.

To give an illustration: The other day the Minister of Agriculture (Mr. Gardiner) quoted a letter from Mr. MacNamara in which the first thing stated is that men shall be free to volunteer for active service. Actually we may have to come to the place where we shall say to a man, this is where you can be of most use in the winning of the war. If it be in the military service, then that is where it will have to be; if it be in the air service, that is where it will have to be; if it be in a coal mine, that is where it will have to be. For too long we have tried to operate a war-time economy with a laissez-faire philosophy, and in our opinion the government has not been prepared to take the courageous steps necessary to place men and women in those occupations in which they could best serve the country.

The result has been, first of all, that in many instances there is economic pressure and intimidation placed upon men to get them into the active service and, second, different departments of government have been competing one against another for man-power; one department seeking to get a man into one service and another department seeking to get him into another service, with the Department of Agriculture probably telling him to stay on the farm and produce foodstuffs. At the same time the Minister of Munitions and Supply (Mr. Howe) may be advertising that he needs men in certain munitions plants.

There has not been any responsible body prepared to say to a man, here you can best serve, and here we think you should go. While, however, we think such a policy should be worked out in order to utilize our man-power to the best possible advantage, there is no reason why this cannot be done now by the government, or why it cannot be done while the mobilization act is still operating. To suggest, as the subamendment does, that we should withhold the operation of the act pending such an investigation would, it seems to us, be most inimical to the best interests of Canada, and her prosecution of the war. The hon. member for Témiscouata (Mr. Pouliot) put the matter bluntly when he said, "This act should be suspended." What would that mean? It would mean that we should not continue to call up men for military training. The hon. member for Richelieu-Verchères (Mr. Cardin) was a member of the government which

passed the act. It was passed because the country was facing a great crisis. We believe we are still facing that crisis; we do not believe the crisis has passed. We believe, further, that the menace of nazism and fascism are still facing this country and every other liberty-loving country in the world, and that we ought not to comfort ourselves with the thought that the danger of invasion or even the possibility of defeat has completely disappeared.

Consequently, for parliament to suggest to the government that it should suspend the act whereby men are raised for military training would be tantamount to suggesting either that we think the danger is over or that we are not now as vitally concerned about winning the war as we were two and a half years ago when the act was passed. As far as this group is concerned, we will continue to press for a more aggressive and forthright man-power policy in which we will allocate our man-power on the basis of need, and through a process of planning rather than by the haphazard method we have used thus far. But we are not prepared to suggest that the legislation through which men are called up for military training should be suspended, and that we should give up this very important part of our war effort.

While I am on my feet may I say a word about the amendment. I might as well say how we propose to vote on it, because the vote will probably be taken immediately following that on the subamendment. It will be noted that the amendment reads:

> We respectfully submit to Your Excellency that this house regrets that Your Excellency's advisers have failed:
>
> (a) to provide an adequate plan for the effective use of Canada's man- and woman-power;
>
> (b) to adopt and carry through a rational labour policy which will ensure maximum production and give to labour its rightful position as one of the major partners in our Canadian democracy; and
>
> (c) to provide adequate measures whereby Canadian agriculture can make its maximum war contribution and receive a fair share of the national income.

With the three things suggested in the amendment we are in complete accord. We want an effective utilization of our man-power. We want a rational labour policy. We want a policy which will give to agriculture a fair share of the national income. But in voting for the amendment, which we intend to do, I should like to point out that in our opinion it completely fails to take cognizance of the complete picture with regard to our war effort. It provides for the utilization of man-power, for a labour policy and for an agricultural policy; but it still makes absolutely no provision for harnessing the economic, financial and industrial resources of the nation, with a view to producing all the weapons of war in order that Canada may make its maximum contribution.

The leader of the opposition (Mr. Graydon) quoted this from the Winnipeg convention:

> We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada, including agriculture, industry and finance, as well as man-power, and that our aim should be at all times to bring about so far as human means can achieve it, an equality of sacrifice.

I draw attention to the words "where necessary." Where it is necessary hon. members to my right believe they should—to use their own words—use compulsion in utilizing industry and finance. But they would do that only where necessary. Apparently it is not necessary, because it is not in their amendment. The amendment makes no mention of industry, no mention of economic resources, no mention of finance. It mentions using compulsion only in connection with conscripting and mobilizing the human resources of Canada.

Mr. BOUCHER: It does not mention compulsion of woman-power, either.

Mr. DOUGLAS (Weyburn): It mentions using compulsion in connection with woman-power and man-power, but makes no mention of using compulsion in connection with material resources.

Mr. GRAYDON: Is the hon. member now speaking about that part of my speech in which I referred to the Winnipeg convention?

Mr. DOUGLAS (Weyburn): Yes.

Mr. GRAYDON: I think he has misunderstood the purport of what I read.

Mr. DOUGLAS (Weyburn): Well, I may have; but the hon. member quoted it himself last night, as reported at page 549 of *Hansard*. It is quite plain there in the English language that, where compulsion is necessary, his party is prepared to use compulsion for the utilization of financial and industrial resources.

Mr. GRAYDON: And man-power too.

Mr. DOUGLAS (Weyburn): And man-power, too. In the amendment, on which this house is to vote, there is no mention of conscripting or mobilizing either the industrial or financial resources of Canada. The only conscription which this amendment calls for is the conscription of human resources. While we are prepared to support a policy of having adequate man-power; while we are prepared

to support a rational labour policy and an agricultural policy designed to assist the farmers, we maintain that this is not a total war effort from our point of view and that there is no total war effort until we are prepared to conscript the material resources of this country with a view to producing the weapons which are so essential.

Many people have been wondering as to the full significance of the Winnipeg convention, which has been quoted here a good deal. The old bus was taken to Winnipeg and was to have an overhaul job. Some people were not just sure what kind of job was to be done. The old bus came out of the garage with a new horn. The old one used to play "Rule Britannia" every time you touched the button, but this one will not play "Rule Britannia" even if you coax it; it only plays "O Canada" and "Deep in the Heart of Taxes". It is now becoming apparent that about all that happened is that the engine was tightened up a little and the oil changed. But above all there was a new paint job. However, the paint is beginning to chip off a little and we are beginning to realize that it is much the same old bus underneath.

I was interested in reading the speeches of the hon. member for York-Sunbury (Mr. Hanson) and the hon. member for Parkdale (Mr. Bruce). I think they give a good indication that it is much the same bus. The speech of the hon. member for York-Sunbury is to be found at page 450 of *Hansard*. Referring to the statement made by the hon. member for Rosetown-Biggar (Mr. Coldwell) that this parliament ought to set aside the sum of $5,000,000,000 to be spent for post-war reconstruction in the first two years after the war, the hon. member for York-Sunbury said:

I suggest that that proposal is wholly political, that it is looking for the votes of the people. He does not tell us how that money should be raised or to what it should be devoted.

He then went on to say:

I suggest that under any democratic system private enterprise is the only effective agency that can give full employment, and you cannot have private employment under a system of controlled governmental regimentation such as my socialistic friends visualize. You cannot have a successful system of private enterprise unless it is a system of free enterprise, controlled, if you will, against abuse and exploitation, but free to engage in useful production with the aid of governmental action and supervision.

Mr. Noseworthy: Why has it failed so far?

Mr. Hanson (York-Sunbury): It has not failed. It has had its weaknesses, but your *ipse dixit* that it has failed does not prove that it has, and never will.

I draw attention to his last phrase:

Believing thoroughly in that system, I propose to vote against the subamendment.

In other words, the reason for voting against the subamendment was not that given with great sophistry last night by the leader of the opposition; it was that the hon. member for York-Sunbury believes in a system of free enterprise, not only for times of peace but for times of war. In other words, he is prepared to conscript human resources, but he is not prepared to depart from the policy of free enterprise and call for the mobilization or conscription of the industrial and economic resources of this country. The hon. member for Terrebonne (Mr. Bertrand) spoke in French on February 8, and I should like to refer to the translation of his speech which appears on page 243 of *Hansard* of that date. I think he put his finger right on the point of issue between this group and those who voted last night for the subamendment and those who voted against it, when he said:

Shall I vote for the subamendment moved by the Cooperative Commonwealth Federation leader (Mr. Coldwell)? No. Does not the subamendment favour a total war effort? Manpower, but together with all other national resources. When so many doctrines pave an easy road toward new methods of government, I claim we would be mistaken should we move toward advanced socialism and destroy with one sweep the edifice built by the labour of mankind under private enterprise.

I desire to point out that on this point of the omission from the amendment of any mention of mobilizing the wealth and industrial resources of Canada the government and the official opposition are as one. They visualize conscripting human resources for fighting power, for labour power, for farm power, but they are not prepared to conscript and mobilize the industrial and economic resources, either for the winning of the war or for the security which can be available in the post-war world. The Ottawa *Journal* of Thursday, February 4, contains a report of a speech made by the new Progressive Conservative leader in Toronto on February 3. I quote:

Speaking of underwriting by the state of economic prosperity as well as social security, Mr. Bracken said that social security did not mean prosperity—"it might mean rationed poverty".

I think that is a good distinction to make. If the hon. gentlemen to my right and the government believe in maintaining a system of free enterprise, then all the social security and the social insurance that they can ever hope to offer will be just rationed poverty. We believe that if both for war and for peace we utilize the resources of the nation and make the goods and services which we are capable of producing available to all people,

instead of having a rationed poverty, we shall then be able to distribute abundance. This afternoon the Prime Minister pointed out the tremendous production which has been made possible by the people of Canada. The latest estimate is that our national income is now about $9 billion. This is more than twice what our national income was a few years ago. To-day we are producing twice as much in the way of goods and services as we produced before the war, although a large amount of those goods and services are not consumer goods and services. But if we are capable of producing goods and services on that scale for the necessities of war, we maintain that it should be possible after the war for us to produce a similar amount of goods and services which are consumers' goods and services, so that we shall not have rationed poverty but rather distributed abundance for the people of this country when the war is over.

While we in this group are prepared to vote for the amendment and will vote for it because we agree with the three things it advocates, we do not for a moment believe that it goes far enough. We believe that man-power in Canada must be mobilized; that we must use every man and every woman we have, wherever they can best be used in winning the war. But we still maintain as long as we leave the industrial, economic and financial resources of the country in the hands of private enterprise, in the hands of people who are more concerned about profits than any other single thing, we are not going to get a total war effort.

The members of this house have only to read the findings of the Truman committee of the United States congress and some of the evidence taken before it last year, or the findings of the Baruch commission set up by President Roosevelt to investigate the production of synthetic rubber in the United States, to see the whole story there: how powerful manipulators like Standard Oil, Goodyear Rubber and others used their power and influence, not only before the war but since, to prevent the production of things that were essential to the winning of the war. That is why we in this group say, that as long as this war lasts we shall continue to insist that there can be no maximum war effort until this government is prepared to take over and mobilize our industrial, financial and economic resources. We are convinced also that when the war is over, there can be no return to the system of free enterprise, and that we can only begin to build what Vice-President Wallace of the United States has called "the century of the common man" if we are prepared after the war to embark upon an economic system based upon co-operation and the welfare of the community rather than upon special privileges and the exploitation of the many for the benefit of the few.

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, the members of this group last evening were quite prepared to have the vote taken and the address disposed of, but it seems now that because there was not sufficient control in the ranks of the government to keep their own members in line a brand new debate has been precipitated.

There are a few things I should like to say this afternoon, and I am forced to say them largely because of statements which have been made by members to my right. I am not going to deal with the amendment to the amendment because I think the hon. member for Weyburn (Mr. Douglas) has clearly set out the position of the members of our group.

I should like to say a few words with respect to the amendment proposed by the Progressive Conservative party—I think that is the name they give themselves now. I was disappointed in the statement made last evening by the new leader of the official opposition (Mr. Graydon). I had believed he was an honest and sincere man who would stand behind any policy which was in the interests of the people, and I was disappointed to find him on his feet last evening using all the technique of a lawyer to expose any loopholes there might be in the phrasing of the amendment to the amendment as proposed by this group, and also apologizing for the programme that was laid down at the convention of his party in Winnipeg. In my opinion he was merely quibbling with words and demonstrating to the house and the country that while the party has done a new paint job on the party machine, as it was so well described by the hon. member for Weyburn, the machine is nevertheless the same old machine. It is merely a matter of fooling the people once again with phrases and slogans that do not mean anything. If there is anything I despise it is intrigue and lack of sincerity.

Mr. HOMUTH: Oh, now!

Mr. GILLIS: I think my hon. friend should despise those same characteristics.

Mr. HOMUTH: He would, but he would not mention them with respect to any member of the house.

Mr. GILLIS: I have not said anything about any particular member, and if anything I have said happens to hurt anybody, I cannot help it. But I do despise those characteristics. If I stand for certain principles after thinking

them through, I think I should stand up for them under any circumstances. But in my opinion the programme and policy laid down at the Winnipeg convention of the Progressive Conservative party certainly is not being advocated in this house by members of the party who have spoken in this debate—or anything like it.

My conception of the house at the present time is that there is taking place a realignment of forces. I am not surprised at the stand taken by the members of the group to my right on the Cooperative Commonwealth Federation amendment, because the forces of reaction in this country are being lined up; the issues are becoming clearer; the lines are becoming more sharply drawn. There is no third course in my opinion as far as Canada and its future is concerned. Either you stand for the necessary social changes to guarantee the full implementation of the objectives for which we are fighting this war, or you believe in a continuance of the conditions that brought about the war. My conception of the stand taken by the party to my right is they are quite prepared to hang on to the old machine. They are not prepared to make any basic changes which would eliminate in the future the conditions we are experiencing at the present time. I think the alignment is a logical one and that the party to my right are taking the course which they would be expected to take.

They are not proposing in their amendment anything that is not being done already by the government. If all they want is compulsion to use the full man-power and woman-power of this country, that is already being done in every field in which it can be done. There is ample evidence of that in the numerous orders in council which have been passed and in press statements which have been issued. Anyone in this house could prove within fifteen minutes that that is now being done by the government in every field in which it is possible to do it. The only thing the government is not doing is the things that were advocated in the amendment to the amendment proposed by this group, and our friends to my right are not prepared to make any changes in that direction or in any direction. I shall say no more on that.

My main reason for rising this afternoon is to defend the people whom I think I represent directly in the house, and that is the members of the unions, and particularly the Canadian Congress of Labour and its affiliates in the United States. The member for Parkdale (Mr. Bruce) in addressing the house on February 16, as reported at page 486 of *Hansard,* interpreted the labour policy of the Winnipeg convention, and evidently he did it with the full approval of every member of the group with which he sits.

He attacks the Congress for Industrial Organization in Canada. I said a moment ago that it was an uninformed attack. I said it for this reason—and I think it is something that should be clearly understood. The C.I.O., for the information of my friends to the right, is not a union. It has no union functions. It does not make nor does it negotiate contracts. The C.I.O. is the legislative centre in the United States to which the unions in that field are affiliated, and the C.I.O. in the United States carries on the legislative activities necessary to the movement in that country. It has no function whatever in Canada. The Canadian Congress of Labour in this country is the parallel organization to the C.I.O. in the United States, and all this drivel which the member for Parkdale talks, taking his cue from advertisements that are circulated throughout the country at this time with reference to the C.I.O., is irrevelant, inasmuch as that organization does not exist in Canada.

A few years ago the cry was communism. Any time you tried to exercise your rights as a citizen in the field of collective bargaining, you were considered a communist. Well, Russia has become respectable and it is not popular now to attack her, so that the slogan, particularly in the province of Ontario, is the C.I.O. Evidently the hon. member had the endorsation of the rest of his party in that regard because no exception was taken to his statement. The Canadian Congress of Labour to-day have 150,000 members in Canada. They have an affiliation with the other legislative body in the United States, and when that organization was attacked, the hon. member for Parkdale attacked the organized steel workers of Canada from coast to coast, the organized mine workers from coast to coast, the organized packing house workers, the textile workers, the united electrical workers. Every one of these organizations which he condemns so roundly as agitators and disrupters of industrial peace in Canada is thoroughly organized and is doing a good job in this country, and if there were more of them and they had more cooperation in that field from the powers that be there would be less strife. It is the fight put up by those who will not grant the workers of the country their day in court, which every other section of society enjoys, that is responsible for most of the turmoil that exists to-day.

I am glad that the member for Parkdale has put this on the record, because at the

Winnipeg convention, while there was much talk about the right of the workers to organize, and all that kind of stuff, and how their heart bled and what they were prepared to do for the working people of their country, their official pronouncements in this house should be a clear indication to everyone in Canada that while they are still in opposition they are not ready, even for the sake of fooling the people, to make gestures in the direction of the right of the workers to bargain. What would be the situation if they were on the other side of the house and had the right to make laws? Evidently their programme at Winnipeg, as far as its practical application is concerned, is company unionism, because the hon. member paid tribute in that speech to company unionism in this country.

The other evening I called the attention of the Prime Minister to this advertisement that has been circulated in every newspaper in Canada. It was put out by the Steel Company of Canada, with a personal letter from R. H. McMaster, president. I took exception to that for this reason. The responsible people connected with the trade union movement in this country are desirous of seeing our war effort promoted; they are not desirous of seeing strikes, confusion and everything else that goes with it; and when the Prime Minister made the statement that a new board was being set up, a new jurisprudence for labour in Canada was being established, and that the new board would function as an industrial court, I thought it was bad taste for the Steel Company of Canada to take the attitude it did. I thought so in view of the fact that newsprint is rationed in Canada. Moreover, my suspicion is that the taxpayers of Canada are paying for this advertising, because advertising is a part of operating cost, and is deducted from the corporation tax. Just before that court even got started, a tense labour dispute was going on in Canada, an ultimation having been given that if, within a reasonable time, a peaceful solution was not arrived at we were likely to have a repetition of what was gone through in the steel workers' strike. I thought it was ill advised on the part of the government not to take note of the fact that the steel company was circulating that advertisement throughout the length and breadth of Canada, provoking the steel workers, provoking the organized labour movement, and at the same time making the taxpayers pay for it. The member for Parkdale complimented the steel company upon its action. He thinks it was a wonderful thing. If that is part of the Winnipeg convention's attitude towards the working people of the country, then I think it is time we found it out and governed ourselves accordingly.

In the field of compulsion, here is a newspaper dispatch from the Sudbury *Star* of Saturday, February 13. This horrible C.I.O. in the mines and steel plants and in the essential industries that are working, some of them, sixteen hours a day, are frozen to their jobs. They stay on the job. They are not permitted to change their job. In this order which I have here they are placed in this position—and I think it is something of which the government should take cognizance. The order of October 24, 1942, which brought about the means of holding labour to the production of important commodities in these essential industries, has been extended, and these people, whom the member for Parkdale classifies as agitators and disturbers of the peace, are placed in this position now. Those employed in essential industries are given deferment for military call, but that deferment is in the hands of the employer. The employer says whether you are to be called for military service or not, and evidently that power is being used, particularly in Sudbury in the nickel industry. It puts a weapon in the hands of the employer. If you happen to join an organization which he does not like, he can immediately notify the selective service board that your deferment should be discontinued and that you should be called for military service. If you are not exactly the kind of employee he thinks you should be, he has the right to see that you are called for military service. If that is not sufficient compulsion in the field of man-power, you have conscription in Canada not only for military service but for all essential industries.

On this question of national selective service may I make this statement, seeing that the Minister of Labour (Mr. Mitchell) is in the house. I followed closely the controversy between the Department of Labour and Elliott Little. I think there is room in Canada for a thorough overhauling of our national selective service regulations. Many things are happening that should not happen. For example, the wartime prices and trade board has been given authority to close out some 20,000 small industries in Canada—non-essential industries, they are declared to be—and you will find that many of these non-essential industries are highly unionized. For a period of years they built up certain wage schedules for themselves. When that industry is closed out under the present selective service regulations, these men will be relegated to the ranks of the unemployed.

They must go then to the national selective service offices and make application for employment in an essential industry. They carry with them none of the wage rates they have been able to build up over a period of years. While they may have been receiving 85 cents or a dollar an hour at some skilled occupation that is not to-day essential, they are obliged at times to go into a war plant and start as apprentices at 42 cents an hour; they lose the standard of living that they have built up through their own struggles over a long time, and nothing is done to protect them. To boil the thing down to plain and simple terms, I cannot see how the Minister of Labour could for a moment imagine that Mr. Little's proposals and the powers he asked for in connection with national selective service were in any sense dictatorial. I think the reverse is true; that the dictatorial powers that Mr. Little was accused of asking for are operating to-day in the selective service as administered by the Department of Labour.

My conception of Mr. Little's proposals is that he was prepared to accept full responsibility in that field, and he wanted the authority to do so. If an industry was closed out he wanted to make sure, before four or five hundred men were thrown into unemployment, that there was employment for these men, and that in the turnover they went from one industry to the other en bloc. In addition he wanted to protect the wage rates built up over a period of years in industries considered to-day non-essential. He did not want to reduce the standard of living of men or women who were obliged to change their employment because of the exigencies of war. That is my plain and simple conception of Mr. Little's proposals in the field of selective service.

I am not blaming the Minister of Labour; he is only one man and the problem is a big one. It is one with which someone who has technical and practical experience, which I think Mr. Little had, should be given full power to deal.

When Mr. Little first came to Ottawa we advocated in the house that he should be freed from war service regulations under that department. In addition we said he should be freed from any supervision or influence by the Department of Labour in connection with the mobilization of man-power for war service; that the transfer of man-power from coast to coast was a job that required a full-time administrator, and that he should have some latitude with respect to the administration of these regulations. The whole thing to-day is in a knot; from coast to coast there is chaos. I do not say that to be critical. I moved about the country considerably last summer, and I ran into it. If anyone here has any doubt about how it is working I would advise him to call at the Spadina avenue office of the selective service in Toronto and have a look. I do not say that the Minister of Labour can go there and kick that loose, but I do say that someone down there should have some authority to do something. Before there can be any success in the field of selective service someone will have to be appointed full time and be given full authority to make the necessary changes in the way I think Mr. Little proposed making them. When 20,000 non-essential industries are being closed out it is a big job, affecting the livelihood of a great many people. It is throwing out of the field completely a large number of men who have quite an investment in their businesses, and that is something which requires careful consideration.

I do not think anyone should take the stand in this house that you or I should be asked to reduce our standard of living fifty per cent in any transfer from non-essential to essential employment. If that were done with contractors who are building airports and ships and all that kind of thing, I would say yes; we would be quite prepared to make the same sacrifice that the other man is making. But when a man is working for a wage which just enables him to live from day to day, and he is told that he must leave that employment, discontinue all his associations, and be transferred to another section of the country and another line of work, and at the same time reduce his standard of living at least fifty per cent—I can name industries where that has actually taken place—the Department of Labour would be well advised to do something along the lines suggested by Mr. Little.

There are many more things I should like to say but I shall not detain the house any longer. I rose this afternoon simply to say something for the people whom I think I directly represent here. I belong to that outlaw organization of which the hon. member for Parkdale speaks—those trouble-makers. I have belonged to the mine workers' organization for the past twenty-five years. Unfortunately the working people of this country have not many agencies that will take up their cause. The press of this country belongs to the people represented here by the hon. member for Parkdale; the radio is largely in their hands; the House of Commons is largely in their hands. They have many spokesmen here, while unfortunately the people I attempt to speak for have very few agencies through which they can defend themselves.

I hear someone mention this committee of two hundred in Toronto. That committee does not consist entirely of Conservatives; there are as many reactionary so-called Liberals in it as there are Tories. My friends on this side and my friends over there who really believe that we are fighting a war to do away with wars in the future will have to begin to understand that the machine at the top, the small invisible government of this country, has no politics. They are not Liberals; they are not tories; their aim is power and direction from behind the scenes. Let everyone in this house understand that, and make this House of Commons supreme in legislating for the people. If while we are fighting the war it is necessary to have controls—and it is—let the members of the house use their voices in this house and out of it, to see to it that the people they directly represent here are given some share in the controls behind the scenes, in order that we may come out of this war with a free and democratic parliament. I am doubtful about it now, judging from the trend of events.

Mr. J. H. BLACKMORE (Lethbridge): Before dealing with the amendment to the amendment I wish to refer briefly to the remarks of the Prime Minister (Mr. Mackenzie King). Since I came to parliament I have never heard the Prime Minister in such fine form as he displayed this afternoon. It really deserves note, I believe, that a man who is advancing in years is so full of fire and energy and able to give a good rousing talk on such short notice.

The Prime Minister said one or two things of which I believe every hon. member should take special note. He had a good deal to say about the formation of new parties, and seemed to be disposed to lay the blame for the formation of new parties on the people who form them. May I point out, however, that the Prime Minister completely missed the boat. He placed the blame just where it should not be. He referred to France; what caused the fall of France? Was it the new parties that arose, or was it the dead old-line parties that stood stolid and utterly refused to change, no matter what happened? Their leaders were dead; the majority of the people behind them were dead, and when the impact of war came upon them it became clear that they were dead. Let me point out that it is generally accepted and is coming to be more generally accepted in this country that the two old-line parties in this country are dead, root and branch; that the leaders and the prominent men in both of them, as well as the powers behind the scenes to which the hon. member for Cape Breton South (Mr. Gillis) has just referred, are dead. This means only that though they are not dead to their own interests they are utterly dead to the interests of the people of the country which they have undertaken to rule.

Now I ask the Prime Minister to take a few minutes even in his busy life to tell me what possible recourse the Canadian people have if they find that whichever old-line party is in power betrays their interests and fails to keep its promises. What other recourse have the people but to organize new parties? The organization of new parties stands as a condemnation of the policies or administration of the old-line parties, in whatever countries the new parties are organized.

I think it would be a good thing to refer just for a moment to the Prime Minister's appeal to the members of his party to support him. I am unable to tell whether he was trying to intimidate the members of the house by holding forth the threat of an election, or some such thing. If he was; if he thought that by going to the country he would remove from his side several thorns which are now beginning to hurt considerably, I believe he is very much mistaken. Anyone who would imagine that a new election would remove from this parliament gentlemen like the hon. member for Richelieu-Verchères (Mr. Cardin), the hon. member for Témiscouata (Mr. Pouliot), the hon. member for Charlevoix-Saguenay (Mr. Dorion), the hon. member for Laval-Two Mountains (Mr. Lacombe) and others, had better do a little more studying. The Prime Minister may have been indicating that he was weary of it all and would probably resign. I would sympathize more with him if I had not heard his speech this afternoon, but considering the energy and power he then manifested I believe he is quite capable of carrying on even through another plebiscite, should that become necessary. The Prime Minister asked for the responsibility that he now has. He organized for it; he and his party henchmen did everything in their power at the last election to get it. I think the Canadian people are thoroughly justified in expecting him to stand right up to the task and carry through the responsibility which he very willingly assumed.

This house must make two very important decisions with respect to the subamendment. The first is, what are we going to do with the subamendment itself? That is a relatively easy question to deal with, but the second one is not so simple. What are members of this house to do about the causes that produced the subamendment? That is a matter not to be

disposed of so easily. I should like to give some attention to the answers to these questions. First, I should like to turn to the question of the subamendment. As I see it, the plebiscite on which we spent so much time last year was designed to answer the question raised by the amendment to the amendment. A "yes" vote was generally understood to mean the willingness of the voter to give the government freedom to introduce conscription for overseas service. Canadians as a whole definitely voted "yes". A majority in Quebec voted "no", which was their absolute privilege and one which they should be free to exercise without any abuse from any organ or any person in the country. In accordance with the expressed will of the majority of the voters the government introduced Bill No. 80, which modified the National Resources Mobilization Act in order to give the government freedom to introduce conscription for overseas service. This house voted on Bill No. 80 as follows. After having told the people, through their leader, to vote "yes" on the plebiscite; after having helped the Canadian people, therefore, to vote "yes", the Cooperative Commonwealth Federation came into this house and voted "no" on the bill based upon the plebiscite. Many of my fellow Canadians who speak French, among them being the mover of the amendment to the amendment, also voted against Bill No. 80. The total vote against that bill was fifty-four, so that there was hardly any doubt as to how the house stood with respect to that measure. In view of the fact that the country voted "yes" and this house voted "yes", I fail to see how, in the short space of time that has intervened, this house could possibly reverse its position and support the amendment to the amendment.

Our group, the social crediters, are committed to vote against the amendment to the amendment because of several things in our history. There has been some sort of attempt on the part of this group to be consistent, and on at least certain matters I think we have been consistent ever since we went into Canadian public life. In 1937 I issued a statement to the press to the effect that I was going to support the government's proposal to increase the defence estimates. When those estimates came up I voted in favour of them, indicating quite clearly that I believed Canada should be prepared to offer effective cooperation in the defence of the British commonwealth and all that it holds dear. When the war broke out, this group took a stand in favour of unreserved cooperation with the British commonwealth of nations until victory should be won. Again, when the National Resources Mobilization Act was introduced in 1940 we supported the principle of the mobilization of all the resources of this country, in order that we might build up a powerful force with which to fight to foe. When the plebiscite question was up for discussion I, representing this group, did not tell the Canadian people how to vote. We took the view that it was not the prerogative of any group or party in this house to tell the Canadian people how they ought to vote on a question so vitally important as the matter of conscription. We simply outlined certain problems involved and left the people to form their own decisions. When the Canadian people voted we held ourselves, as the democratic representatives of democratic people, bound to vote as the people required we should vote. Thus when Bill No. 80 came up this group voted for it, and therefore supported the change in the mobilization act which gave the government power to apply conscription.

My group will continue to vote "yes", in favour of the mobilization of the resources of this country. There is no change in the condition since last year which in any way could justify our reversing our decision. The national existence of the British commonwealth is at stake, a point which I am afraid some hon. members forget. The national existence of all the nations of North America is at stake, and that includes both English-speaking and French-speaking people, both in Canada and in the United States.

The foe continues dreadfully powerful and, in the main, victorious still; and stern, with an almost fanatical determination to win, a sort of frenzy generated by despair. I think we can hardly expect a crack-up in our enemy such as favoured us during the last war. They are fighting with their backs to the wall. All these matters should, I believe, persuade anyone to vote for the greatest possible measure of strengthening of the government's hands in the conduct of the conflict.

The good which could be accomplished by the passage of the subamendment could not possibly compensate for the inestimable harm which would result. I think in his most thoughtful moments even the mover of the subamendment would agree that that is so. Social crediters therefore will vote against the amendment to the amendment.

May I turn now for a short time to the consideration of a problem which, in my opinion, should exercise the house deeply, namely, the discussion of the cause which resulted in one who was a trusted colleague of the Prime Minister, one who has been honoured and respected from coast to coast in Canada, moving an amendment to the

amendment amounting to a vote of want of confidence in this Liberal government. That cause cannot be brushed aside lightly, nor can it be scoffed away.

What caused the situation which faces us in Canada? I believe all Canadians, both English- and French-speaking, should bear in mind that fundamentally the thing which caused the feeling we have to-day was a thing over which none of us had any control whatsoever. It was the fact that the British perhaps happened—I cannot say that is correct, at this distance—to be fortunate in winning the conflict of 1759. In the peace treaty they were given the responsibility of helping to govern the lives of a great many people extracted from a race which for centuries must have been the traditional enemy of the British people. Let us face that situation squarely, and without passion or prejudice. Let us make allowance for the feeling which must have passed on naturally from father to son, through the generations. That was the first cause of the present condition.

The second is one over which perhaps no one in this house could have exercised much control, but over which perhaps all can exercise some control in the future. I refer to the knavish tricks of politics. If I am correctly informed, there has been carried on among the French-Canadian people—

Mr. LALONDE: What kind of politics?

Mr. BLACKMORE: I shall enlarge upon that matter shortly. I refer to the intrigue, machinations and even downright treachery by ignorant and even knavish politicians, whose efforts did not add to the knowledge of French Canadians respecting the new situation in which they found themselves; did not add to the understanding of British institutions and the purpose of the British empire, including the whole set-up in which we must live our lives; did not add to the confidence those people could feel in their English-speaking compatriots in Canada. I believe that a large part of the blame for that unfortunate ill-feeling, which at least in some measure exists in Canada, must be laid at the door of those unscrupulous men whom, on the floor of the house, I have called shysters. And before leaving that point may I add that the shysters were not all Liberals or all Conservatives.

Mr. JOHNSTON (Bow River): Many of them were.

Mr. BLACKMORE: They were both.

Mr. LALONDE: The Social Credit party was not in existence at the time.

[Mr. Blackmore.]

Mr. BLACKMORE: I may add that the Social Credit party had nothing to do with it.

Mr. LALONDE: Not at that time.

Mr. BLACKMORE: No, nor now. If your people are carrying on down there under Social Credit, then they are basing everything they have to say on the truth, the whole truth and nothing but the truth, and are not engaging in any measures designed to arouse passion, prejudice or ill-feeling. There is plenty of evidence of that. I may say that the only group in the house which from the time of its entry up to the present has seen practically just what was going to happen, and which then stood for the very things for which it stands to-day, and consequently has a record for consistency not paralleled anywhere in the British empire, is the Social Credit group. You can be pretty certain they were not entirely blind when they first formed their party, some eight or nine years ago. They had some vision.

May I turn now to the third cause of the unhappy condition which exists in parts of Canada with respect to differences of race? For some reason after the last war there was sown in Canada from coast to coast one of the most pernicious forms of propaganda in favour of pacifism that one can conceive. I believe every hon. member should study seriously that propaganda with a view to finding out where it originated. It completely blinded the people of Canada and, as hon. members of the Liberal party know very well, the result of that blindness was that many men stood in the house and fought against armaments, against participation in any war to come, and all that sort of thing—only to find that they had been completely deceived. That pacifistic propaganda went throughout the length and breadth of French as well as English Canada. That malady of pacifism did not affect the French-Canadian people any more thoroughly than it did the English-speaking Canadian people. It had a part to play in the plebiscite for which the Prime Minister worked last year. It had a part to play in the delivery of his speech this afternoon. It had a great deal to do with the abuse which he has suffered.

The fourth cause of this unhappy condition I think must be called by just what it is, a lack of vision and understanding on the part of the Prime Minister. I am not suggesting that he was insincere, but I will say that if we may judge from his pronouncements, as referred to with such passion and justice by some hon. members to my left, he lacked vision and understanding of the things which might come to pass in this country. The

result was that where he should have given strong, courageous and understanding leadership, he failed to do so and is now suffering the consequences.

The fifth cause is the Liberal stand from generation to generation, particularly during the last twenty-five years. I do not desire to say anything offensive, but I think they will have to grant, as hon. members to my left declared last night, that they deceived the people of French Canada into thinking for twenty-five years that if they just persisted in electing Liberals they never would have conscription. I suppose some of the most ardent devotees even told the people that they would never have war, that we would never participate in a war, and all that sort of simple foolishness. There was no justification for any man over sixteen years of age with any degree of intelligence ever forming a conclusion that we in this country could be free from war. Yet the Liberal party deluded the people from end to end of this country for twenty-five years into thinking that by electing them they would be putting in power magicians who could keep us out of war. No wonder that they were believed, but no wonder that disappointment is so general, resulting even in the mild amendment to the amendment which we are now discussing!

The sixth cause of our difficulty must be recognized as the suddenness, the strength and the fury of the attack by the foe. I had every confidence that we were going to be attacked, but I must say that I was never able to find evidence to show me how terrible the attack would be when it came. The fury of that attack placed the Canadian people as a whole, along with all other British peoples, in a most painful situation.

This brought about the seventh cause of our difficulty, which was the consequent need of Canada to leap as it were from a weak peacetime position into a great warlike exertion. Many soldiers had to be had. At the same time we were expanding our food production, our munitions production and every other activity in our industrial and economic life. What could the government in Canada do? I think hon. members will all recognize that I am in no way minimizing the blame attached to the Prime Minister, but neither am I going to exaggerate it. I want to give him the benefit of the doubt. I say, even although I am in the opposition, I do not feel that much of the abuse which has been hurled at that man's head is justifiable. He found himself in an exceedingly difficult position; I think far too little allowance has been made for that, perhaps from all sides of the house.

What could he do? What could the administration do? It had to have men, and a large part of the people of Canada had been deluded into thinking that conscription would never be used. It was almost sacrilege to mention it. His own party had committed themselves and they did so again in 1940. In many instances members occupying seats on the government side obtained those seats because of their pledge against conscription. The result was that the Prime Minister found himself in an almost impossible position. Men had to be had, but he was denied the privilege of using conscription even when the plebiscite had been voted upon. What could he do? The result was, as the hon. member for Portneuf (Mr. Gauthier) pointed out last night, that there have been abuses in our efforts to raise man-power in this country, which I think probably five generations of Canadians will not live down.

Mr. SPEAKER: I understand it is the intention not to sit to-night, so that perhaps the hon. member will move the adjournment of the debate.

On motion of Mr. Blackmore the debate was adjourned.

BUSINESS OF THE HOUSE

SUSPENSION OF DEBATE ON ADDRESS UNTIL TUESDAY, FEBRUARY 23

Mr. MACKENZIE KING: Before I move the adjournment of the house I have a motion which I should like to place before the house. I move:

That the order passed on the twenty-eighth of January, 1943, giving precedence to the debate on the address be suspended until next Tuesday, the twenty-third of February instant.

The purpose of this motion is to enable us on Monday next to make headway with some of the motions on the order paper with respect to the appointment of select committees. If this motion carries, I shall indicate the order in which the various items on the agenda will be taken up.

Motion agreed to.

PRECEDENCE OF GOVERNMENT NOTICES OF MOTIONS AND GOVERNMENT ORDERS ON AND AFTER FEBRUARY 22

Mr. MACKENZIE KING: Hon. members will see in the *Votes and Proceedings* of yesterday that I give notice:

That on and after Monday the 22nd February, 1943, to the end of the present session, government notices of motions and government orders shall have precedence at every sitting over all other business except introduction of bills, questions by members and notices of motions for the production of papers.

Questions will be the first item on the order of proceedings, and then that motion will be the next. On the order paper of to-day hon. members will see, under government notices of motions, reference to certain motions. One is in the name of the Prime Minister with respect to the committee on privileges and elections investigating the holding of an election for the electoral district of Stanstead. That would be the second item.

There is a notice standing in the name of the Minister of Justice (Mr. St. Laurent) for the establishment of a committee in connection with the defence of Canada regulations. That will be the third item. There is a motion standing in the name of the Minister of Pensions and National Health (Mr. Mackenzie) for a committee on reconstruction and reestablishment. That will be the fourth item. If we conclude with these and there is time, we might take the first resolution under government orders, with respect to the $100,000 grant to the city of Ottawa. I think that will probably fill up Monday. There will be two other motions on the order paper for the appointment of committees, one on radio broadcasting and the other on railways and shipping. If we make better progress than at the moment I anticipate, we might be prepared to take them also.

On motion of Mr. Mackenzie King the house adjourned at 6.05 p.m.

Monday, February 22, 1943

The house met at three o'clock.

SITUATION IN INDIA

QUESTION AS TO EXPRESSION OF OPINION BY CANADIAN GOVERNMENT TO GOVERNMENT OF UNITED KINGDOM

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): In view of the press report that the United States is taking a direct interest in the present situation in India, and in view of widespread apprehension as to its effect upon our war effort as united nations, has the Prime Minister expressed any opinion to the government of the United Kingdom regarding the matter?

Mr. MACKENZIE KING: The answer is no.

CIVIL SERVICE

REFERENCE TO REQUEST FOR DIRECT REPRESENTATION ON TREASURY BOARD ADVISORY COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I wish to direct a question to the Minister of Finance. Will he be good enough to inform the house what consideration the government has given and what decisions have been arrived at with respect to the request of the organized government employees for direct representation on the treasury board civil service advisory committee?

Hon. J. L. ILSLEY (Minister of Finance): The hon. gentleman gave me notice of this question, which I received just before coming in. Several bodies of organized civil servants have presented many requests for favourable consideration, all coming down to this—higher pay, more money. This is particularly true, almost wholly true, with regard to the middle and upper income brackets in the service. Very difficult questions were raised by these numerous requests and I finally felt it desirable that the government get a little advice from some independent source, that is, from persons who had not prejudged the case one way or the other. A committee, headed by Mr. Coon of the bank of Nova Scotia, was therefore set up to advise the treasury board. As soon as that was done, organized bodies of civil servants began to press very hard for representation on that committee. I felt and feel now that since we know exactly what they want, and since they have repeatedly and very ably made their representations both orally and in writing, I should not be justified in recommending to the government that a representative of them be added to this committee. I do not intend to make any such recommendation to the government.

The specific answer is that I do not think the government as a government has given consideration to the request of the organized civil servants, because I have declined and feel that I must decline to recommend that a representative of the civil servants, whose views we know and have before us, should be added to a body such as we have set up for advisory purposes.

MUNITIONS AND SUPPLY

RELATION OF MAN-POWER TO POSSIBLE CHANGES IN PRODUCTION OF MILITARY EQUIPMENT AND CONSTRUCTION OF SHIPS

On the orders of the day:

Hon. H. A. BRUCE (Parkdale): I should like to direct a question to the Minister of Munitions and Supply (Mr. Howe).

1. Have plans been made for slowing down the production of military vehicles, tanks, guns and other fighting equipment, coincidental with the expansion of production of

ships? 2. If so, when does this go into effect? 3. Will it result in releasing man-power for other work? 4. If so, how much?

Mr. SPEAKER: The form of the question has been pretty well set forth in the statement made by the hon. member. I think it should be placed upon the order paper.

IRON ORE

PRESS REPORT AS TO CLOSING OF DOMINION STEEL AND COAL PLANT IN NEWFOUNDLAND

On the orders of the day:

Mr. C. E. JOHNSTON (Bow River): I should like to direct a question to the Minister of Munitions and Supply. In the Ottawa *Citizen* of Saturday, February 20, there appeared a Canadian Press report stating in effect that the Dominion Steel and Coal Corporation's iron ore mine at Wabana, Newfoundland, the source of most of the ore for the big steel plant at Sydney, Nova Scotia, was to be closed on February 25. In view of the serious shortage of steel for our war plants will the minister say whether he has investigated this matter and will every effort be made to see that this mine remains open?

Hon. C. D. HOWE (Minister of Munitions and Supply): The difficulty about iron ore from Wabana to serve the Dominion Steel and Coal company is one of transportation. As my hon. friend may know, three of the company's largest ore boats were sunk by enemy action last autumn. The result was that the company was forced to find ore on the mainland, and a mine was opened near Bathurst, New Brunswick. About three hundred thousand tons of ore are being shipped from that mine to Sydney. The situation at Wabana at the moment is that 500,000 tons of ore are banked there awaiting shipment, and that is the total storage capacity available. It was therefore necessary to close the mining operations, since no disposition could be found for any additional ore at this time. As soon as navigation opens ore will move again from Wabana; the government is furnishing boats for the purpose, and the mine will reopen.

Mr. GILLIS: Supplementary to the question just asked by the hon. member for Bow River (Mr. Johnston) may I say that the department was carrying on some investigations with respect to the development of iron ore deposits in Inverness county, Nova Scotia. Will the minister inform the house what progress has been made?

Mr. SPEAKER: I think that question should be placed on the order paper.

SELECTIVE SERVICE

EMPLOYMENT OF FARMERS IN MUNITIONS PLANTS IN OFF SEASONS

On the orders of the day:

Mr. KARL K. HOMUTH (Waterloo South): In view of the situation that has arisen in the last week in our munition factories in western Ontario, would the Minister of Labour give consideration to extending the privilege to farmers in off-season time of working in the munition factories, including them with logging and other primary industries? The situation is serious.

Hon. HUMPHREY MITCHELL (Minister of Labour): The whole question of farm labour, and that is what is involved in the question of the hon. member, is continually receiving the consideration of the Department of Labour. The hon. member can rest assured that in the not very distant future a statement will be made by me in the house in regard to the matter.

Mr. HOMUTH: By the new regulations these men are only allowed to work sixty days on other than farm labour. They now feel that they have to leave work in munition factories and so there is an exodus from the munition factories to snow-covered farms.

DEFENCE OF CANADA REGULATIONS

INQUIRY AS TO THE INTERNMENT OF MR. CAMILLIEN HOUDE

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, I wish to ask the hon. the Minister of Justice (Mr. St. Laurent) a question. In view of the numerous petitions he has received to that effect, will he order the release of Mr. Camillien Houde from an internment camp?

Hon. LOUIS S. ST. LAURENT (Minister of Justice): Mr. Speaker, the answer is no. Mr. Camillien Houde knows what to do if he wishes his case to be reconsidered. He must apply to an advisory committee, and whenever he so desires he can file an application.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

LEASE-LEND PROVISIONS—AID TO CANADA

Mr. LACROIX (Beauce):

1. Has the Canadian government received any aid from the United States government under lease-lend law during the year 1942?
2. If so, to what extent—in dollars value?

Mr. ILSLEY:

1. Canada has not received lend-lease assistance on its own account from the United States government. Some materials and supplies provided to the United Kingdom by the United States under lend-lease arrangements have been used in Canada, in part incorporated in Canadian products for the United Kingdom, in part in exchange for other United States supplies purchased by Canada to be used in production for the United Kingdom, and in part as the United Kingdom's contribution in kind to the combined air training plan.

2. Answered by No. 1.

WARTIME HOUSING LIMITED

Mr. REID:

1. How many houses have been built to date under Wartime Housing Limited?
2. How many in each province, stating the city or the location of the same?
3. What has been the total cost?
4. What is the total number of staff employed and the cost of same since its inception?
5. How many of a staff is there in each province?
6. Is the programme of housing to be built now complete?
7. What is the number of houses built by Wartime Housing Limited, in January of the present year and where are these located?

Mr. HOWE:

1. Contracts let by Wartime Housing Limited to date are for 15,623 houses. 9,370 of these are complete as of January 31, 1943.

2. The following is a list giving the number of houses contracted for in each province together with the location of same:

Project	No. of houses
Nova Scotia	
Amherst	150
Dartmouth No. 1	100
Eastern Passage	170
Dartmouth No. 2	214
Halifax	980
New Glasgow	136
Pictou	400
	2,150
New Brunswick	
Saint John No. 1	100
Moncton No. 1	200
	300
Quebec	
Arvida No. 1	200
Beauharnois No. 1	100
Brownsburg	100
Cap de la Madeleine No. 1	100
Cartierville No. 1	400
Chicoutimi No. 1	100
De Salaberry No. 1	150
De Salaberry No. 2	100
Hull No. 1	100
Hull No. 2	50
Jonquiere No. 1	100
Lac a La Tortue No. 1	10
La Tuque No. 1	50
Lauzon No. 1	100
Quebec No. 1	200
Rock Island No. 1	50
St. Paul l'Ermite No. 1	37
St. Therese No. 1	100
Sorel No. 1	150
Valleyfield	10
Waterloo	25
	2,232
Ontario	
Brantford	200
Collingwood No. 1	100
Collingwood No. 2	50
Cornwall No. 1	50
Dundas No. 1	43
Dundas No. 2	50
Fort Erie	234
Fort William	326
Frankford	100
Galt No. 1	50
Hamilton	1,450
Kingston No. 1	250
Long Branch No. 1	75
Long Branch No. 2	125
Malton No. 1	100
Malton No. 3	100
Merritton No. 1	42
Merritton No. 2	50
Niagara Falls	250
Nobel No. 1	20
Nobel No. 2	200
Orillia	75
Oshawa	50
Ottawa	40
Parry Sound	130
Peterborough	557
Pickering	600
Port Arthur	50
Renfrew	70
Sault Ste. Marie No. 1	100
Sault Ste. Marie No. 2	100
St. Catharines	683
Sarnia	50
Wallaceburg	50
Welland	860
Woodstock	35
Windsor	2,050
	9,365

Project	No. of houses
Saskatchewan	
Moose Jaw	50
	50
British Columbia	
Esquimalt	175
North Vancouver	750
Prince Rupert	501
Victoria	100
	1,526
Total number of houses	15,623

3. The estimated total cost of these houses approximates $46,072,227. The costs include actual or estimated costs covering—

(1) Acquisition of land.

(2) Legal and other expenses in connection with acquiring same.

(3) All costs for engineering construction, inspection, etc., in connection with the installation of sewage systems and water supplies wherever required.

(4) All costs for grading, roads, walks, etc., as required.

(5. All construction costs involved in the erection of the houses inclusive of inspection.

(6) All costs involved in equipping the houses—stoves, blinds, etc.

4. The total number of staff now permanently employed is 858. This staff subdivides into many different categories from maids, cooks, janitors, and maintenance men, etc., to the skilled technical staffs in the head office of wartime housing limited—engineering, architectural, accounting and management divisions. The number shown does not include construction personnel engaged on projects being constructed by wartime housing limited. It only includes the type of personnel employed on weekly or longer period bases.

From its inception to December 31, 1942, the total amount expended in salaries by wartime housing limited is $705,636.24.

5. The following is a list of staff employed in each province: Nova Scotia, 184 employees; New Brunswick, 21 employees; Quebec, 140 employees; Ontario, 392 employees; Saskatchewan, 1 employee; British Columbia, 120 employees.

6. The programme of housing to be built is not yet complete. There are 6,253 houses at present under construction.

7. No houses were completely built in January of 1943.

72537—37

RADIO BROADCASTING—COMMISSIONS TO POST OFFICE DEPARTMENT ON LICENCE SALES

Mr. MARSHALL:

What commissions were received from the Department of Transport by the Post Office Department for radio licences sold in the year 1942, and what disposition was made of these commissions?

Mr. MULOCK: Fiscal year ended March 31, 1942,—$9,100.85. Included in gross revenue of Post Office Department.

POST OFFICE—PROFIT ON PERSONAL MESSAGES TO ENEMY AND ENEMY OCCUPIED COUNTRIES

Mr. MARSHALL:

What was the net profit on personal messages mailed to enemy and enemy occupied countries by the Post Office Department in the year 1942, and what disposition was made of these profits?

Mr. MULOCK: Fiscal year ended March 31, 1942,—$1,535.01. Included in gross revenue of Post Office Department.

FLAX CRUSHING MILLS

Mr. WRIGHT:

1. What is the total capacity of flax crushing mills in Canada?
2. Where are they located?
3. Will the government assist in increasing this capacity?

Mr. ILSLEY:

1. Present estimated annual capacity 6,395,000 bushels. It is possible that this capacity may be increased in the near future by the acquisition of additional machinery and by processing improvements.

2. Quebec—Montreal, 3 plants.

Ontario—
Toronto, 2 plants.
Baden, 1 plant.
Hamilton, 1 plant under construction.

Manitoba—
Winnipeg, 1 plant.
St. Boniface, 1 plant.

Alberta—Medicine Hat, 1 plant.

3. No.

ATLANTIC COAST LOBSTER FISHING INDUSTRY

Mr. BLACK (Cumberland):

1. Has the attention of the Department of Fisheries been drawn to the shortage of manpower, gear and equipment in the lobster fishing industry on the Atlantic coast?
2. What steps, if any, are being taken by the Department of Fisheries to allow lobster fishermen operating in the Northumberland straits adjacent to a district having a spring season and a district having a fall season, to use his gear and equipment to trap lobsters in both seasons of 1943?

Mr. MICHAUD:

1. No.

2. After full consideration, and under existing conditions, it is not considered in public interest to effect any change in the lobster fishing regulations.

FLAX PRODUCTION AND PROCESSING

Mr. BENCE:

1. What is the estimated number of bushels of flax which Canada produced in 1942?

2. How many flax processing plants are situated in Canada?

3. Where are such plants located?

4. What is the individual capacity of each such plant per year?

5. Are there sufficient processing plants on the North American continent to take care of the processing of more flax than that produced on the continent in 1942?

6. If not, when was this fact brought to the attention of the administration and in what manner?

Mr. ILSLEY:

1. Production (western Canada)—14,700,000 bushels. When allowing for 10 per cent dockage, the marketable crop was—13,230,000 bushels.

2. Nine in operation. One under construction.

3. Quebec—Montreal, 3 plants.
Ontario—
Toronto, 2 plants.
Baden, 1 plant.
Hamilton, 1 plant under construction.
Manitoba—
Winnipeg, 1 plant.
St. Boniface, 1 plant
Alberta—Medicine Hat, 1 plant.

4. It is considered undesirable to disclose the individual capacity of each flax processing plant in Canada, as to do so would divulge to competitors the business affairs of private firms. However, the total capacity of all plants in Canada is 6,395,000 bushels.

5. Yes.

6. See reply to question 5.

WARTIME PRICES AND TRADE BOARD—OTTAWA HOUSING REGISTRY COMMITTEE

Mr. MARSHALL:

1. Has the wartime prices and trade board set up an organization known as "Ottawa housing registry committee"?

2. If so, who are the officers of this organization and what remuneration either by way of salary or personal expenses, is allowed them?

[Mr. P. C. Black.]

Mr. ILSLEY:

1. Yes.

2. Ottawa Housing Registry committee members: Mr. C. A. McCracken, chairman; Miss Violet Tennant, secretary; Sister Mary Shostak, Miss L. O'Boyle, (Sisters of Service); Miss Joy Maines (Citizen's Committee—Council of Social Agencies); Mr. H. Rheaume (Civil Service Commission); Miss D. Randle (Civil Service Commission); Madame Gustave Lanctot—another appointment to be made—meanwhile, Miss Edna Inglis or Mrs. Norman McLarty are acting (Consumer Branch); Mr. T. W. Cowan (Y.M.C.A.—second appointment to be made); Mother St. Thomas, Sister St. Andrew (Institut Jeanne d'Arc); Mrs. H. Frechette, Dr. L. I. Pugsley, (Y.W.C.A.); Major C. S. Ford (City of Ottawa); Mrs. Alan C. Fleming (Women's Volunteer Bureau). No remuneration either by way of salary or personal expenses is allowed to any member of this committee.

GASOLINE RATION COUPON BOOKS—DISTRIBUTION

Mr. MARSHALL:

1. Has the government taken any steps to use the services of the issuers of car licences throughout Canada to distribute the new gasoline ration books?

2. If so, what arrangements have been made?

Mr. HOWE:

1. Yes.

2. The category "AA" gasoline licence and ration coupon books are all issued through the issuer of motor vehicle licences in the various provinces. The "special" books are issued only through the regional offices of the oil controller.

CAMP BORDEN RAILWAY FACILITIES

Mr. ROSS (Souris):

1. Are the removal of the railroad tracks to a different location at Camp Borden contemplated?

2. If so, what is the estimated cost of the same?

3. Is the project now under way?

4. Will the project be carried out under contract or day labour?

5. If the project is to be carried out by contract, what is the contract price or the nature of the contract?

Mr. RALSTON:

1. This work has been completed.

2. Total cost, $71,032.00.

3. See reply to No. 1.

4. Both. Some military labour was used for the day labour portion.

5. The portion of the work carried out jointly by the Canadian National Railways and the Canadian Pacific Railway was done by agreement. The funds allocated for this were $35,932.00. Arrangements were made as follows:—

A meeting of representatives of the quartermaster-general, the Canadian Pacific Railway and the Canadian National Railways was held on July 23, 1942. It was agreed that railway engineers confer with the camp commander, Camp Borden, then submit proposal and estimated costs.

The railways proposal and costs ($35,932.00) were submitted August 11, 1942.

Arrangements for carrying out the work were made between the camp engineer officer and railway representative at Camp Borden.

A letter of approval to the Canadian Pacific Railway from the quartermaster-general was sent October 8, 1942.

CAMP BORDEN ADMINISTRATION BUILDING

Mr. ROSS (Souris):

1. Is the erection of a new administration building contemplated at Camp Borden?
2. If so, what is the estimated cost of the construction of the building?
3. Is it to be built by contract or day labour?
4. Have contracts been let for the construction?
5. What is the contract price or the nature of the contract?
6. When will it be completed?

Mr. RALSTON:

1. Under consideration—no decision arrived at as yet.

2 to 6. Answered by No. 1.

JOINT DEFENCE BOARD

Mr. HAZEN:

1. Is the Canada-United States joint defence board still functioning?
2. If so, who are the Canadian members of such board?
3. How many meetings has the board held since January 1, 1942?

Mr. MACKENZIE KING:

1. Yes.

2. The Canadian members of the board are: Colonel O. M. Biggar, chairman; Major-General M. A. Pope, Rear Admiral G. C. Jones, Air Vice Marshal N. R. Anderson, Mr. H. L. Keenleyside, secretary.

3. The board has held twelve meetings since January 1, 1942.

ITALIAN PRISONERS OF WAR

Mr. REID:

1. Have any negotiations taken place between Great Britain and Canada regarding the sending of Italian prisoners of war, to be employed in work here?
2. If so, what decision has the government arrived at in the matter?
3. Will residence in Canada by prisoners of war, brought about by their incarceration, be considered a valid reason for their permanent residence following the conclusion of hostilities?

Mr. MACKENZIE KING:

1. No negotiations have taken place between the United Kingdom and Canada regarding the sending of Italian prisoners of war to be employed in work in Canada.

2. Answered by No. 1.

3. Prisoners of war do not acquire a permanent status in Canada, since they are not admitted as immigrants. Their temporary stay in Canada would not legally entitle them to admission for permanent residence.

ROYAL CANADIAN AIR FORCE—RADIO TECHNICIANS

Mr. MARSHALL:

1. Has the Minister of National Defence for Air formulated any plans for the recognition, by way of promotion for merit, of radio technicians of the R.C.A.F. who are serving overseas?
2. If so, when will they be put into force?

Mr. POWER: This is a question which perhaps can be better answered than by a mere yes or no. If my hon. friend will agree to let it stand until the discussion comes up on the war appropriation, I think I can then deal with it in a far more satisfactory manner than by a short answer now.

Question stands.

FINANCIAL ASSISTANCE TO BRITISH COLUMBIA FUEL COMPANIES

Mr. O'NEILL:

1. Is any monetary assistance being given by the government to, (a) Canada Western Fuel Company, Nanaimo, (b) Middlesboro Collieries, Merritt, British Columbia?
2. If so, on what basis and what amount has been paid to each?

Mr. ILSLEY:

1. (a) No such company. (b) Yes.

2. Middlesboro Collieries, Merritt, British Columbia. (i) Assistance paid by coal administrator under wartime prices and trade board in respect to cost of living bonus August 24, 1942 to October 31, 1942, $448.36. (ii) By emergency coal production board in respect to production subsidy, October 1, 1942, to February 28, 1943, $9,600.

WARTIME PRICES AND TRADE BOARD—FARM PRODUCTS

Mr. REID:

1. Has the government given power to the wartime prices and trade board, which would allow the board to compel farmers to market

farm products grown by them and which products have been placed under regulations as to prices by the wartime prices and trade board?

2. Has such power been granted the wartime prices and trade board which would give them authority to seize or take forcible possession of any farm produce from a farmer, and which farm products may be under the price regulations of the board?

Mr. ILSLEY:

1. Under the wartime price and trade regulations, being P.C. 8528 of November 1, 1941, the board has power to require any person producing . . . . processing . . . . or dealing in any goods or services to produce . . . process. . . . distribute, deliver . . . . or otherwise deal with any goods or services in such manner . . . . as may be specified by the board.

2. The same regulations empower the board to take possession of any supplies of any goods.

Under the said regulations farm produce is in the same position as any other goods.

CANADIAN ARMED FORCES—AIR MAIL SERVICE

Mr. ROSS (Souris):

1. What is the cost of sending a letter air mail to a member of the armed forces overseas?

2. Does any of this mail go by boat?

3. If so, what percentage goes by boat?

Mr. MULOCK:

1. Airgraph, 6 cents. Armed forces air letter, 10 cents. Ordinary air mail, 30 cents per half ounce. No service on account of lack of aircraft capacity.

2. Airgraph, all by plane.

Armed forces air letter. Owing to shortage of space on transatlantic aircraft due to priority accorded war equipment, it has not been possible during recent months to give air conveyance to all correspondence prepaid at air mail rates and the excess quantity has had to be forwarded by ship. Operating officers are instructed to advise the public accordingly and the department is endeavouring by means of a strenuous publicity to have the public use airgraph.

3. Airgraph, all by plane. None by boat.

Armed forces air letter. Oct. 1942, 30 per cent; Nov. 1942, nil; Dec. 1942, 34 per cent (Christmas mailings); Jan. 1943, 3 per cent; Feb. 1943, nil up to the present.

CANADIAN INVESTMENTS IN CUBA

Mr. HATFIELD:

1. What amount is invested by Canadian banks in Cuba?

2. What is the amount of all other Canadian investments in Cuba?

[Mr. Reid.]

Mr. ILSLEY:

1. No information. The chartered banks monthly return of assets and liabilities to the Minister of Finance does not disclose particulars of assets and liabilities by various countries.

2. No information.

BANK FOR INTERNATIONAL SETTLEMENTS

Mr. HATFIELD:

1. Is the bank for international settlements, established in 1930, still in operation?

2. If so, has Canada any representation?

3. (a) What representation is held by the united nationals; (b) what representation is held by the axis powers and all countries controlled by the axis powers?

Mr. ILSLEY:

1. Yes.

2. No.

3. The annual report of the bank for international settlements for the year ended March 31, 1942, discloses directors representing various countries as follows: Great Britain, 3; Netherlands, 1; Belgium, 1; Switzerland, 1; Sweden, 1; France, 3; Italy, 2; Germany, 4.

COMMERCIAL AIR ROUTES

Mr. GREEN:

1. What agreements are in existence between Canada and any other country or countries concerning commercial air routes?

2. Upon what dates were such agreements made?

3. Are negotiations under way at the present time between Canada and any other country or countries concerning commercial air routes?

4. If so, with what country or countries, and what is the purpose thereof?

Mr. MACKENZIE KING:

1 and 2.

(a) Multilateral—The convention relating to the regulation of aerial navigation, Paris, 1919, with additional protocols in 1920, 1922, 1923 and 1929.

(b) United Kingdom, Ireland and Newfoundland—On March 26, 1936, the Canadian government approved, subject to one proviso, the conclusions and recommendations arrived at by the conference of representatives of the United Kingdom, the Irish Free State, Newfoundland and Canada, held in Ottawa in November and December, 1935, to discuss trans-Atlantic air routes. The terms of the intergovernmental trans-Atlantic air services agreement of 1935-36 were set forth in a statement given to the press on July 30, 1936, by the Honourable C. D. Howe, Minister of Railways. The principal points dealt with in

this agreement have never become operative and the whole position of the parties to the agreement is now under consideration.

(c) Newfoundland — Arrangement giving Trans-Canada Airlines permission to conduct a service between Canada and Newfoundland from April 1, 1942, to March 31, 1943, renewable from year to year thereafter. (Exchange of letters of February 6, 7, 9 and 27, 1942.)

(d) United States of America—(1) Permit dated December 2, 1941, granted to Pan American Airways Incorporated to fly into, through and away from Canada on a trans-Atlantic air transport service until April 30, 1951. (Exchange of notes of November 4, December 3 and 22, 1941.) (In substitution for permit issued on March 5, 1937.)

(2) Agreement relating to the operation in either Canada or the United States of civil aircraft duly registered in the territory of the other country. (Exchange of notes of July 28, 1938, treaty series, 1938, No. 8.)

(3) Arrangement relating to air transport services. (Exchange of notes of August 18, 1939, treaty series, 1939, No. 10.)

(4) Arrangement giving American Export Airlines Incorporated permission to conduct a service over Canadian territory en route non-stop (except for emergency landings at Halifax) between New York and Ireland, for the duration of present hostilities and subject to certain conditions. (Exchange of notes of February 26, and March 19, 1942, modified by letters of June 24 and July 9, 1942.)

3. Yes.

4. Negotiations are taking place with the United States for the conclusion of an agreement to continue in force the supplementary air transport arrangement of 1940 (treaty series, 1940, No. 13) which expired on December 31, 1942.

RADIO BROADCASTING—DRUMMOND WREN

Mr. ROSS (Middlesex East):

1. Who is Drummond Wren of Toronto?
2. Has he ever received any payments from the public funds?
3. If so, for what purpose; what is the aggregate amount?
4. What, if any, have been the relations of the said Drummond Wren with the Canadian Broadcasting Corporation?
5. Has there been any dispute between the Canadian Broadcasting Corporation and Mr. Wren, or any organization represented by Mr. Wren?
6. If so, what was the nature of the dispute?

Mr. LaFLECHE:

1. Mr. Drummond Wren is general secretary of the Workers' Educational Association.

2. He has received payment from the Canadian Broadcasting Corporation.

3. For services rendered in connection with the National Labour Forum: in 1941, $17; in 1942, $360.

4. As secretary of the National Labour Forum, a weekly programme of the Canadian Broadcasting Corporation.

5 and 6. Mr. Wren objected to the script.

MAPLE SUGAR AND SYRUP

Mr. LACOMBE:

1. What was the value of all maple products manufactured in Canada in 1942?
2. How many gallons of maple syrup were produced by the manufacturers in the same year?
3. How many pounds of maple sugar were produced?
4. What was the average price per gallon and per pound?
5. What was the value and quantity of Canada's exports of these products?

Mr. MacKINNON (Edmonton West):

1. Value of all maple products in Canada in 1942, $6,716,300.

2. Number of gallons of maple syrup produced by the manufacturers in 1942, 2,876,900.

3. Number of pounds of maple sugar produced, 3,737,200.

4. Average price per gallon, $2.07. Average price per pound, 20 cents.

5. Value and quantity of Canada's exports of maple syrup, $729,617; 379,504 gallons. Value and quantity of Canada's exports of maple sugar, $1,438,779; 5,818,214 pounds.

*MILITARY SERVICE—LEAVE TO FARMERS FOR MAPLE SUGAR OPERATIONS

Mr. LACOMBE:

Will leave of absence from military training be granted to sons of farmers and farm hands to enable them to participate in the next maple products harvest?

Mr. RALSTON: The answer to this question is that general leave of absence will not be granted, that no general order of the kind will be made, but that individual applications by soldiers will receive appropriate consideration, the same as applications in connection with other occupations for what may be regarded as essential purposes.

LABOUR MANAGEMENT COMMITTEES

Mr. COLDWELL:

1. How many labour-management committees are functioning in Canada to-day?
2. How many employees are engaged in the plants where such committees function?

3. Are such committees functioning in crown companies?
4. If so, how many, and which of them?

Mr. MITCHELL:

1. Approximately 631.

2. Approximately 327,395.

3. Yes.

4. Committees are operating at Small Arms Ltd., Toronto, Toronto Shipbuilding Co., Toronto, and Research Enterprises Ltd., Toronto, and others are at the formation stage.

"CANADA AT WAR"

Mr. McGREGOR:

1. How many copies of each monthly number of the publication *Canada at War*, have been printed in each month since September, 1942?
2. Of these numbers, how many have actually been distributed in each month?
3. What was the total cost of the printing of each of these monthly numbers?
4. What was the total cost of distributing each of these monthly numbers?

Mr. MACKENZIE KING:

1. October, 1942—*Canada at War* was not published. November, 1942—English, 125,000; French, 50,000. December, 1942—English, 121,640; French, 60,000. January, 1943—English, 113,000; French, 73,000. February, 1943—English, 110,000; French, 55,000.

2. November, 1942—English, 124,093; French, 49,257. December, 1942—English, 121,640; French, 60,000. January, 1943—English, 113,000; French, 67,220. February, 1943—English, distribution still in process; French, 53,842.

3. November, 1942—$1,803.18. December, 1942—$2,390.50. January 1943—$1,870.68. February, 1943—bill not yet received.

4. No separate records of distribution costs as applying to any one publication are kept.

SUBMARINES

Mr. ADAMSON:

1. How many submarines were built in Canada in the first world war?
2. How many have been built during the present war?
3. How many are now in commission?

Mr. ADAMSON: It will be perfectly satisfactory if the minister gives a private reply in this case.

Question dropped.

FAIRMILES

Mr. ADAMSON:

1. How many "Fairmiles" have been built in Canada?
2. How many are now under construction?
3. How many are now in commission?

Question dropped.

[Mr. Coldwell.]

DESTROYERS

Mr. ADAMSON:

1. Have any destroyers been built in Canada?
2. Are any now building?
3. How many are in commission?

Question dropped.

IMPORTS FROM AND EXPORTS TO SPAIN

Mr. MacINNIS:

1. What was the value of Canadian exports to Spain for the calendar year 1942?
2. What was the value of imports to Canada from Spain for the same period?

Mr. MacKINNON (Edmonton West): This question deals with information which it is not the general policy of the government to make available in war time, but for fear that more harm might be done by not answering than by answering, I am submitting the answer. It is as follows:

1 and 2. Canadian imports and exports with Spain during the calendar year 1942:—Imports entered for consumption, $406,270; exports, $10,609.

WIDOWS WITH SONS IN ARMED FORCES—TEMPORARY EMPLOYMENT AND DEPENDENTS' ALLOWANCES

Mr. HOBLITZELL:

Will the government extend to widows whose sons are serving in the various armed services, the right to take temporary employment and keep both dependents' allowance and wages or salaries, as given to widows of civil servants under the terms of an order in council passed on February 11, last?

Mr. RALSTON: This question concerns a matter of policy in connection with which an answer is not given until the policy itself is announced.

Question dropped.

OLD AGE PENSIONS

Mr. KNOWLES:

1. Has the government been advised by the government of Manitoba as to whether the amount of the old age pension, and the pension to the blind, to residents of that province, is to be increased?
2. If so, what is the amount of the increase, and from what date is it to be effective?
3. Was the government of Manitoba given assurance that this government would provide its three-fourths share of a proposed increase?
4. Have assurances similar to the above been given to the governments of the other provinces?
5. What steps are being taken by the government to make provision for such an increase throughout Canada?

Mr. ILSLEY:

1. No. However, the province of Manitoba has requested that the old age pensions

regulations be amended to allow that province to pay supplemental allowances to old age pensioners.

2. These supplemental allowances are paid wholly by the province, accordingly the amount of the allowance and the date of commencement are matters to be decided solely by the province.

3. No.

4. No.

5. This question relates to a matter of policy and it is not the practice of the government to disclose policy in giving answers to questions; see, however, statement by Minister of Finance in House of Commons on November 14, 1941 (*Hansard*, page 4423).

INTERNATIONAL WAR COMMITTEES, BOARDS OR TRIBUNALS

Mr. STOKES:

1. Upon what international war committees, boards or tribunals is Canada represented?

2. Who are the representatives of Canada upon each of these committees, boards or tribunals?

Mr. MACKENZIE KING:

1. (a) Pacific Council (Washington); Canadian member: Mr. Leighton McCarthy, Canadian Minister to the United States. Pacific War Council (London); Canadian member: Mr. Vincent Massey, Canadian High Commissioner, London.

(b) Combined Production and Resources Board; Canadian member: C. D. Howe, Minister of Munitions and Supply.

(c) Combined Committee on Air Training in North America; Canadian member: Air Vice-Marshal R. Leckie.

(d) Joint Economic Committees; Canadian members: Dr. W. A. Mackintosh, special assistant to the deputy minister of finance, chairman; George C. Bateman, metals controller, Department of Munitions and Supply; Dr. J. G. Bouchard, assistant deputy minister, Department of Agriculture; D. A. Skelton, Bank of Canada; H. L. Keenleyside, assistant under-secretary of state for external affairs, may sit with committee as occasion warrants. Liaison Officer: H. F. Angus, Department of External Affairs. Secretary: J. J. Deutsch, Department of External Affairs.

(e) Permanent Joint Board on Defence; Canadian members: Col. O. M. Biggar, K.C., chairman, Victoria Building, 140 Wellington Street; Rear Admiral G. C. Jones, deputy chief of the naval staff, Department of National Defence; Major-General Maurice A. Pope, chairman Canadian joint staff, Washington, D.C.; Air Vice-Marshal N. R. Anderson, R.C.A.F. Secretary: H. L. Keenleyside, assistant under-secretary of state for external affairs.

(f) Joint War Production Committee; Canadian members: Harry J. Carmichael, coordinator of production, Department of Munitions and Supply, chairman; R. P. Bell, director-general, aircraft production branch, Department of Munitions and Supply; E. J. Brunning, director-general, ammunition and gun production branch, Department of Munitions and Supply; J. R. Donald, director-general, chemicals and explosives branch, Department of Munitions and Supply; H. R. MacMillan, president, Wartime Merchant Shipping Ltd., Montreal; Hume Wrong, assistant under-secretary of state for external affairs. Secretary: Frank H. Brown, financial adviser to the Department of Munitions and Supply.

(g) Materials Coordinating Committee; Canadian members: H. J. Symington, K.C., power controller; G. C. Bateman, metals controller; F. V. C. Hewett, executive secretary, Department of Munitions and Supply.

(h) Combined Food Board:

Canadian members on committees established by the combined food board:

Sugar, Mr. H. J. Hobbins, deputy sugar administrator, wartime prices and trade board.

Oils and fats, Mrs. Phyllis G. Turner, oils and fats administrator.

Vitamins, Dr. L. B. Pett, director of nutrition service, Department of Pensions and National Health.

Seeds, Mr. Nelson Young, seeds administrator, Department of Agriculture.

Meats and meat products, Mr. L. W. Pearsall, assistant director of marketing service, Department of Agriculture.

Also attending: Dr. G. E. Britnell, wartime prices and trade board.

Fertilizers, Mr. G. S. Peart, administrator of fertilizers.

Fruits and vegetables, Col. L. R. Wheeler, assistant director of marketing service, Department of Agriculture.

Spices, coffee and cocoa, Mr. F. J. Kemlo, commodity prices stabilization corporation.

Dairy and poultry products, Mr. J. F. Singleton, associate director of marketing service, Department of Agriculture.

Also attending: Mr. W. A. Brown, chief, poultry marketing and production, Department of Agriculture.

Dehydration, Mr. M. B. Davis, dominion horticulturist.

Fish and fish products, Dr. D. B. Finn, Deputy Minister of Fisheries.

Also attending: Dr. Stewart Bates, Department of Fisheries.

(i) United Nations Information Board: Canadian Member:

L. B. Pearson, minister counsellor, Canadian legation, Washington.

2. Answered by No. 1.

DOMINION STATISTICS—"PHYSICAL VOLUME OF BUSINESS"

Mr. ISNOR:

1. What is meant by the term "physical volume of business" as used by the dominion bureau of statistics?

2. What were the physical volume of business figures for the years, (a) 1942, (b) 1941, (c) 1940?

3. What were the index figures for employment in Canada for the years (a) 1929, (b) 1933, (c) 1937, (d) 1941?

4. What was the earning power per man per year for the years, (a) 1929, (b) 1933, (c) 1937, (d) 1941?

Mr. MacKINNON (Edmonton West):

1. The term "Physical Volume of Business" applies to a monthly index of productive operations maintained by the Dominion Bureau of Statistics. The computation is based in recent years on 66 factors expressed in terms of volume. The components are classified under mining, manufactures, construction, central electric stations, railway traffic and distribution. The weighting is based on the "value added" by the productive processes of the respective industrial or service groups. The average for 1935 to 1939 is regarded as equalling 100 and the monthly index consequently is a percentage of the results for that period.

2. The index of the physical volume of business in the three years was as follows: (a) 201·7; (b) 165·0; (c) 124·2.

3. The index of employment on the base of 1926 in the four years was computed as: (a) 119·0; (b) 83·4; (c) 114·1 (d) 152·3.

4. Following are the remuneration rates of the employees per man-year: (a) $1,209; (b) $937; (c) $1,064; (d) $1,223.

QUESTIONS PASSED AS ORDERS FOR RETURNS

WARTIME HOUSING LIMITED—STAFF HOUSES

Mr. FRASER (Peterborough West):

1. How many staff houses have been built by the Wartime Housing Company, Limited, and where were they built?

[Mr. Mackenzie King.]

2. In each case, what was the cost of (a) the land, (b) the sewers, (c) kitchen equipment, (d) dining room equipment, (e) refrigeration, (f) other services?

3. What was the contract price for each staff house?

4. What was the cost of equipping each?

5. What does it cost per month for the staff for each staff house?

6. What is the total monthly upkeep cost of each?

7. What price per month is paid to the managers of each?

8. How many men or women are paying room rent in each staff house?

MILITARY SERVICE—POSTPONEMENTS

Mr. DOUGLAS (Weyburn):

How many men in each military district, as at December 31, 1942, have (a) been called up for military service, (b) have applied for postponement, (c) have been granted postponement for six months or longer?

PURCHASE OF GASOLINE BOAT "THE KAWARTHA"

Mr. FRASER (Peterborough West):

1. Has the government purchased a gasoline boat, formerly known as *The Kawartha*, and located at Bobcaygeon, Ontario?

2. If so, from whom was the boat purchased?

3. What was the purchase price?

4. What expenditures have been incurred by way of repairs or alterations to the boat?

OTTAWA TEMPORARY BUILDINGS

Mr. BENCE:

1. Does the administration plan the erection of another temporary building in the city of Ottawa or Hull or the immediate vicinity thereof?

2. If so, what is, (a) the estimated cost of the land and building; (b) the specific use to which the building will be put?

DEFENCE OF CANADA REGULATIONS—FREDERICTON INTERNMENT CAMP

Mr. COLDWELL:

1. Has effect been given to the recommendation of the special committee reviewing the defence of Canada regulations, presented in the fourth and final report of Wednesday, June 4, 1941, suggesting that different classifications of persons detained under regulation 21, be segregated in separate places of detention?

2. Did a serious riot occur among civilian internees of the Fredericton internment camp, on or about February 6?

3. What classification of civilian internees are confined in the said camp?

4. How many were injured?

5. How many required hospital treatment?

6. What was the cause of the disturbance?

7. Were possible causes of trouble brought to the attention of the camp commandant by internees, prior to the disturbance?

8. What steps are to be taken to remove the causes of disturbances in the future?

CANADIAN ARMED FORCES—VENEREAL DISEASE

Mr. FRASER (Peterborough West):

1. Has special attention been given to the prevention of venereal diseases among the armed forces?

2. Are lectures or similar instruction on this subject given to all enlisted persons?

3. If so, is a check made to ensure that every enlisted person receives one or more lectures or other instruction?

4. Is literature on this subject provided for all enlisted persons?

NATIONAL FILM BOARD

Mr. HAZEN:

1. What was the total expenditure of the national film board during the fiscal year ended March 31, 1942?

2. What was the total expenditure of the national film board during the present fiscal year to date?

3. What films have been produced by the national film board since March 31, 1942?

4. What was the total cost of each such film?

Mr. LaFLECHE: Return tabled.

CANADIAN ARMED FORCES—FIFTY-MILE BUS TRAVEL REGULATION—HITCH-HIKING

Mr. CHURCH:

1. Will consideration be given to abolishing the fifty-mile bus rule as it applies to soldiers in training in Canada or those home on leave?

2. What is the text of this rule or regulation, why was it enacted and by whom?

3. Has the hitch-hiking order been revoked or suspended?

4. If not, does it apply to all the three forces?

5. Who issued it?

ALIEN ENEMY UNIVERSITY STUDENTS

Mr. CHURCH:

1. What are the government regulations with respect to enrolment of alien enemies in Canadian universities?

2. What are the terms or conditions of such educational courses?

3. Do persons so enrolled receive any military training and do they wear Canadian uniforms?

4. If so, under what rules and regulations?

USE OF TROOPS FOR SNOW CLEANING IN TORONTO

Mr. CHURCH:

1. Were any soldiers in military district No. 2 requisitioned by civil authority or otherwise, to clean snow from Toronto streets this winter?

2. If so, how many, from where, and was any consideration or pay given them by the city?

3. What has been the practice in the past in these matters, and in the last war?

4. What provision is there in (a) the criminal code, (b) the Militia Act, for civil authority requisitioning the use of military power to aid them?

5. Who authorized the use of such troops for snow cleaning, and was the service voluntary or compulsory?

6. Were any troops from Camp Borden used in this work? If so, how many?

Mr. RALSTON: Return tabled.

HEALTH CONDITIONS IN HALIFAX

Mr. COLDWELL:

1. What was the population of Halifax, Nova Scotia, according to the census in the years 1931 and 1941?

2. What was the estimated population of Halifax in the years 1939 and 1942?

3. Is the increase in population mainly due to the concentration of persons engaged in essential war services?

4. Is the government aware of a startling report on health conditions in Halifax, made recently by Dr. D. Bruce Wilson and Dr. W. A. McIntosh of the Rockefeller Foundation?

5. If so, will the government consider using its powers under the War Measures Act to ensure adequate protection of persons ordered to perform essential war duties in that city?

SHEPARD AIRPORT, ALBERTA

Mr. JOHNSTON (Bow River):

1. What was the total cost of the Shepard airport, near Calgary, Alberta?

2. From whom was this land purchased?

3. At what price per acre?

4. How many wells were drilled on this property?

5. Were any of the wells used and, if not, why were they not used?

6. Was water piped from Calgary?

7. If so, (a) at what cost, (b) what does this water cost per year?

8. What did the sewerage drain cost?

9. Who owns the land crossed by the sewer line?

10. What does it cost either for rental or purchase of this land?

WARTIME PRICES AND TRADE BOARD—SAINT JOHN, N.B.

Mr. MacKINNON (Kootenay East):

1. Where is the office of the wartime prices and trade board located at Saint John, New Brunswick?

2. Who owns the premises and what rent is paid?

3. What are the names, permanent addresses, occupations and present duties of all persons employed by the wartime prices and trade board at Saint John, New Brunswick, and what salary does each receive?

DOMINION PAYMENTS TO PROVINCES

Mr. HAZEN:

1. What payments did the dominion treasury make to each of the provinces during each of the years 1940, 1941 and 1942?

2. On what account and for what amount were each of these payments made?

MINES TAKEN OVER BY DOMINION GOVERNMENT

Mr. GREEN:

1. What mines have been taken over by the dominion government, or some agency thereof, since the 1st day of January, A.D. 1942?

2. Where are they situated?

3. Upon what terms were such mines taken over?

4. Which of such mines are being operated and what is the type of product from each mine?

TORPEDOING OF SS "CARIBOU"

Mr. CASTLEDEN:

1. Was the ferry boat *Caribou*, which was torpedoed October 16, 1942, proceeding to Newfoundland on regular schedule?

2. What convoy was supplied to this boat at the time of the torpedoing?

3. Were the lights on the *Caribou* extinguished at the time it was torpedoed?

4. What precautions were taken to have lifeboats and rafts available in case of disaster?

FERTILIZER FOR TOBACCO AND POTATO GROWING

Mr. BLACKMORE:

1. How many acres of tobacco were raised in Canada last year?

2. How many tons of fertilizer were used on this acreage?

3. How many people were employed in producing the tobacco crop?

4. Would the fertilizer that was used to produce tobacco be suitable for (a) growing potatoes for dehydration to ship to England, (b) for growing sugar beets?

5. Has Canada a shortage of potatoes for dehydration?

6. Was there a shortage of fertilizer in 1942 for the potato crop in the maritime provinces?

TORONTO SHIPBUILDING COMPANY

Mr. ADAMSON:

1. When did the government of Canada take over from the Dufferin Shipbuilding Company, the property now held by the Toronto Shipbuilding Yards?

2. What price was paid the Toronto Shipbuilding Company?

3. What amount was allowed for, (a) the freehold title to lands, (b) leasehold lands, (c) machinery, (d) goodwill, (e) government contracts in the course of fulfilment, (f) use of machinery during 1941 and 1942?

4. To what firm was the contract of paving the yards given?

5. Did Mr. Franceschini have any financial interest in the company?

[Mr. G. E. L. MacKinnon.]

6. What was the price received?

7. When was the work done under such contract?

8. How many ships have been completed by the Toronto Shipbuilding Company?

9. How many have been accepted by the government?

10. On what dates were deliveries made?

11. What salaries over $3,000 per annum are being paid by the Toronto Shipbuilding Company and to whom?

COBALT

Mr. NOSEWORTHY:

1. In what quantity and in what form is cobalt being imported into Canada for refining, from the Belgian Congo and Rhodesia?

2. How many refineries exist in Canada for refining cobalt?

3. Where are they located?

4. By what companies are they owned and operated?

5. Has a request been received by the government of Canada from the British government for a survey of cobalt ore in Canada?

6. If so, was such a survey made, and when?

7. What steps have been taken to ascertain what deposits of cobalt exist in Canada?

8. What efforts are now being made to mine cobalt in Canada?

9. To what extent has the Canadian government taken advantage of assistance from the government of the United States in regard to the mining of cobalt in Canada?

MEAFORD, ONT., TANK RANGE

Mr. NOSEWORTHY:

1. Why has the construction work on the tank range at Meaford been discontinued?

2. When is it to be resumed?

3. What amount has been spent to date on this project?

4. What is the estimated cost of the completed project?

5. Is there a works office being maintained on the property while no work is being done?

6. Why are tanks being brought back and forth between Borden and Meaford for weekly practice?

7. Does this serve any purpose that could not be served by leaving tanks at Meaford and transporting gunners to and fro in army trucks instead of tanks?

Mr. RALSTON: Return tabled.

IMMIGRATION

Mr. CHURCH:

1. What was the number of immigrants to Canada from (a) England, (b) Ireland, (c) Scotland, (d) Wales, (e) the United States, (f) continent of Europe, from 1935 to 1942?

2. How many Canadians have gone to the United States since 1935?

3. How many from 1900 to 1942 went to the United States, as estimated by the bureau of statistics?

4. Has the government taken any steps to encourage immigration to Canada from Great Britain after the war, and assisted aid?

CANADIAN ARMED FORCES—WINTER TRAINING AND TRANSPORT CONDITIONS

Mr. CHURCH:

1. What precautions were, or have been taken by the government for the better health, care and comfort of the men and women of His Majesty's forces in Canada necessitated by the present most severe winter in the training camps throughout Canada?

2. Were fatigue and outside guards or sentry box duties, parades and other out-of-door work curtailed any as a result?

3. Had the camps adequate hospital and medical staffs and equipment?

4. Have all leaves been suspended under the transport controller's or other orders until February 28?

5. Why are trains at weekends provided for civilians and not for soldiers during this period?

SELECTIVE SERVICE—REGISTRATIONS FOR EMPLOYMENT

Mr. KNOWLES:

1. How many persons registered for employment, including those for whom separation notices were sent in by employers, at each of the five regional offices of the department of national selective service, during each of the following months: August, September, October, November, December, 1942, and January, 1943?

2. How many persons were placed in employment by each of the above five regional offices, during each of the above-named months?

3. Of those placed in employment by the Winnipeg office, how many were placed within the province of Manitoba, and how many were placed outside the province of Manitoba, during each of the above-named months?

VETERANS GUARD OF CANADA

Mr. LACROIX (Beauce):

1. What is the monthly, or yearly remuneration to the Veterans Guard of Canada for, (a) salary, (b) board, (c) upkeep, (d) clothing?

2. Are these allowances paid regularly every fortnight or monthly?

3. Are the veterans guard entitled to the twenty cents granted to other soldiers?

4. If so, what is the reason why they have not received same since first of January last?

NATIONAL STEEL CAR CORPORATION—MALTON PLANT

Mr. BOUCHER:

1. Has the government taken over the National Steel Car Company's plant at Malton?

2. If so, what are the arrangements made between the Canadian government and National Steel Car concerning the same?

3. How much was allowed during the years 1940, 1941 and 1942 for depreciation and accelerated depreciation on, (a) buildings, and (b) machinery?

4. At what rates were these amounts allowed to the said company on the costs of production of the aeroplanes built and delivered by them?

NATIONAL STEEL CAR CORPORATION—PROFITS

Mr. BOUCHER:

1. What profits were made by National Steel Company to the date the government assumed management of the plant?

2. Does this profit include any portions of the amounts allowed for depreciation or accelerated depreciation?

3. What arrangements, if any, have been made by the government for the post-war use or salvage of this plant at Malton?

4. What excess profits taxes have been paid by National Steel Car in respect to its Malton plant?

NOORDUYN AIRCRAFT CORPORATION

Mr. BOUCHER:

1. What capital did the Noorduyn Aircraft Corporation of Montreal have when the government placed the first contract with them?

2. Who owned the property in which they operated?

3. Was any sales commission or compensation in lieu thereof paid to any person?

4. Did the government make any arrangement with the Noorduyn Company acquiescing in payment of sales commission or any amount in lieu thereof to any person?

5. If so, what was the arrangement?

6. What capital assistance has the government given Noorduyn Company to date?

Mr. BOUCHER:

1. What assistance, if any, has the government given Noorduyn Aircraft Corporation towards its securing bank or other loans?

2. When was such assistance given? Have such loans or credits been paid off?

3. What is the expenditure to date by the government on tools, machinery and equipment for this corporation?

4. What operative capital has the government given this company?

DECENTRALIZATION OF GOVERNMENT DEPARTMENTS

Mr. BRUCE:

1. How many new departments of government have been created since June, 1939, (a) give names of each; (b) how many new buildings have been built to house these departments; (c) how much office space did these provide; (d) what did these buildings cost; (e) how many old buildings have been purchased or leased to provide such accommodation and what amount of office space has been provided for each department respectively; (f) what was the cost of each of the buildings purchased?

2. Considering the great congestion of living space in Ottawa, has the government decentralized any of these departments and, if so, which?

3. Could some of these departments of government function in some other city equally well if office space could be procured or buildings erected there?

4. Has the government considered acquiring and completing the building on the northwest corner of Bay and Yonge streets, Toronto?

5. Could this not be quickly completed to house some department of government and thus relieve congestion in Ottawa?

6. Has the government considered the advisability of adopting the system of decentralization of government departments that has taken place in Washington and London, (a) if not, why not?

CANADIAN SHIPPING BOARD

Mr. CHURCH:

1. Who are the members of the Canadian shipping board, under the trade and commerce department?
2. Who are its chief officers and where did they reside since the war began?
3. What office does Mr. MacDonald hold, or has he held, on this board as an official, and what offices has he held in the Department of Trade and Commerce, where, and what is his salary and other allowances?
4. Was he ever secretary of the board in charge of sailings from the Atlantic and Pacific ports?
5. Is he any relative whatever of Mr. Ristelhueber, who was Vichy minister here? If so, what relation?
6. What various positions has Mr. MacDonald held in the department since the war began?
7. Is he a returned soldier, and has he any experience or training in shipping or navy affairs?

Mr. MacKINNON (Edmonton West): Return tabled.

MOTIONS FOR PAPERS

NORTH PACIFIC AREA—CANADA-UNITED STATES COMMITTEE FOR PLANNING DEVELOPMENT

Mr. GREEN:

For a copy of all orders in council, letters and other documents providing for or dealing with the setting up of a Canada-United States committee for planning the development of northern British Columbia, Yukon Territory and Alaska.

Mr. MACKENZIE KING: There are no orders in council. I should think that would dispose of the motion.

Mr. GREEN: I am also asking for letters and other documents.

Mr. MACKENZIE KING: I shall be pleased to give my hon. friend a general statement on the matter at a subsequent sitting, but I do not think there are letters or documents that could be produced.

Mr. GREEN: Then I understand that the Prime Minister will give the house a statement in regard to this matter?

Mr. MACKENZIE KING: Yes, with pleasure.

Motion dropped.

REPORT ON COBALT, LORRAINE AND GOWGANDA—ARSENICAL ORES

Mr. NOSEWORTHY:

For a copy of a report made on or about the end of October, 1942, by John A. Reid, M.E., Ontario, government mining engineer, to the metal controller on arsenical ores at Cobalt, Lorrain and Gowganda.

Mr. HOWE: I am informed that the report in question is to be published by the government of Ontario. I am told that it is now in the proof reading stage and will be out shortly. Of course the proper place for the hon. member to apply for a copy of the report is not to this government but to the government of Ontario.

Motion dropped.

POSTAL SERVICE—LONDON "ECHO"

Mr. NOSEWORTHY:

For a copy of all correspondence exchanged between the Post Office Department, or any official thereof and the proprietors, officials or any agents of the London *Echo* from January 1, 1937, to the present date.

GIMLI, MAN., AIRPORT

Mr. CLEAVER:

For (a) a list of names of land owners, (b) complete detailed particulars of purchase prices paid for lands acquired, (c) a copy of the report of the independent valuator, J. J. Swanson & Company, Winnipeg, (d) a copy of the report of the C.N.R. right of way agent at Winnipeg, forwarding or accompanying independent valuators report, (e) a copy of all statutory declarations recently procured from individual owners of land, showing owner-cost of lands, in connection with the land purchased for the airport at Gimli, Manitoba.

NORTH PACIFIC AREA

STUDY BY JOINT CANADA-UNITED STATES COMMITTEE OF SOURCES OF DEFENCE REQUIREMENTS AND POST-WAR CONDITIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member for Vancouver South (Mr. Green) asked if I would give him a statement with regard to the matter referred to in a motion for correspondence respecting joint Canada-United States study of the North Pacific area—Alaska, Yukon territory, and northern British Columbia. I promised I would. I am happy to say I have the statement now. I had been anticipating giving the house a statement, but unfortunately did not have it with me and have just this moment received it.

The joint Canada-United States study of the north Pacific area announced on January 25, 1943, was initiated by joint economic committees of Canada and the United States. These committees were established on June 20, 1941, as a result of discussions between the governments of Canada and the United States. It was agreed:

. . . that each government will appoint a committee to meet with a committee appointed by the other and that these committees shall severally and jointly study and report to their respective governments on the possibility of—

1. Effecting a more economic, more efficient and more coordinated utilization of the combined resources of the two countries in the production of defence requirements, to the extent that this is not now being done, and

2. Reducing the probable post-war economic dislocation consequent upon the changes which the economy in each country is presently undergoing.

The Canadian section of the joint committee was appointed on June 20, 1941, by order in council No. 4500. The joint study of the North Pacific area sponsored by the committees falls squarely within the second part of their terms of reference. No orders in council have been passed concerning this study project and no commitments respecting it have been entered into between the two governments.

The study will be conducted under the supervision of the joint economic committees. No special committee has been set up for this purpose.

The area to be studied includes Alaska, Yukon territory and northern British Columbia. The object is to study the possibilities for the economic development of the region for the benefit of the two countries and for the welfare of the inhabitants of the area.

The study is being carried on by officials of the two governments with the assistance of officials of the government of British Columbia. Charles Camsell, Deputy Minister of Mines and Resources, Ottawa, and James C. Rettie, of the Portland office of the National Resources Planning Board, have been appointed to organize and direct the study. The immediate purpose is simply to gather basic information and to develop proposals for the consideration of the joint economic committee. On the basis of this information the committee may make recommendations to the two governments regarding desirable measures of economic cooperation for the future development of the region.

Mr. GREEN: Have any recommendations yet been made by the committee? Has the government of British Columbia a representative on the committee, and if not, does the Prime Minister not think it would be wise to have a representative of the provincial government added to the committee?

Mr. MACKENZIE KING: There are no recommendations up to the present time; and the government of British Columbia has been communicated with and the members of the committee are in touch with the British Columbia government with respect to any representations which that government may wish to make. Whether it is a desirable thing to have a member of the committee from the government of British Columbia, I cannot say at the moment. I have no doubt that if the United States representative and the Canadian representative on the committee think it desirable, they will ask for that addition.

Mr. GREEN: The Prime Minister knows of no objection to having as a member of the committee a representative of the province of British Columbia?

Mr. MACKENZIE KING: I cannot say offhand. I am leaving it to the two members of the committee to express their view in the first instance. I would wish to be guided in part by that.

Mr. MacNICOL: Does the Prime Minister not think that the operation of the committee comprising representatives of the United States and Canada to survey the resources of northern British Columbia, the Yukon and Alaska, will affect the work of our own reconstruction and rehabilitation committee, since in each case natural resources are being dealt with?

Mr. MACKENZIE KING: No. My reply to my hon. friend would be that I think each would be toward the other rendering a complementary service. There would be cooperation each with the other, not interference with each other. Doctor McIntosh, who is on the one committee to which I have referred, has also a certain supervision of the work of the committee on reconstruction.

INTERNATIONAL CURRENCY

RETURN TO GOLD STANDARD—INQUIRY AS TO CORRESPONDENCE

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend the member for Acadia (Mr. Quelch) asked a question last week with respect to a return to the gold standard and international currency, and inquired whether I would bring down any correspondence there might be with the British government or the government of the United States on the matter. I said I would have to ascertain, first, whether there was correspondence and, second, whether either of the governments or both would be agreeable to having it tabled. I did not at the time think there was any correspondence, and I find I was quite right in that regard. The information I am in a position to give is that there has been no exchange of correspondence. Informal discussions on post-war economic and financial questions have taken place from time to time between Canadian officials and experts from the United Kingdom

and the United States, and these discussions will doubtless continue. No commitments have been made by the Canadian government, and no commitments are likely to be made in the near future.

Mr. QUELCH: Can the Prime Minister assure the house that no commitments will be made regarding the restoration of the gold standard, or tying our currency to an international currency of gold, without first referring the matter to the house?

Mr. MACKENZIE KING: I want to be careful about making commitments, but I think I am pretty safe in saying to my hon. friend that no commitments will be made on this particular matter without the house having some advance notice.

BUSINESS OF THE HOUSE

PRECEDENCE OF GOVERNMENT NOTICES OF MOTIONS AND GOVERNMENT ORDERS ON AND AFTER FEBRUARY 22

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on and after Monday the 22nd February, 1943, to the end of the present session, government notices of motions and government orders shall have precedence at every sitting over all other business except introduction of bills, questions by members and notices of motions for the production of papers.

He said: Hon. members will recognize that this motion is identical with one which has been moved at previous sessions of this house since the beginning of this war, and, I might say, is identical in its purpose and intent with similar motions which were moved in this House of Commons at the time of the last war. When Sir Robert Borden's government was in office it was felt desirable that the attention of the house should be given with as much concentration as possible to matters pertaining to the war and with as little diversion from that main purpose as possible. It was thought inadvisable for that reason to have private members' motions occupy the time of what was known as a war session of parliament.

I may say that not only has that practice been followed in this parliament, it has been followed also at Westminster, both in this war and in the last one. In the previous war private members' motions were allowed to stand over until after government business had been fully attended to. During the period of this war both Mr. Chamberlain when he was prime minister and Mr. Churchill as prime minister have introduced similar motions at the different sessions.

On one or two occasions since the house opened, I have referred to the importance of the house giving its time as exclusively as it could to the major business of the session, namely, the country's war effort and the matters immediately pertaining thereto. I would say that there are many reasons which make this procedure more or less obviously imperative. In the first place, there is the time of the house itself to be considered and which must not be diverted more than is necessary from the large questions immediately related to the war. There is also the time of the ministers. They would be obliged to remain in the house while resolutions were being called and particular resolutions were being discussed, obliged to prepare themselves in advance on subjects some of which are more or less, if not in large part, of academic interest or on subjects that might give rise to a good deal in the way of political discussion. A further consideration at this time is the services that are being rendered by members of the public service.

They are all, at least those who are at the head of departments, more or less overburdened with the additional work which has been thrown on their shoulders at this time of war. If they were also obliged to assist in the preparation of information to be used in debate on private members' resolutions, their task would be considerably augmented. I would put as of first importance the impression that would be created throughout the country if our newspapers from week to week were to record that we had had a discussion in this parliament occupying a day on some question such for example as the return to the gold standard or on some of the many other matters that appear in the names of private members.

This motion does not preclude the government at some later stage, if it is thought advisable, from taking up private members' motions; it simply postpones their consideration. As a matter of fact this motion does not go as far as the one that has been passed in the British house. The one at Westminster does not allow the appearance on the order paper of public bills other than those introduced by the government itself.

I think I need not say more on this question. I want to assure private members that there is no desire whatever on the part of the government to interfere in any way with their privileges or to abridge their rights in any way. I would feel that hon. members themselves, for the most part if not in entirety, will agree with the government that it is desirable, this year even more than in preceding years, that this House of Commons should give as much of its undivided attention as is possible to the measures that relate immediately to the war.

Mr. M J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I should like to say to the Prime Minister (Mr. Mackenzie King) that while I have no objections—I am speaking as a private member—to the government taking the time that is necessary to discuss government business, I do want to register a protest lest this become a part of our procedure. Perhaps the problem could be met by having an agreement in the house that the government may take private members' days when urgent business so requires, but will leave us other private members' days when business is not so urgent. There are occasions when government business lags to some extent, and at such times it seems to me that private members' days should be permitted.

The Prime Minister cited the example of Westminster. May I remind him that the procedure at Westminster is somewhat different. They have opportunities to bring problems to the attention of the government and for brief discussion in the house on the motion for adjournment; we do not have that privilege. With regard to questions, you, sir, are very careful to compel private members to place them on the order paper. At Westminster an hour is given to questions every day. During this period many supplementary questions are asked and problems are presented to the government which really are not properly questions to be answered. In this way many matters are brought before the government by private members.

The order paper contains many important resolutions placed there by private members. Because I anticipated this motion I did not place on the order paper one that I had in mind. Hon. members consider these to be worth while, and it is our opinion that they are not merely of academic interest. We have such subject matters as pensions for widows of enlisted men of the great war; soldiers' life insurance; old age pensions; prairie farm rehabilitation and irrigation; the single transferable vote; fuel resources; farm labour shortage; the development of mineral resources; irrigation projects; wheat; power development; housing and slum clearance; soldier land settlement; agricultural commodity marketing boards; measures for rehabilitation, and so on. As I say, these topics are not of academic interest alone; they are of great public interest and give hon. members an opportunity of doing what there are few opportunities to do, namely, placing before the house the point of view not only of the member but of the people with whom he is in contact.

While I realize the necessity under war conditions of utilizing some private members' days for other pressing purposes, I wish the motion had been to the effect that the government should be empowered to take private members' days when necessary, leaving us with at least the skeleton if not the reality of private members' days.

Mr. J. G. DIEFENBAKER (Lake Centre): Mr. Speaker, I listened with a great deal of interest to the explanation of the Prime Minister (Mr. Mackenzie King) to this motion, which has the effect of doing away entirely with private members' days for the remainder of this session. While it is true that the government may introduce a motion later to permit the consideration of private members' resolutions, as a result of this present motion no opportunity will be given to any member of this house to use one of his most important prerogatives, namely, the private members' day.

I realize that everything connected with the war should be given precedence at this time, and there is no group more desirous and more cooperative in that regard than His Majesty's Loyal Opposition. But this motion, coming up as it does year after year, is assuming the position of a precedent. I desire to register a protest against what I believe to be an unfair invasion of the right of the private member in this house. I admit the necessity for the precedence of war business and I have shown a willingness to cooperate, but I have noticed one thing in this parliament that is strange. When we and the empire are fighting for the survival of our political and parliamentary institutions, paradoxically enough that is the time when our rights are in many cases being whittled down, with the excuse that the needs of the war make it necessary. Through this motion the Prime Minister gives the members of the house an opportunity to place before him and the government, and through them before the country, a situation which to-day is becoming altogether too prevalent, namely, the loss of the legislative function of this house. Why? —Men and women all over this dominion are asking. Why the sense of frustration which appears to have overwhelmed the members of this house? Why is it, they ask, that the things that should be done are not being done? Why is it that nine-tenths of the vital legislation affecting the welfare of the people of Canada, aside from the exigencies of war and the needs of the moment, is being passed by controllers, administrators and other officials?

The present situation is that often we in parliament have to read the newspapers or listen to the radio to learn of important changes that are taking place in the economic set-up of this dominion. Regulations are being passed day by day which could and should be considered by this parliament, many of them resulting in an unnecessary interference with private rights and too often substituting the caprice of individual controllers for the considered judgment of the members of the House of Commons. Too often our legislative function is overriden by the executive through the passage of orders in council, increasing in volume year by year, until to-day statutes are being abrogated, amended and suspended by order in council—something that is contrary to the principles of representative government for which the Prime Minister has so long contended. It is not altogether confined to the war period; for in 1936, long before the outbreak of this war, the present government suspended the operation of a statute passed by this parliament, the wheat board act, simply by means of an order in council.

Since the war began, parliament has gradually receded in importance until now the position is such that there is little justification for the calling together of parliament, except that the government requires supply and to that end requires to impose taxation. But for purposes other than that, just look at the record on the statute book of last year and then compare it with the booklets which are being issued containing the record of the orders in council which are being passed—and I commend their issuance. Take out from the statute book divorce and other non-vital legislation and you will find that at the present time controllers control and the House of Commons has become an institution where members make speeches but where legislation no longer rests with the representatives of the people.

I ask the Prime Minister—for I know his record in espousing the rights of parliament throughout the years: can there be liberty in this land when controllers have the power to pass and are passing regulations which deny equality under the law, which result in discrimination between members of a class, which deny the right of access to the courts which should be enjoyed by all British subjects and is enjoyed to-day by the people of Great Britain? Even our greatest right—the right of habeas corpus, a right prized by all who appreciate what British justice means—has been done away with, not by act of parliament, but by one of the regulations.

[Mr. Diefenbaker.]

We have come to a position in this country—I do not want to be facetious about it—where there are so many regulations which interfere with economic laws, which overlap one another, which cannot be read consistently one with the other, and which are so impossible even for members of parliament to interpret, that the Minister of Finance (Mr. Ilsley) has seen fit to send letters to members of the house to explain, for instance, the rental regulations and to interpret them so that we in turn may be able to interpret to the people of Canada what the law now is as passed by controllers.

I think the time has arrived, Mr. Speaker, when we as members of this house, regardless of political persuasion, should insist on our right and privilege as members of parliament to legislate for the people of Canada, subject of course to the exception that in the interval between sessions circumstances may arise which require orders in council to be passed. Above all I do object to the infringement of economic rights, the interference with the rights of classes by orders in council while parliament is sitting. Surely the government, with its overwhelming majority in the house, can trust the members of parliament to consider legislation that is beneficial and necessary and be assured that it will be passed. On the one hand we are fighting—our men and those who are serving in the forces—for the survival of parliamentary institutions, and I think that we as members of parliament, prizing the responsibility and honour that is ours, have the right to say to the government that it has gone far enough along the road of destroying the rights of parliamentary government in this country and further it shall not go.

Our next duty is to scrutinize the accounts, to assure the people of Canada that the money we vote will be expended fairly and honestly and secure the greatest possible results. Billions we vote and billions are expended; but what examination is there by parliament of the expenditures that are being made? The only body that we have set up for the purpose is the war expenditures committee. We have no opportunity in this chamber to examine the accounts. The estimates come down during the last week or ten days of the session and millions and tens of millions of dollars are voted in a few days without adequate consideration. When we receive the auditor general's report there is no way of breaking down the large figures which it contains.

The war expenditures committee has looked into some expenditures. I do not know exactly how many contracts have been

awarded, but the number must be far in excess of 100,000. There were 86,000 last year. The war expenditures committee has been sitting throughout the period between sessions and has devoted itself to its task. I know the work of that committee; I was on it. You cannot touch the fringe in an investigation by that committee. We are supposed to scrutinize the accounts as members of parliament. The committee investigates behind closed doors; it scrutinizes behind closed doors such accounts as come before it; and then, when the matter comes before parliament, the members who comprise the committee have their lips sealed in silence. I ask you, Mr. Speaker, whether or not we, in allowing that condition to prevail, are discharging our responsibilities. Secrecy might be justified on the ground that to reveal the facts as they are would injure the war effort of this nation and be of benefit to the enemy. I can see no reason why their colleagues cannot be given such information in connection with over-expenditure as may come to the knowledge of the committee.

Secrecy does but one thing under these circumstances. It gives to those who would be wrongdoers, who deal with the government of Canada, through its manifold relations and departments, a false sense of security. I am not making a partisan speech. I am trying to analyse the position of members of this parliament; for on every hand we are criticized that we are not discharging the responsibilities that are ours at this time.

As members we can secure information by asking questions. We have that opportunity on the order paper. I am not saying it is intentional, but it certainly is a coincidence, that some of the questions asked last session, dealing in the main with the situation regarding man-power, remained on the order paper long after they should have been answered. Some of them were directed as returns. Weeks and months passed by before the answers were forthcoming. Orders for returns are held up. Only last week one of the ministers—he is in the house; if he were not I would not have referred to this matter—gave an answer to a question which indicated an attitude of mind that goes much farther than any minister has gone heretofore. On February 15 the Minister of Munitions and Supply (Mr. Howe) was asked these questions, as reported at page 392 of *Hansard*. The questions were asked by the hon. member for Laval-Two Mountains (Mr. Lacombe):

1. Has the government taken any steps to prevent irregularities discovered in certain war industries since the beginning of the war?

The material word there is "discovered." The minister's answer was, yes. The second question was:

Has the government employed the services of chartered accountants to inquire into the operations of such companies?

The material word there is "such." The answer was, yes. The third question was:

If so, (a) when, (b) in connection with what companies, (c) with what results?

The answers admit that investigations have taken place. The answers admit that irregularities have been discovered. The answer given by the minister to the third question is this:

It is not in the public interest to give the information.

Is it not in the public interest, when the responsibility rests upon the members of this house to scrutinize expenditures, that information which is known to the government should be given to the members of this house and should not be denied them? And that answer was accepted without protest by the members of the house. We are bound under the rules by the answer that it is not in the public interest to answer. Once the answer is given no further investigation can take place so far as that question is concerned.

If we recognize the right of any member of the government to give us that answer in regard to the important question of the right of parliament to investigate expenditures, then we endanger the existence of the parliamentary system that we believe in. There are three rights—the right to legislate, the right to investigate, the right to examine. All those rights, even from the casual examination I have made, have been abrogated during the period of this parliament. I feel that members irrespective of party have had the same experience, and that we must therefore in this house, as private members, assert our rights to maintain for parliament the legislative function except in so far as the exigencies of war between sessions demand its alteration. We have a right to full and prompt information. In no other way can we hope to maintain the prestige of parliament.

There is a feeling of frustration among members which I think is general in the house. It is not lack of interest on the part of members. As to those who say that members of parliament do not work, I should like them to come to Ottawa and see the industry that is displayed by members of this house both inside and outside the house. We are denied the opportunity to do the things we were sent here to do. Too many people believe, and it is not good for public morale, that parliament is stagnant in its enterprise,

sterile in its ideas, and complacent when action is demanded. And, what is worse, they believe that the decisions of caucus are more important in the determination of Canada's policy than are debates in the House of Commons. We as members of this parliament must reassert the right of parliament to do more than vote supply.

So far as private members' days are concerned, the Prime Minister says, properly, that precedence must be given to matters of importance to the war. He mentioned that during the last war the same motion was introduced in the Canadian House of Commons.

Mr. MACKENZIE KING: A similar motion.

Mr. DIEFENBAKER: Yes, pardon me; a similar motion. That is true. But in every session of parliament during the last war, private members had their days, and debated the resolutions that they had on the order paper. In 1917 private members debated such matters as pensions fluctuating in accordance with the fluctuations of prices; free entry of tractors; grants to science; the fuel situation, et cetera. In the war parliament one of the rights Sir Robert Borden endeavoured to uphold was the right of private members to express themselves as they have the opportunity to do only in untrammelled debate on their own resolutions on private members' days.

Even in 1918 it was not until March 26 that a resolution was introduced by the Prime Minister granting precedence to government business on two days in the week, Tuesday and Thursday, and it was not until about one month later, April 29, that the precedence was given to all government business. It is a singular circumstance that March 26, 1918, when private members' days were in part abridged, was one of the darkest days in our history, but even at that time the government recognized the rights of private members. A reading of *Hansard* of that time shows that if the right to private members' days had been interfered with or had been abrogated, there would have been strong criticism from the members of the then opposition.

The Prime Minister stated that in Great Britain they have had no private members' days since the war began. That is correct, but as the hon. member for Rosetown-Biggar (Mr. Coldwell) explained, they have a right that we have not. To-day the questions before the orders of the day, and the answers were most interesting. But the ruling ordinarily is, and properly so, that you may ask only questions of current importance and immediate interest, and you cannot continue to examine the minister questioned after his answer is given. In Great Britain a system prevails that I suggest we could adopt here and thus do away with the necessity for private members' days, giving to private members the same opportunity they would have under a resolution—that is that each day an opportunity be given for an hour or so to ask questions of the ministers of the crown in regard to their several departments, and to follow up the answers given with further questions. At Westminster private members have the opportunity of presenting their views to the government on such days as questions are permitted.

To-day Britain's parliament is at its highest level in dignity and importance and prestige. Britain's parliament epitomizes the national will, the national determination and national leadership. I make the appeal that we in this parliament individually endeavour to elevate the prestige of parliament by assuring the people of Canada that we are discharging our responsibilities, and that we have not been derelict in discharging them. The restoration of the prestige of this parliament is a vital issue.

A great deal of the criticism of parliament that one hears is not merited; none the less it exists. How are we to restore the prestige of parliament? Certainly not by formal abdication of any of our historic rights, but rather by an assertion of the independence of members of this house and a determination on the part of private members that a halt be called to the trend that is altogether too noticeable in Canada, and is increasing, almost pyramiding, as we advance through the time of the war, in detracting or subtracting from the rights of the institution of parliament. We in this parliament must put a stop to any further abdication of our rights; for experience has shown that such abdication, though voluntary, may become permanent. If we in this parliament in war time fail to assert and uphold the great principles of responsible government, the principles for which we fight, we stand in danger of losing some of these rights when peace comes.

If the Prime Minister could see his way to altering the resolution so that on the conclusion of necessary war business an opportunity will be given to private members to assert their prerogative rights, this debate and the few remarks I have made would prove to have been worth while. I repeat that I speak in no partisan sense but with a desire to contribute whatever I can to raising the stature and prestige of parliament in time of war and to improving the morale of the Canadian people;

for if the Canadian people realize that we are discharging our responsibility it will strengthen their determination to discharge theirs.

Mr. J. H. BLACKMORE (Lethbridge): I believe the Prime Minister (Mr. Mackenzie King) is making too sweeping a suggestion when in this fourth year of the war he proposes to sweep away the right of the ordinary member to express the views of his constituency as freely as he may wish to express them. I am told that in England the House of Commons sits continuously. I fail to see why the problems with which Canada has to deal, concerning Canada, should be any less difficult to solve than the problems with which Britain has to deal; and how we can expect to keep in close contact with the progress of affairs in Canada by sitting for only five or six months, while the British house sits throughout the year, I think requires a good deal of explanation.

I know it will be urged that we just have not the time to do all the things we wish to do. The Prime Minister says in effect: Let us get on with the war; let us keep all our attention on the war. I think everyone in this house is anxious to keep his attention on the war and to do everything necessary to further the war effort, but I believe we are falling into a serious error by neglecting what is to happen after the war. Had the Anglo-Saxon race devoted its attention a little more assiduously, in the five years preceding the war, to the matter of preparing for war, we should not have been in the precarious position we occupied during the last two or three years, and we should not be even now in such danger of defeat. In this particular age there is more danger in peace than in war. Everywhere I see indications that there are men who are designing to take away the liberties of mankind. There may be those who will laugh off that idea, but the laugh will be on the other side of their faces by and by, when they find that in their supineness they have allowed precious liberties to be filched away from them. The problems which will confront us after the armistice is signed will be far more serious in every respect than the problems which confront us now; yet up to the present time there has been hardly a half hour devoted to a discussion in this house of the problems of peace. It may be asked, how are we to know what will be the conditions confronting us when peace does come? My reply is, how were we to know what conditions would confront us after war was declared? Surely he who completely neglected provision for the war would have been well nigh a traitor to his country; and I say that those men in this house who sit on the government benches and neglect adequate preparation for the peace are in grave danger of becoming traitors to their country.

What are we going to do about it? I fail to see how we can do anything by closing this parliament early and going home. If this parliament really governs this country; if this is really a democracy, surely we should be about the business of discussing and governing. Let me point out several of the deficiencies which are apparent to me in the conduct of our affairs. I believe this is my eighth year here, and I should like to mention some of the things on which I believe we are going wrong.

While the war is proceeding I find no means whatsoever by which members of this house may review the rulings of the various boards that infest and afflict this country. Surely if anyone should review those rules and amend or commend them, as may be found desirable, it should be the members of this house; and if the members of this house do not do it, how is it ever to be done? This parliament must devise a method of checking up on the rulings of the various boards whose actions in many cases lead me to suspect that they consist largely of irresponsible people. Sometimes I fear we have a whole group of doctrinaire playboys at work on some of these boards, drunk with the power they have been given. Yet this house has no way of checking or reviewing what is going on, or of exercising influence to prevent abuses from taking place.

Here is something else which confounds me. We have several commissions in this country, as for example the railway commission. On one occasion I ventured to suggest that the board of transport commissioners, as it is now called, was hardly conducting affairs as it ought, and I was given the impression that I had stepped into a sanctum sanctorum, a place forbidden, something like this "other place" we cannot talk about in this house. And while I am on that I want to say that I think it is an outrage that members of this house cannot refer with perfect freedom to that other chamber, and discuss what is going on there; and it seems to me that if members of this house cannot be fully informed concerning the operation of the various commissions in this country, and cannot exercise a controlling hand over them, then we have abdicated a power which parliament should possess. Yet we simply cannot afford the time to discuss any matters at all here except those which the government consider fit for us to discuss. We are treated as children, little boys who must not know too much. We may do naugthy things if we know too much. We

are not mature, we members of parliament. And as for the idea of letting the ordinary common man in Canada know about these important things which will affect every aspect of his life for the next generation, why, that would never do! He is not mature; he is not grown up or capable of forming sound judgment. How nonsensical that sounds; and all this talk about things not being in the public interest; all this suppression of public discussion in the house would seem to indicate that hon. members are not qualified to help govern this country, or that the people who sent us here are not qualified to form their own opinions.

Then there is another matter which ought to be remedied at once. There were provincial rights allowed for in the British North America Act. A good many people in Canada seem to be getting the idea that the provinces were supposed to cease to exist about the time they joined confederation. They were sovereign states before they joined, but since that time it seems to have been the consistent policy of Ottawa to weaken and destroy the rights of the provinces. Now I ask, where should the autonomy and the rights of the provinces be defended and carefully safeguarded if not in this house? Hon. members come from the various provinces, yet how often do we hear in this chamber a discussion concerning the preservation of provincial rights. It seems to me this matter ought to be given the fullest and most serious discussion. If we have arrived at a point in our history when it is unsafe to allow sovereign states, as the provinces were before they joined confederation, to exercise a full share in the governing of this country, then we all ought to know that that is so and we should be told why it is so. My own opinion is that democracy in Canada will be best preserved by full recognition of provincial rights.

I should like to see these matters discussed in the house. We have no opportunity to do it. We have now been at war three years and are into the fourth year, and during that time there have been things done with respect to the provinces which have rendered them in many respects impotent. We have seen great provinces practically taken out into the woodshed and spanked for attempting to exercise the powers which were conferred upon them by the British North America Act; and what recourse have they? Only to their own individual protests. And this house, where their cause should be defended, is not giving any time for the defence of their rights.

We have a most regrettable example within the last two or three days—the outburst from Ontario. It may be supposed that there is no fire where all the smoke is, but I am inclined to think that there is plenty of fire. We ought to be going into these matters to protect provincial autonomy, but how are we going to do it if we are to be deprived of the right of free discussion here? The only opportunity we have is in the debate on the speech from the throne and in the budget debate.

I should like to refer a little further to this question of "not in the public interest". I have heard that expression until it positively nauseates me. I know it is used in Great Britain, and it is used there far too freely. "Not in the public interest!" Imagine anything more disgusting to be said to a group of members of parliament. It may be that there are many things in the conduct of a nation's affairs which it is not advisable to make generally known throughout the country. But surely there should be provision for secret sessions, or for conferences of one kind or another, as a result of which all the essential facts pertaining to this country could be made known to every member of this house; and if it be found that any hon. member is unworthy of the trust which is placed upon him, unfit for the responsibility he carries, let him be dealt with as his constituency may see fit. But certainly all facts should be known by the members, or at least by the leaders, so that they can be given to the members.

We in Canada do not know where we are now. The ordinary individual throughout the country simply does not know what the position is, and the majority of the members of this house do not know. The second answer that the Prime Minister gave to the questions regarding the gold standard asked by the hon. member for Acadia (Mr. Quelch) was much more satisfactory than the first. But we read of proposals of federal union and "union now"; we hear an insistent propaganda about "united nations". I wonder why we are called "the united nations" this time, instead of "the allies", as in the last war. What does all this mean? Are we to imagine that it is accidental? What lies behind the statements of Sir Kingsley Wood with regard to an international currency and several other things? Does he just talk in his sleep when he makes remarks of that sort? What does all this mean? What do we in this house know about it? The average run of us knows pretty nearly nothing, which causes us to suspect that something pretty unsuitable is being prepared for us, something so unsavoury and unsightly that the men who are

conceiving it dare not allow it to be generally known. We see articles in the *Readers' Digest* and other publications which indicate what is in the minds of some of the men who are prominent in the conduct of our affairs.

I say that if we are worthy of the name of members of parliament we ought to know about these matters. How are we to learn about them if we have not freedom of discussion? I want to know something about where we are going. Really we do not know what we are doing, because the kind of thing we hear from the government benches, and what we learn when we get out in the country, where things are actually taking place, seem to be altogether different. The whole result is to fill us with anxiety, because we are not taken into confidence and given to understand where we are going. Even though we cannot foresee what will happen day by day so far as the war is concerned, we could at least be told at what we are aiming.

I contend also that the various constituencies have a right to have their views expressed, and we should have some private members' days in order that that can be done. I suggest to the Prime Minister that some such plan as this might be worked out. I do not intend to go into details; but why not set a week, say in every three, four, or five weeks, in which the private member would have the opportunity of expressing himself? That would be playing square with the members. If we were unable to finish government business by the time at which it was desired to adjourn, the time could be extended. Why not have a temporary modification of our rules so that while private members are discussing resolutions and other matters the length of time they are permitted to speak would be reduced? An agreement might be reached by hon. members that, upon resolutions other than government business, no member could speak more than twenty minutes or perhaps ten minutes. I am certain that if we were to go to work on the problem with good will, with the desire to make our proceedings here efficient and satisfactory, we could solve this difficulty.

I have said a little more, probably, than I intended, but I think I have made it clear that I am far from satisfied regarding this matter of dispensing with private members' days. I believe this is the first occasion on which I have spoken at length on this topic, but my wrath has been accumulating during the years. I did not object to our rights being suspended for one year or two years, but when it begins to look as though the system will continue for a decade, it is high time we took account of ourselves.

Right Hon. W. L. MACKENZIE KING (Prime Minister): From the tenor of the remarks which have been made this afternoon, I gather that, while the leaders of the different parties have each felt that they must say something about preserving the rights of hon. members, they are more or less in accord with the government giving precedence to government business, at least for a time. That, after all, is the extent of the motion which I have moved this afternoon and which reads:

> That on and after Monday the 22nd February, 1943, to the end of the present session, government notices of motions and government orders shall have precedence at every sitting over all other business except introduction of bills, questions by members and notices of motions for the production of papers.

I am simply asking for precedence in the matter of the most important business of the country, which is the government measures relating to the war. If those measures are discussed adequately before too many months go by I see no reason why we could not make arrangements to set apart a day or two for some of the motions that appear in the names of private members and give hon. members an opportunity to discuss them. I stated at the beginning of last session that that privilege might be granted before the end of the session, but by the time we had reached the end of the session—we had had six months of it—I think most hon. members were more anxious to get back to their constituencies than they were to sit here to discuss private members' resolutions. The house is at all times master of its own business and this year will be no exception in that particular.

The government must take account of the world situation as it sees it. My. hon. friend suggests that we fix two or three days each month, but those two or three days might happen to be the worst days that our country may experience as matters may develop in the course of this war. If then we had set apart those particular days for a discussion of private members' resolutions the government would be held at fault for not having had a clearer vision of what was likely to take place at a time like the present.

I can assure hon. members that so far as the government's desire to get ahead with public business is concerned, that rises from a very deep sense of the seriousness of the world situation as it has developed at this time. I doubt if any of us have begun to appreciate the ordeal which this country and our armed forces may have to pass through before this year is out. So far as members of the government are concerned we are anxious that before we reach a period when our minds as well as our hearts may be filled with suffering we shall get through some of the large financial

and other measures which ought to be passed as rapidly as possible. That is the reason for desiring to give precedence for government business at this time.

With respect to private members' resolutions and their relating to matters of academic interest, I did not say that all were of academic interest; I said that some were. My hon. friend, the leader of the Cooperative Commonwealth Federation (Mr. Coldwell), mentioned some of the matters covered by the private members' resolutions; he referred to rehabilitation, soldiers' pensions and other subjects. There will be ample opportunity during this session, as there has been in other sessions, to discuss these matters. We are going to have a special committee this year, as we had last year, on rehabilitation and reconstruction. Surely when the report of that committee is before us or when the committee is dealing with the problems referred to it there will be opportunity for members interested in that subject to see that their views are amply presented.

My hon. friend referred to wheat. Already during the course of the debate on the address in reply to the speech from the throne there has been considerable discussion of matters pertaining to wheat. Another subject referred to was labour supply. A good part of the debate has also related to labour supply questions. This house has already discussed in some measure almost every one of the subjects that appear under private members' resolutions; not all, but a great many of them.

Let me go a step further. It is very easy to say that hon. members do not get a chance to discuss this, or that they do not get a chance to discuss that, or like my hon. friend, the leader of the Social Credit party (Mr. Blackmore), to say that we do not know where we are, we do not know where we are going and we do not know where we came from. May I say to my hon. friend that those are more theological than political problems.

Mr. BLACKMORE: I did not ask where we came from.

Mr. MACKENZIE KING: I mention this only to illustrate that there are some subjects to which we ought to give more attention than to others. As my hon. friend has just said, a question like that of the origin of the species is not so much a matter for this parliament as it may be for other assemblies. It is quite easy to mention a variety of subjects and say that the house has had no chance to discuss them; it is quite easy to have that impression go out to the country, but it is not a correct impression.

There is not one single subject in the nature of a grievance which cannot be discussed, if an hon. member wishes to discuss it, when this house goes into committee of supply. My hon. friend is usually careful with some of his statements, but he has said that this house has no chance to discuss grievances except during the speech from the throne debate and the debate on the budget. He left out the one provision above all others which exists, the right of this house and the right of all parliaments following British procedure to decide that no money shall be voted to the government until there has been a chance for hon. members to discuss their grievances. He knows as I know that every time that the government wishes to get any money with which to carry on the war it has to move to go into committee of supply. If he has a grievance he can bring it up at that time and have it discussed. There should be an end to the talk that there is no chance to discuss grievances because the government is anxious to get on with its business, when such an opportunity is given, not only on going into committee of supply but also as well when there is a motion for the house to resolve itself into a committee of ways and means.

The hon. member for Lake Centre (Mr. Diefenbaker) said that some of the sittings of the war expenditures committee were held in secret and that the members of that committee, being pledged to secrecy, must not discuss certain matters in the house. May I say first of all to my hon. friend that his speech might have been more appropriately delivered when we come to discuss the setting up of the committee on war expenditures. I do not take exception to his bringing up the matter to-day, but as I say I think it would have been more appropriate at that time. May I point out to my hon. friend with respect to the secrecy which is supposed to be maintained in connection with the information obtained in secret sessions that because the war expenditures committee holds its sittings in secret its members are able to bring before them officers of the government and to obtain fuller information than would be possible to get in any other way.

There are many matters in connection with which, if it were required that they be discussed publicly in the first instance, it might be necessary for the government to say, "we do not know what the answer to this question may be; it may be something that will disclose information to the enemy, therefore the question must not be pressed." But when the committee is holding its sittings in

secret it has a chance of getting information that it could not get in as complete a manner if the discussions were in the open.

Mr. COLDWELL: The right hon. gentleman has used the phrase "in secret". Is there any difference so far as hon. members are concerned between sitting in secret and sitting in camera?

Mr. MACKENZIE KING: It is probably my loose way of speaking; in camera would be the correct expression.

Mr. COLDWELL: Is there not a difference?

Mr. MACKENZIE KING: I still would have to look into that. In my own mind a secret session is a session in camera; if one is sitting in camera or sitting in secret, it conveys the same idea to me. I have no doubt that there is a shade of difference between the two, but my hon. friend will appreciate that my main point is that it is possible to obtain full information in camera, or at a secret meeting, when it would not be if the inquiry were held in the open.

If in the course of those investigations which are held in camera it is found that there is some transaction which will not stand the light of day and it is in the interests of the country to have it exposed, there is the public accounts committee before which anything can be brought which reflects upon expenditures made by the state, and there the fullest information can be brought out. There are no restrictions on that right. Let me make that perfectly clear. All these statements that the government is hiding this and hiding that—that there are transactions here and transactions there concerning which the members cannot get information—charges that the government is doing things secretly and clandestinely and preventing the public from having full information—all this comes to naught so long as we have a public accounts committee and so long as members are free to call that committee together and to have referred any question of wrongful expenditure which they wish to have investigated before that committee.

Mr. DIEFENBAKER: Would the Prime Minister permit a question?

Mr. MACKENZIE KING: Yes.

Mr. DIEFENBAKER: Suppose that in the course of the proceedings of one of the subcommittees of the war expenditures committee a member becomes aware of a state of affairs which he believes should be brought to the attention of parliament, and that bringing it before parliament would not in any way benefit the enemy. Is that member permitted to refer to that evidence to this house?

Mr. MACKENZIE KING: I cannot say offhand. It all depends on the evidence. There are some things which in the opinion of one person might at a time of war do no injury to the country as a whole if made public, while others might feel that a statement made on that particular matter might do a great deal of harm at a particular time. May I say this, that no government in the world has had the same experience in dealing with war expenditures as the British government, and when our government was called upon to form a committee to deal with war expenditures we felt that we could not do a wiser thing than to follow as closely as we could the procedure that was adopted at Westminster. In all particulars we have done that. The procedure followed at Westminster, with the agreement of all parties, has been followed here, realizing that it has worked out in a way that will protect the public interest and not lead, on the one side, to information not being disclosed which should be disclosed, and on the other, to things being disclosed which should not be disclosed. My hon. friend has been on the war expenditures committee, and he knows that there may be some things that are, let us say, wrong. The whole purpose of having the committee formed was just for that. No member of parliament—I do not care which side of the house he is on—is going to learn of something with respect to war expenditures that is contrary to the public interest and then try to conceal that thing; but I think every member will try to see that the right way and the right time is taken to have the disclosure made. That is the purpose of the committee on war expenditures. Some matters should be reported to the government at once privately. I think I made that statement when the committee was being set up, and no exception was taken to it. There may be things done of which the government has no knowledge whatever and which it should have brought to its attention immediately, and I would say it is the duty of every member of a committee on war expenditures, if he learns of a situation of the kind, to inform the government or the minister of the department particularly affected at once so that we may have a chance to look into the matter and see what has taken place at the earliest moment and before some exposure is made which might do more harm than good. There is in these matters a right time and a right means of going about getting a proper adjustment.

My hon. friend spoke a moment ago of some matter which has been the subject of a trial recently. He said that he was getting tired of hearing it said that it was not in the public interest to disclose certain matters.

Mr. DIEFENBAKER: No, I did not say that.

Mr. MACKENZIE KING: He took exception to its being said that it was not in the public interest.

Mr. GRAYDON: That had reference to a question in the house.

Mr. DIEFENBAKER: Nothing to do with the case before the courts.

Mr. MACKENZIE KING: Yes, it was an answer to a question put in the house about a subject, as I understood at the time, that was related to a matter under investigation by the courts. I may be wrong in that.

Mr. DIEFENBAKER: That is not my understanding. It does not read that way

Mr. MACKENZIE KING: I may not have caught exactly what my hon. friend said.

Mr. ST. LAURENT: The question was whether any investigations had been made. Investigations are being made quite frequently. At that time there was taking place in Montreal a criminal trial which occupied the courts for some days and resulted in the conviction of four officers of a subcontracting firm.

Mr. DIEFENBAKER: Is that the only case which has been investigated for irregularities?

Mr. ST. LAURENT: No; but when investigations are being made and it is considered by the Royal Canadian Mounted Police that it would be hampering to give them any publicity, and when an investigation has been made and it has developed that nothing reprehensible has been ascertained, it is considered that it would be unfair to state publicly that such and such a person or concern had been under investigation.

Mr. DIEFENBAKER: But if something reprehensible is found and no prosecution takes place?

Mr. ST. LAURENT: Then instructions are given to take the proper proceedings. In this particular case where irregularities were found, proceedings were instituted which resulted in the conviction of four officers, who are at present out on bail awaiting sentence, which the judge announced would be pronounced on March 2. In that connection further investigations are being made about things which are suspected of having been done in the course of the trial.

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: I thank my hon. friend and colleague for supplementing and explaining the point I had in mind at the time.

Much has been said in this discussion today about the British parliament and the exemplary procedure there. I recall that when the debate on the address opened my hon. friend the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) told us that he had had the privilege—and I think possibly he had it along with my hon. friend the member for Lake Centre (Mr. Diefenbaker)—of being in the British house when a debate on the address was taking place which lasted only something like two hours. The hon. member was there in the morning and the debate was over in the afternoon.

Mr. COLDWELL: Not quite that.

Mr. MACKENZIE KING: I think he said it was all over in one day.

Mr. COLDWELL: I said that we heard the mover and the seconder, the Prime Minister and the leaders of two groups all in the course of two hours.

Mr. MACKENZIE KING: All the important ones.

Mr. COLDWELL: And I was going to add, we do not find that example followed here.

Mr. MACKENZIE KING: In the British house the debate on the address, certainly during this period of war, lasts only two or three days and they consider they have had a pretty full discussion when some fifteen members have spoken in the debate. The debate on the address here, with slight interruption, has gone on now for almost a month, and in the course of that time 101 members have spoken, and spoken on almost every subject that can be thought of as of immediate concern. Is it any wonder that the government with the Minister of Finance, being anxious to get his budget before the people of this country so that they will know exactly where they are at with respect to the taxes they will be obliged to pay, and equally anxious to bring down his war appropriation measure because the country is more interested in having provision made for the carrying on of the war than in anything else, and when there are other measures also important to be brought down—is it any wonder that the government should ask for precedence for its measures before another long discussion such as often arises on private members' resolutions?

The hon. leader of the Social Credit group (Mr. Blackmore) again made another statement where he slipped a bit. He said: When the British house is sitting all the time, why should we not be sitting all the time here? I thought my hon. friend had a better memory. I gave the house last year a statement of the sittings of the British house in comparison with the sittings of this house. It was a carefully prepared statement taken from the records, and what did it show? It showed that as a matter of fact this parliament had sat more days, a longer period of time, than the British house. Does my hon. friend know that at the present time the British house sits for only three days a week, and that only at intervals? Does he know that during the period of the blackout the British house hardly ever sits at night? Does he realize that the sessions are very brief on many occasions? Those are the facts, and yet at Westminster they manage, as my hon. friend says, with all the great world problems they have to deal with, to get through with them in a shorter period of time than we take to get through ours. Let me give the facts as I find them in *Hansard* on June 5, 1942, and as they appear at page 3101:

From May 21, 1940, to November 20, 1940, the British parliament had in all sixty-two sitting days. Our parliament in the complete session from May 16, 1940, to November 5, 1940, had sixty-one sitting days. The British parliament in a like period of time took one day longer than this parliament to transact its business; I think my hon. friend and all hon. members will agree that the British parliament has a much vaster programme to cover, that the questions coming up from day to day are in degree at least, if not in kind, very much more significant than some we have to consider here. For the year following, during the complete session from November 21, 1940 to November 11, 1941, the British parliament sat 113 days in all. Here, in the complete session, from November 7, 1940 to January 21, 1942, the Canadian parliament sat during 105 days. Let me give those figures again. For the first year there were sixty-two sitting days in England as against sixty-one here. The following year, which was last year, there were 113 sitting days in Britain as against 105 in Canada. Now I come to this year. Since November 12, 1941, up to the present, the British parliament has sat for seventy-seven days. Our parliament, beginning only on January 22, not on November 12 as the British parliament did, has up to to-day sat for eighty days. In other words, we have in this time of war thus far sat this year three days longer than has the British House of Commons.

I do say that, apart altogether from the facts, it is a great mistake to estimate the amount of service which parliament renders by the length of time that members are sitting in their places in this house. It is not the length of time they are seated; it is what hon. members say in the time they are standing. That is the important thing, and I submit that hon. members can make a much greater contribution to the effectiveness of debate by giving a good deal of time, when they are outside this House of Commons altogether, to the preparation of what they are going to say and to its condensation, and bringing the discussion to a point, than they can make by forming their judgments while discussions are in progress. It is not a matter of the numbers of words; it is the value of ideas expressed and the conviction they carry with them. That, however, is, I think, obvious.

The hon. member for Lake Centre (Mr. Diefenbaker) has spoken about orders in council that are passed, and also about the different controls there are, the restrictions, the number of boards and the like. I do not believe there is anyone in this parliament who wishes more, with all his heart, that we could get rid of ninety per cent of the boards and one hundred per cent of some of the restrictions, than I myself. But unfortunately we are in a time of war when problems have become so large that it is not possible for the ministry as a ministry to take upon itself the administration of the many different functions, several of them wholly new—for example, the control of prices and the like—that have come up in the course of the war. These powers have to be delegated in some way to boards, but that does not mean that the ministry gives up responsibility. Unfortunately the ministry is responsible for everything that the boards do, and it is a pretty nasty responsibility on some occasions. Human nature is much the same everywhere. We have to be careful, first of all, in our selection of men, and where they make mistakes, if they do make mistakes, we must change them and try to get others who are better. But I do not think that any system of government can be devised in a time of war which, if the affairs of the country are to be properly carried on, will leave the whole burden of administration on the ministry itself and not have a considerable portion of it delegated.

As regards the numbers of orders in council, there again I think it is a false index to estimate by numbers what is being done by order in council as against what is done by parliament in legislation, because every one of these orders in council has been passed under some authority given by parliament in the first instance; and parliament, which has given that authority, can modify it or take it away at any time. It is true that a minority

cannot do that, but after all the minority have not the responsibility of governing. The responsibility of governing has been put upon the majority by the people. A great many of these orders in council are more in the nature of records, to make sure that everything that can possibly be kept of record will be kept of record, than they are of ordinances in the way of new legislation. And, as my hon. friend has pointed out, fairly, these orders all come before the house and are capable of being reviewed by hon. members.

I might say more on this motion but since I am anxious to have it carry I think I had better stop.

Motion agreed to.

PRIVILEGES AND ELECTIONS

CONSTITUENCY OF STANSTEAD—REFERENCE TO STANDING COMMITTEE OF QUESTION OF ORDERING NEW WRIT OF ELECTION

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That pursuant to the judgment of the Supreme Court of Canada, which on the twenty-ninth of June, 1942, annulled for illegal practices by agents the election of Robert Greig Davidson for the electoral district of Stanstead, and in view of section 71 of the Dominion Controverted Elections Act, the standing committee on privileges and elections be instructed to consider whether the house should order a new writ for an election in the said electoral district.

Mr. GORDON GRAYDON (Leader of the Opposition): I have a brief observation or two to make on the Prime Minister's motion, and perhaps, in prefacing my remarks, I should give the house some information regarding what has developed previously with respect to this matter. The judgment of the Supreme Court of Canada, in connection with this election case, found corrupt practices and these corrupt practices were sufficient to void the election. Section 50 of chapter 50 of the Revised Statutes of Canada, 1927, volume 2, states that, in the circumstances abovementioned, "the election of such candidate, if he has been elected, shall be void."

In Canadian Law Reports, 1942 S.C., part V, page 319, Mr. Justice Hudson of the supreme court, hearing a motion for a stay of proceedings in this case, reviewed the steps taken. I want at this time to give to the house these particular steps as indicated in outline by the learned justice on that occasion. Mr. Justice Hudson said:

This is a motion for a stay of proceedings pending an application to the judicial committee of the privy council for special leave to appeal from a judgment of this court.

On June 26 (1942) judgment was given by this court reversing a judgment of the trial judges and holding that the election of the respondent to the House of Commons for Canada should be annulled. It also awarded to the petitioners the costs of their petition throughout.

On June 30, 1942, the registrar of this court certified to Your Honour as Speaker of the House of Commons the judgment and decision of the court pursuant to the provisions of the Dominion Controverted Elections Act, which he cites. On the said June 30 the Speaker of the House of Commons communicated to the House of Commons the report and certificate of this court as required by the provisions of section 70 of the Dominion Controverted Elections Act. On July 3, 1942, notice of this motion, the motion for a stay of proceedings, was served on the Speaker of the House of Commons and on the agent for the appellant's solicitors. I may say that the motion made before Mr. Justice Hudson was dismissed.

Sections 68, 69 and 70 of the Dominion Controverted Elections Act are set out in the judgment of Mr. Justice Hudson. Section 71 of that act reads as follows:

When the trial judges or the Supreme Court of Canada in their report on the trial of an election petition under this act, state that corrupt or illegal practices have, or that there is reason to believe that corrupt or illegal practices have extensively prevailed at the election to which the petition relates, or that they are of opinion that the inquiry into the circumstances of the election has been rendered incomplete by the action of any of the parties to the petition, and that further inquiry as to whether corrupt or illegal practices have extensively prevailed is desirable, no new writ shall issue for a new election in such cases except by order of the House of Commons.

That brings us down to the position where this motion is now moved. When this section speaks of the report of the Supreme Court of Canada it evidently means the judgment, and that is all that has been communicated to the Speaker and by the Speaker to the house. This section, however, says that no new writ shall issue for an election in such cases except by order of the House of Commons.

The point I wish to make at this moment is this, that the whole matter as to whether or not a writ of election shall issue is plainly before this house. I should like very much to have the Prime Minister explain to the house why it is necessary, on a matter which seems so very simple, to have a committee of the house appointed and set up to deal with it. I suggest to the Prime Minister that the proper thing for the government to have done and for him to have launched was a very simple resolution inviting the house to order that a writ be issued, so that we would not have before us at this time the necessity of referring the matter to the privileges and elections committee.

Having reviewed very briefly the steps that led up to the position in which we now find ourselves, I should like the Prime Minister to explain why this procedure is taken instead of the procedure I suggested a moment ago.

Mr. M. J. COLDWELL (Rosetown-Biggar): I wish to speak briefly on this motion, because I think the procedure, which I understand is an ancient procedure established by precedent and usage rather than by law, is one which probably has deprived a constituency in this country of actual membership in this House of Commons for a considerable length of time. I believe that the house itself decided some years ago that every facility should be given to a constituency when a vacancy occurs, to elect a member. Technically there is no vacancy, I understand, until our own committee has heard the matter and made a recommendation to this house and the house has acted upon that recommendation. I rose mainly to suggest that this may deprive a constituency of membership and representation in this house for a much longer period of time than this house, when the matter was before it some years ago, considered was either necessary or good.

I was looking up, not the law, but rather the practice as laid down on page 234 of Beauchesne's Parliamentary Rules and Forms, second edition, and if hon. members will refer to the rule and the explanatory paragraph accompanying it, it will be found, according to standing order 79:

> If it shall appear that any person hath been elected and returned a member of this house, or endeavoured so to be, by bribery, or any other corrupt practices, this house will proceed with the utmost severity against all such persons as shall have been wilfully concerned in such bribery or other corrupt practices.

The explanatory note, paragraph 820, states:

> This standing order has nothing to do with the different laws which fully provide for the trial and punishment of corrupt practices at elections, but it reiterates the house's privilege to deal with offences of bribery and corruption after they have been proved before the competent courts.

Then, after setting forth some of the corrupt practices, it states:

> . . . the house has taken such measures as were required by law or usage or as appeared suitable to the occasion. It has been usual in such cases to order a copy of the judgment delivered by the judge and the minutes of evidence to be laid before the house.

I believe that procedure was followed in July. I wonder whether in view of parliament's desire some years ago a method should be provided to prevent a vacancy from being prolonged because of an ancient usage, if I may put it in that way. While we should protect the privileges of the house and of members of this house, I think that when a competent court has gone into all the evidence in connection with a charge of corruption and has rendered its verdict, sustaining the charge, the seat should be declared vacant and the electors of that constituency given an opportunity to elect a new member to succeed one whose practices or, as in this case, whose agents were declared corrupt by the court.

I believe there is another ancient phase of this usage or law, into which I do not propose to go. I have seen it suggested that a constituency might be penalized by becoming ineligible to elect another member during the lifetime of this parliament. If that is the situation, then the sooner we face it the better, because to punish—for that is what it is, if we regard this parliament as we should regard it—all the people of a constituency for an offence committed by a candidate or by a few persons who surrounded the candidate is a penalty which I think should not be imposed upon a group of people of Canada in this age. We are following that usage now, but I would suggest that at some time the procedure for dealing with the matter of elections be considered and new rules laid down. Certainly I do not think any advantage should be taken of any loophole in the law which might be construed in such a way as to give a constituency a further sentence, to deny it the right of representation in this parliament to which it ought to be entitled. I am sure the Prime Minister (Mr. Mackenzie King) and hon. members who were responsible for the revision of the election laws a few years ago would not desire to see any further penalty imposed upon the constituency of Stanstead. That was really what I wished to bring to the attention of the Prime Minister and the house, and I should like him to make some comment upon it.

Mr. ROBERT FAIR (Battle River): As a member of the committee on privileges and elections and also a member of the committee that revised the elections act some years ago, I am rather at a loss to know what to say on this occasion. In this parliament, as in other parliaments in the past, we have a number of lawyers, and I consider that they have sadly neglected the rights of the people of Canada by permitting the present roundabout procedure to remain in the act. Of course it may be that it is because we have so many lawyers in the house that the act has been allowed to

stand as it is at the present time. I am just an ordinary member of this house and not a lawyer; perhaps, therefore, I have something to be thankful for and some sins for which I shall not have to answer hereafter, but I should like to see the act clarified in such a way that the constituency of Stanstead or any other constituency will again not be penalized in this way. I do not believe that the hon. member who has been ousted from this house was directly responsible for what occurred, but because he is supposed to be responsible for the sins committed by those working for him, the present situation has resulted. Personally I should like to see the rights of the people protected to a greater extent than they are at present.

Mr. MACKENZIE KING: Mr. Speaker—my hon. friend the leader of the opposition (Mr. Graydon) has asked me why the government is referring this matter to the committee on privileges and elections at this time, and the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) has asked me if we are using all possible expedition to see that the constituency of Stanstead, which is without a member in this house at the present time, is not unduly penalized in the matter of not being represented here.

I think I can answer both questions in one statement. This matter came before the house from His Honour Mr. Speaker on July 25, 1942; that was the first intimation the house received with respect to the judgment of the supreme court in the matter of the election at Stanstead. July 25 was a Saturday, very shortly before the adjournment of the house. At that time I consulted the proper authorities as to the course that should be pursued, and I was informed that the matter should go to the committee on privileges and elections. I so informed the house, and no exception was taken, so the matter was referred to the committee. Therefore one of the reasons that has caused me to take the action I am now taking in moving this resolution was that this house has already resolved that this question should go to the committee on privileges and elections. Unfortunately the committee did not meet before the adjournment or during the recess. At the opening of the house this year I indicated that I would take advantage of the earliest opportunity to see that the matter was referred anew to the committee on privileges and elections to be established, and that is what I am doing now without waiting even until the address has been agreed to.

Mr. GRAYDON: Would it not have been possible, even in the short time that was left last session, for this matter to have been dealt with by the committee on privileges and elections?

Mr. MACKENZIE KING: That I cannot say, but apparently the committee was not called to consider the matter. It, I think, came before the house only five days prior to adjournment, at a time when, as the *Hansard* to which I have referred would indicate, we were sitting morning, afternoon and evening, on Saturdays as well as other days. It may not have been considered possible or desirable to attempt to hold a meeting at the time. However, that was the responsibility of the committee.

Mr. MacNICOL: It was too late in the session.

Mr. MACKENZIE KING: Yes, I think it was.

Mr. COLDWELL: I am not complaining about the committee. I am suggesting that the usage is rather out of date.

Mr. MACKENZIE KING: Perhaps that is a matter which the committee itself may wish to discuss when this question is referred to it. Since my hon. friend the leader of the opposition referred only to the last part of the proceedings which were before the supreme court, I wish to point out this case related to the election of Mr. Davidson as member for Stanstead, and that when the case first arose it went to one of the Quebec courts, which I suppose would be called the trial court. Like my hon. friend the member for Battle River (Mr. Fair) I am not a lawyer, and I am not too sure of some of these terms. However, I believe a petition was presented to the court by someone representing the defeated candidate. That court consisted of two judges, and at that time the case was dismissed, the two judges concurring in the decision. Evidently they were nearer the scene of the contest and more familiar with what had taken place on both sides than were some others. Then an appeal was taken to the Supreme Court of Canada.

Mr. GRAYDON: May I ask the Prime Minister what he means by that last statement?

Mr. MACKENZIE KING: I mean that we all have a little more intimate knowledge of things nearer home than others have who are further away.

Mr. GRAYDON: Might that not be taken as a reflection on the supreme court?

Mr. MACKENZIE KING: Oh, no; that has reference only to the sagacity of the two judges who heard the case and who had before them all the local facts.

Mr. BOUCHER: "Judged by the length of the chancellor's foot."

Mr. MACKENZIE KING: It was equity rather than law, I suppose. At any rate I should like to add this further word, that when the case came before the supreme court an effort was made on behalf of Mr. Davidson to obtain permission to take an appeal to the judicial committee of the privy council, but the supreme court did not consent to that course. I mention these things to make perfectly clear Mr. Davidson's position in the whole matter. As the hon. member for Battle River said, I think very kindly and rightly, there was nothing in any of the decisions which reflected on Mr. Davidson's integrity because after all, as I think hon. members will agree, he was one of the most highly respected members of this house. But it was a case of where some of those who perhaps were over enthusiastic as supporters in the campaign had done some things which the supreme court says they should not have done.

Mr. GRAYDON: I think, having regard to the judgment, those words are a trifle mild.

Mr. MACKENZIE KING: Well, I do not know much about elections in Quebec. At any rate the decision is as indicated, and the matter is now being referred, I am happy to say by agreement of the house, to the committee on privileges and elections.

Motion agreed to.

DEFENCE OF CANADA REGULATIONS

APPOINTMENT OF SPECIAL COMMITTEE TO CONSIDER AND REVIEW REGULATIONS AND AMENDMENTS THERETO

Hon. L. S. ST. LAURENT (Minister of Justice) moved:

That a select committee of this house, consisting of the following members: Messrs. Bertrand (Laurier), Black (Yukon), Claxton, Dupuis, Hansell, Hazen, McKinnon (Kenora-Rainy River), Martin, Maybank, Michaud, McGeer, Noseworthy, Ross (Calgary), Slaght, Stirling, be appointed to consider and review the defence of Canada regulations (consolidation) 1941 and amendments thereto; with power to send for persons, papers and records; to examine witnesses under oath; and to report their opinions and observations from time to time to the house.

Mr. ANGUS MacINNIS (Vancouver East): Before this motion is put, I should like to say a word or two. I had the honour to be a member of the committee which sat last year. It made its report on July 23. The report appears in the *Votes and Proceedings* of the House of Commons for that day.

During its sittings last year the committee went to a great deal of pains to deal with the particular matters which were brought before it. Twenty-six meetings were held; a great many witnesses were heard and many representations received. Many of these representations were on behalf of the communist party and a number of other organizations which, I believe, had been banned on account of communist affiliation. Unfortunately the adoption of the report was not moved in the house and there was no opportunity of debating it last session. Before the house adjourned I asked the Minister of Justice (Mr. St. Laurent) what the intentions of the government were with regard to implementing the recommendations of the report, particularly as to lifting the ban on the communist party. The minister's answer did not appear very satisfactory. In any event, no regard has been paid to the recommendations. It is true that, so far as I know, all the communists who were interned at that time have been released, but it seems to me that they were released under circumstances which could and would have been avoided if the recommendations of the committee had been adopted. However, the ban of illegality against the communist party is still maintained. Unlike many hon. members I am not versed in the law, but I fail to understand why the ban on the communist party should not have been lifted. The party was not illegal in this country, at least there were no legal restrictions on its activities, prior to some time in June, 1940, when it was declared illegal; and from all the information I have been able to gather, this action was taken on account of its opposition to the war.

The reason why I voted for the raising of the ban on the communist party was not that I am in accord with its policies, but that, since it had given up its opposition to the war the reason for keeping its members interned had disappeared and the party was back where it was before June, 1940. It seems to me that it would have been much better to remove the ban and put them on the same footing as they were prior to June, 1940, and I hope that either this will be done at an early date or that the house will have good reasons to the contrary.

The recommendation regarding the communist party was only one of a number of recommendations made by the committee. With regard to other organizations which had been declared illegal and whose members were prosecuted as a result of the activities they carried on, our report reads:

That subparagraph "a" of paragraph 1 of regulation 39C be amended by striking therefrom: Technocracy Incorporated, Jehovah's Witnesses, Watch Tower Bible and Tract Society, International Bible Students Association, Watch Tower Bible and Tract Society Incorporated.

I understand that the three last mentioned are publishing organizations. Since this house opened, information has been placed in my hands that although the committee recommended that the ban of illegality be lifted from Jehovah's Witnesses, these people are still being prosecuted for being members of Jehovah's Witnesses. The committee was unanimously in favour of raising the ban on this particular sect, and no evidence was put before the committee by the Department of Justice which indicated that at any time Jehovah's Witnesses should have been declared an illegal organization, nor did the representatives of the department raise any objection to the recommendation made by the committee. Since coming to Ottawa, as I said, I have found that these people are still being prosecuted. Their homes are being raided and literature which they have had for ten years is being seized. There have been cases where literature forming part of private libraries has been seized, which I think is forbidden by the law. I am not versed in the law and I do not want to be, but I am told that a private library is not subject to seizure; it is only literature that is held in quantity for either sale or distribution which is subject to such action.

One case brought to my attention is that of a man named Sherwin at Cobourg, Ontario. This man's home was raided and literature which he had had in his home for ten years was seized. He was tried and convicted under sections 217 and 262 of the Customs Act. Surely a man should not be asked to say ten years later how literature had come into his possession. I doubt if many of us could remember where we got a certain book or a certain pamphlet which had been in our libraries for a number of years. I know that some years ago when certain books were declared illegal I bought as many as I could find the money with which to buy them.

In North Bay a man named William Everitt was having a hearing as a conscientious objector. In the course of his examination by the military tribunal he was asked if he was a Jehovah's Witness, and he said he was. He was then arrested by the Royal Canadian Mounted Police on the charge of being a member of an illegal organization and was sentenced to three months in gaol. A man who appeared for this organization before the committee last year, Mr. Morrell, told me that he had rented a room in his home to a woman. She went to Cleveland to attend a convention of Jehovah's Witnesses and brought back some bibles. He told me that the Department of National Revenue informed the mounted police that she had brought these books with her. Her room was raided. But they were not content with raiding her room; they raided the rest of the house and seized several books and pamphlets which Mr. Morrell had in his possession. Not only that, they seized the brief which he had placed before the defence of Canada regulations committee during its sittings last year, or perhaps I should say the material used in preparing the brief.

Mr. JOHNSTON (Bow River): Had he submitted it to the committee?

Mr. MacINNIS: He had submitted it and had kept a copy, or the original. Evidently the mounted police were interested and they took it away. He told me that he has since signed a legal form to have his property returned to him. A date for a hearing was set, but after a consultation between the magistrate and the mounted police the hearing was postponed and he does not know to this day whether this material will be returned.

It seems to me that there is little use in setting up a committee of responsible members of this house to deal with questions of this kind if the government or parliament is not going to give more consideration to its report than was given to the report made by the committee of last year. It is a disgrace to the Dominion of Canada that people should be prosecuted for their religious convictions in the way in which these poor people have been prosecuted. If a committee is set up this year, I hope that the first thing it will do will be to ascertain why no attention was paid to the recommendations made last year, that is, unless the house is informed before then. I do not think I have anything further to say except that I enjoyed my work on the committee. The members were most courteous and went about their work in a businesslike way. While we did not all agree as to some parts of the report, on other parts we were unanimous. As a closing word I should like to hear some reason given why more attention was not paid to the report made by the committee of last year.

Mr. H. C. GREEN (Vancouver South): Mr. Speaker, I should like to make a suggestion to the Minister of Justice (Mr. St. Laurent) in connection with this motion; in fact I propose to move an amendment in a few minutes. I suggest that he widen the powers of this committee to include the subjects of naturalization and deportation.

The history of these committees on the defence of Canada regulations is probably well known to all members of the house, but at the risk of wearying them and in order that the record may be kept straight I propose to go over some of the details of what has happened during other years in connection with these particular committees.

The first committee to study the defence of Canada regulations was set up in 1940, and members will find the motion setting up that committee on page 107 of the *Journals* for that year under date of June 13, 1940. I was a member of that committee, and in the course of our deliberations we found that the question of naturalization and the question of what could or could not be done after the war with people whom it might be necessary to intern, kept coming up. As a matter of fact, some witnesses were called to give evidence on these subjects. One was a senior officer of the Department of the Secretary of State, I think it was the undersecretary; he gave evidence with regard to naturalization; and another was a senior officer from the immigration branch of the Department of Mines and Resources who gave evidence on deportation. Both these witnesses are well known and of high standing and each said that some change should be made in order to meet war requirements.

The committee which met in 1940 did not have time to go into the subject fully. Their report was brought in on August 1, 1940, and it will be found on page 315 of the *Journals* for that year. In the report it was stated that the questions of naturalization and deportation had come up and had been partly considered. The committee made certain recommendations with regard to naturalization procedure during the war, but they went further and found as follows:

> Your committee is of the opinion that measures should be taken to invest the important step of naturalization with greater solemnity and to impress upon those who apply for the privilege the importance of the obligations which they assume as British subjects.

The committee recommended that in the following session another committee should be set up which would have power to review not only the defence of Canada regulations but also the law relating to naturalization and deportation. Then in 1941, when this committee had been set up again, it was given the express power to consider questions of naturalization and deportation. The motion was passed on February 27, 1941, and will be found at page 147 of the *Journals* for that year. Included in the operative part of the motion we find these words:

> That a select committee . . . be appointed to consider and review the defence of Canada regulations (consolidation) 1940, and amendments thereto, and the law relating to naturalization and to review as well the law relating to deportation.

And so on. At the time the motion was under consideration in the house there was a discussion on these very points, and the then Secretary of State, the Hon. Mr. Casgrain, speaking on behalf of the government, said on March 3, 1941, as reported at page 1186 of *Hansard* of that date:

> As regards solemnity in the granting of certificates of naturalization, so far as I am concerned I am of opinion that possibly later on, when the law is being amended—and this will be done only after the committee has considered the whole subject—the question might be considered of investing the procedure with more solemnity in order to impress new citizens with the obligations they assume on becoming Canadians. I give this as my personal opinion.

He went on to explain that as a result of the recommendations of the committee in 1940 an interdepartmental committee had been set up to study naturalization, but he said that the whole matter would be fully discussed during the 1941 session by the special committee of the house on the defence of Canada regulations. The intention obviously was that no changes would be made until after the question had been considered by the committee and also by the house.

The 1941 committee again heard evidence with regard to naturalization and deportation, and their report was made on June 4, 1941, and will be found at page 445 of the *Journals* for that year. Dealing with these two questions, the committee said:

> Your committee has received some evidence and has investigated these two important subjects in part only and, notwithstanding the fact that your committee has held a great many meetings, including on occasions two meetings a day, the limited time at our command has made it impossible to devote the time to these subjects which they require in order to enable a proper report to be made to the house.
>
> Your committee therefore respectfully begs to recommend that at the next session of the house the law relating to naturalization and deportation and matters incidental thereto be the subject matter of a reference to a committee of the house.

Then last year, 1942, when notice was given of the setting up of a committee on the defence of Canada regulations, that part of the 1941 notice dealing with naturalization and deportation had been omitted. I complained of that at the time and asked that the committee should be authorized to consider the two subjects; I was supported in that contention by several members of the house who had served on the committee previously.

The Minister of Justice (Mr. St. Laurent) as reported at page 2100 of *Hansard* of 1942 took this position:

I certainly would have no objection to the committee examining any subjects.

But he went on to explain that his experience in the house and in these matters had been limited, and he thought perhaps it would be as well to let the motion go through as it stood; if the committee wished to ask for an extension of its powers it could do so. But nothing more was done. The report from the committee of 1941 was not followed either, in that no special committee was set up to deal with these two questions alone. The consequence was that nothing was done with respect to naturalization and deportation throughout the session of last year.

But now we find that on July 9, 1942, an order in council was passed which made quite important changes in the naturalization regulations, and I would remind the house through you, Mr. Speaker, that this was while parliament was still in session. One of the main changes made by this order in council was that it provided that an applicant for naturalization must file a declaration of his intention, and also provision was made that the oath of allegiance must be taken in open court.

Mr. McLARTY: I think the hon. member used the word "must." I think the privilege was given that he "might" file a declaration of his intention.

Mr. GREEN: That makes it worse, for the first committee which considered the matter was of opinion that a declaration should be filed.

Two months later, on September 23, an order in council was passed, of which again we received no notice, which provided that anyone applying during the calendar year 1943 for a certificate of naturalization need not file a notice of declaration of his intention.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. GREEN: When the house rose at six o'clock I was explaining that although two different committees of this house had recommended that the law relating to naturalization and to deportation should be further reviewed by a committee of the house and then of course dealt with by the house itself; although that has not been done; and although previous ministers had let it be understood that some such course would be followed, we find now that last summer the government put through orders in council which changed the naturalization regulations; and last month they passed by order in council a revised set of naturalization regulations; this I submit was unfair to this parliament and is a practice that should be frowned upon by members and one that should not be followed in the future. However, the government now have an opportunity to make up for their sins of the past—some of them at any rate—and therefore I propose to move, seconded by the hon. member for Saskatoon City (Mr. Bence):

That the motion be amended by adding after the word "thereto", in the sixth line, the following words: and the law relating to naturalization and to deportation.

The effect of that will be that this committee which is being set up will have the power to review not only the defence of Canada regulations, but also the law having to do with naturalization and deportation.

There are several different ways in which our naturalization law could be improved. For example, some provision should be made for naturalization schools, in which our new citizens could learn something about Canada, its laws and customs, and so on, and also naturalization textbooks might be supplied. I think we might learn a good deal from the United States in the way they naturalize new citizens. Then, some provision must be made to do away with dual citizenship. On the Pacific coast we have been faced for many years with the situation that a Japanese national would take out papers and yet at the same time, under the law of Japan, he might still be a Japanese citizen. That must be stopped.

I suggest that wider powers should be given to the naturalization judges. They are quite restricted now in the questions they can ask an applicant, and they should be given wider powers. Moreover, there should be far more solemnity when we grant a certificate of naturalization. I suggest that leading citizens should be called in to take part in the ceremony. That has been done already in certain cities of Canada, and if some such plan were worked out it would do a great deal of good not only to applicants for naturalization but also to present Canadians. It might also help us to hold out the hand of friendship to our new citizens.

There are many clubs across Canada which are interested in this naturalization problem. For example, the Canadian Club, I believe, made representations to the committee which sat in 1941, and many of the service clubs are taking an interest in the matter. They

should be given a chance to help to work out some better method of carrying out naturalization.

With regard to the question of deportation, I have only this to say. The ministers can contradict me if I am wrong, but I understand the present position to be that a member of the nazi party in an internment camp to-day could not be sent back to Germany after the war provided he had been in Canada for a period of five years. That is ridiculous. We must change our laws so that we can deal adequately and promptly with these people once the war is over.

Both these questions are of vital importance at the present time, and therefore I am moving the amendment. The committee that is to be set up is a small committee of only fifteen members. In each year the defence of Canada regulations committee has had the reputation of being one of the best set up by the house. Their deliberations have been non-partisan and they have really done splendid work. This year there is not so much to be dealt with in connection with the regulations; the committee is being set up much earlier than last year, and there is no doubt that they could look carefully into these two questions of naturalization and deportation.

I would appeal to the ministry, despite the few hard things I have said against them on these subjects, to accept this amendment. I think it is proper to extend the powers of the committee to deal with these two questions of naturalization and deportation as well as the defence of Canada regulations.

Hon. N. A. McLARTY (Secretary of State): I do not intend to take up the time of the house at any great length in dealing with the amendment moved by the hon. member for Vancouver South (Mr. Green). Perhaps it would be unnecessary for me to say anything, because I understand that my colleague, the Minister of Justice (Mr. St. Laurent), who moved this resolution, is prepared to accept the amendment. However, in view of the remarks of the hon. member for Vancouver South, it would appear to be proper if I dealt briefly—extremely briefly—with some of the matters that he has mentioned.

An hon. MEMBER: Hear, hear.

Mr. McLARTY: I notice that when I used the words "extremely briefly" it was greeted with a "hear, hear," and I will endeavour to give consideration to that admonition.

As the hon. member correctly pointed out, when the committee was set up in 1941 the clause which he suggests adding to the proposed resolution was included in the resolution then presented. Unfortunately—and I would not for a moment suggest that it was any fault of the committee, because it was a very able one—on account of various matters they had to consider, and perhaps on account of the lateness of their appointment, they did not have an opportunity, which I know they would have seized on if it had presented itself, of giving that consideration which might otherwise have been given to these important matters.

I can speak only with regard to the matter of naturalization, but in so far as naturalization is concerned, so far as consideration of those important questions are concerned, frankly, sir, I welcome it; and I trust in view of the fact, as the member for Vancouver South has just pointed out, that the committee is being appointed earlier in the session, and that according to the law of diminishing returns their work will be less strenuous this session than it has been for the last three, that serious and careful consideration will be given to the matter of naturalization.

Last Wednesday and again this evening the hon. member for Vancouver South referred to the passing of certain orders in council dealing with the matter of naturalization. I rather took it from his remarks, although he may not have intended it, that there was a usurpation by the executive power of the functions properly falling to this parliament.

Mr. GREEN: That is what I meant.

Mr. McLARTY: The hon. member confirms it; that is what he meant. I will deal with that contention. The first order in council to which he referred was passed on July 9 last. That order in council makes no amendment, nor does any order in council make any amendment to the Naturalization Act.

Mr. GREEN: I said the regulations.

Mr. McLARTY: It is an amendment only to the regulations, and the regulations under the act itself are necessarily passed by order in council. In fact, if I may answer the remark of last Wednesday, I would say that bearing in mind the fact that these regulations will last only for the war-time period and are designed so to last, there has been no possible infringement upon the rights and privileges of this house. The act itself prescribes that the regulations are to be made by order in council, and if they happen to be made under the War Measures Act that limits them to the period of the war. Certainly there has been no usurpation of power on the part of the executive.

What does the order in council of July 9 do? It gives the right to grant certificates of

naturalization to any alien serving outside Canada with the naval, military or air forces of Canada. Could any hon. member object to that? It goes further. It says that any alien who applies for exemption from military training or service on the ground that he is a citizen or subject of another country shall be debarred from applying for or receiving a certificate of naturalization under the Naturalization Act or these regulations. That must be read as it was intended, "for the duration of the war".

It does another thing; it adopts the first paper procedure, a procedure with which we are perhaps not as familiar as we might be, but which has been largely used in the republic to the south. That has two effects. The hon. member for Vancouver South suggested that the committee wanted a greater measure of solemnity in the matter of naturalization. This gives a greater measure of solemnity. This gives a waiting period of four years, during which the applicant can be constantly under observation and his record can be continuously followed. It does another thing; it gives to those who are new citizens of this country an opportunity of showing that they have taken every step they can to ensure that at the proper time and under the proper circumstances they will become Canadian citizens. That is the effect of the amendment to the regulations of July 9.

Then the hon. member for Vancouver South suggested that another order was passed on September 23. What was the effect of that order? The effect was to give to the Secretary of State the same power to reject a declaration of intention as he has to-day to reject an application for naturalization. It does more. Because of that new procedure it was thought that the necessary papers could be prepared by September 1. In practice it was found that this was not feasible. Consequently it extended it until January 1 instead of making it become operative on September 1.

Mr. GREEN: What about the last paragraph of the order in council passed September 23, 1942?

Mr. McLARTY: Does that deal with the matter of one who under ordinary conditions—

Mr. GREEN: It states that this declaration of intention does not need to be filed until January 1, 1944.

Mr. McLARTY: I am glad my hon. friend brought that up. The situation was that there were a great many who had taken steps to be naturalized in 1943. They did not have opportunity to complete their declaration of intention in time. Consequently the order in council states that anyone who would be entitled during the year 1943 to apply for naturalization should not be debarred merely by reason of the fact that he had not previously filed a declaration of intention.

I have dealt with the orders in council that have been passed. I suggest that there is not one of those orders that in any way deals with the substantive terms of the Naturalization Act, but merely with the regulations, which apart from the War Measures Act the governor in council is entitled to deal with.

But let me go further. I might make this clear to the committee. It may be a matter of some disappointment to them, but I believe those who have been members of the committee on the defence of Canada regulations are apprised of it. In 1914 we had a great amendment to the Naturalization Act. Instead of creating Canadian citizens alone, we created British citizens. That right involved a corresponding obligation, and that obligation was recognized in this way, that in the matter of the fundamental changes of our Naturalization Act those changes would not be undertaken without first consulting with Great Britain and the other commonwealths of the empire. That will be a definite limitation on the work of the committee. To show that this has been lived up to in Great Britain, I might refer to the report contained in the *Daily Telegraph and Morning Post* of January 27 last. It dealt with a debate in the House of Lords. In that debate a suggestion of an amendment was proposed to the bill dealing with an important matter—and it is an important matter—of the status of married women. The Lord Chancellor, Lord Simon, dealt with it and the press report states:

> Lord Simon explained that the government could not make the proposed changes, as all the clauses in the present bill had been agreed with the dominions.

There is that restriction, that limitation which we shall have to observe, namely, that no fundamental changes in our Naturalization Act can be made without first consulting with Great Britain and our sister commonwealths. But within that limitation there is ample scope.

In war time the administration of the Naturalization Act is bound to create difficulty and to cause worries. The situation is much more acute than in peace time when perhaps we go through the ordinary procedure and may fall into a rut. In war time it is much more difficult. There will be scope for this committee, notwithstanding no recommendation of fundamental changes to the act itself, to deal with the practice and the regulations

in the matter of naturalization. Those recommendations cannot help being of assistance to the department of which I have the honour to be the head.

Mr. J. W. NOSEWORTHY (York South): I am pleased indeed to hear the minister accept the amendment just presented. It gives to me a reason for the setting up of this committee. Until that amendment was presented I was at a loss to know why this committee was being set up again this year. There was a committee last year that went into most of the problems pertaining to the defence of Canada regulations. That committee brought to Ottawa large deputations of people from many places at great expense and made a very thorough examination of this problem. After due consideration they arrived at certain recommendations. Those recommendations were presented to this house, but no opportunity has been given to the house to discuss or to express its approval or disapproval of them. Yet without being given that opportunity we are asked again to-night to consent to the setting up of another committee, which I presume is to cover exactly the same ground and review exactly the same situation. I wonder what purpose the minister has in mind in asking that this committee be set up. Does he hope that a new committee will arrive at different conclusions and bring in a different set of recommendations from those brought in last year? Or are we to conclude that unless a committee of this kind can bring in recommendations which are favourable to the government, the recommendations it does bring in will receive no consideration, and that such a committee is expected to bring in recommendations which must meet with the approval of the government before they can be brought before this house for discussion and consideration.

I am not going to deal at length with the communist situation, since that has been dealt with already in this debate, but one point puzzles me and probably the minister can give us the answer. Communists were interned and the communist party was banned, I presume for the reason that they were opposed to our war effort. Communists have been released from internment, but the communist party remains banned. Will the minister explain on what ground he makes this differentiation; why there is ground for the release of communists and no ground for the lifting of the ban? I hope the minister is not deluded into thinking that by maintaining this ban he is hindering in any way the work of that party. Rather I would suggest to the minister that by keeping the ban in effect he is giving those people reason to appeal to the public on the ground that they are suffering an injustice, and that they can be and are being more successful in building up their organization under those circumstances than would be the situation if the ban were lifted.

There are one or two other points on which I wish to ask for information. The matter of Jehovah's Witnesses has already been called to the attention of this house, but I think hon. members should understand that one treatment is being meted out to-day to the communists and an entirely different treatment is being meted out to Jehovah's Witnesses. Communists have been released, and so far as I know there have been no recent prosecutions. They are allowed to operate and carry on their activity under a dozen different names in this country. On the other hand, even since the recommendations of this committee were made, in fact as late as last week, the homes of those belonging to Jehovah's Witnesses have been raided by the mounted police, their literature taken and prosecutions threatened. Attention has already been drawn to the fact that in many instances the literature taken is nothing more or less than the King James version of the Bible, the only difference between the copies taken by the mounted police and those read in Christian churches in this and all other cities being that those taken by the mounted police have been printed by a certain publishing house. In every other respect they are the same as those used by the rest of us. May I ask the minister if we have reached the stage in this dominion where he and those associated with him have been given authority to determine what religious faith a man shall follow or profess in this country. Are these people being prosecuted for military reasons, for political reasons or for religious reasons? Is it because they are not good citizens? Is it because they are opposed to our war effort? Or is it because they belong to a particular religious faith? Those are questions which I think should be answered.

Another point on which I should like a little information is with regard to the Ukrainian labour temple farmer association. I have before me a telegram which I think was sent to the Prime Minister, containing a resolution which was passed unanimously at a very large public meeting held at Toronto less than two weeks ago, as follows:

> We, the persons present at a meeting at Massey Hall, Toronto, having heard a full account of the grievous wrong done to the former members of the Ukrainian labour temple farmer association by the seizure of more than one hundred properties acquired by the sacrifices of a large number of loyal new Canadians, the consequent suppression of many healthy and

beneficial activities of a cultural and musical nature, an example of which we have enjoyed to-night, and the wanton destruction of valuable and irreplaceable books and manuscripts in some cities, all on the ground of supposed political activities of a small minority of leaders, hereby call upon the dominion government forthwith to restore full possession of the confiscated properties to representatives of the former members so that the former activities of a cultural and musical nature may be renewed, and to institute forthwith an inquiry in regard to the alleged destruction of books and to fix the responsibility therefor, and to deal firmly, if the fact is established, with those responsible for such conduct, and to make full compensation to the owner.

Will the Minister of Justice explain to the house just what is or wherein lies the difference between the treatment we are meting out to those people and the treatment that is being meted out under similar circumstances in Germany to-day? There is this difference. Under the present administration fewer than one thousand Jehovah's Witnesses have been prosecuted. In Germany more than six thousand members of the same organization have been prosecuted. They are being prosecuted in Germany much the same as they are here, and for much the same reason.

Mr. MAYBANK: What is the hon. member's authority for stating that prosecutions in Germany and in Canada are as he has stated?

Mr. NOSEWORTHY: I believe the hon. member will find that statement in a brief presented last year to the committee. The information I am giving was all placed before that committee.

We read about the burning of books in Germany, and their sale, destruction or confiscation in this country. Yet I understand that Canada is a party to the twenty-six-nation agreement which established freedom of religion and freedom of worship. Can we make our course of action gibe with that declaration?

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, I should like to say a few words before this motion is passed. It has been interesting to listen to the comments of hon. members who have spoken. Thus far, so far as I can recall, not one member has spoken in favour of the action of the Department of Justice in not accepting the recommendations of the committee.

The outstanding point is that in its report the committee made certain suggestions to the department with regard to the lifting of the ban on these different organizations, and still the department has absolutely flouted the authority of the committee, and turned it down flat. Up to this time I do not think the Minister of Justice (Mr. St. Laurent) has made any explanation to the house.

I agree with those who ask why the department now seeks to set up another committee. It would seem to me, as was pointed out by the hon. member who preceded me, that it would be an utter waste of time to reconstitute a committee for the same purposes which prompted the setting up of last year's committee. I believe it is evident to all reasonable, thinking people that the Minister of Justice has determined that the committee must bring in a report with which he is in favour, or he will not do anything about it. Such action as that is—I was going to say Hitlerite, but probably that would not be the right word. Certainly, however, it is flouting the authority of the House of Commons and, especially, the committee. The committee should refuse to sit until it is given a proper explanation.

One of the recommendations of the committee was the lifting of the ban on communism. I do not care what action a man takes, on almost any subject, as long as he is consistent. But if there is one thing I do detest, it is a hypocrite. We have sat in the house and listened to countless numbers of hon. members praise Russia. I have heard the Prime Minister (Mr. Mackenzie King), the Minister of Justice and many other ministers do the same thing. If one goes to a moving-picture show we see the eulogizing of Russia, our great ally. We are told what wonderful heroes they are, how much they have done, how they are fighting for us, and how much we must respect them. At the same time we have them in gaol—or at least we had them in gaol. What hypocrisy! The Russians must laugh at us—and no one could blame them.

Surely we ought to be a little bit consistent. If we are going to put them in gaol, then why not come out and say so, openly? Those who were put into internment camps I believe have nearly all been released, but they are still declared illegal. They were supposed to have been banned on account of their attitude toward our war effort. If we wanted to become a little bit personal I think we could indicate quite a few people in this country who were strongly isolationist, and who are to-day very anti-British. That has been mentioned in this House of Commons. Therefore neither the Department of Justice nor anyone else could object if that were the only reason for outlawing them, but even that does not stand now.

Let us be consistent. The Minister of Justice should explain why these things are taking place. Surely it has come to a pretty

stage in this country, this democracy, when men in one part of Canada cannot express their opinions as clearly as they can in another part. I can see no logical reason why the government should not have acted on the report brought in by the committee—a unanimous report, I understand—

Mr. MAYBANK: No, no.

Mr. JOHNSTON (Bow River): Almost unanimous, then. Probably the hon. member did not agree. It was almost unanimous with regard to lifting the ban on communism, and I believe it was unanimous with respect to Jehovah's Witnesses—although probably the hon. member was not there that day.

Mr. DUPUIS: He was there; it was in camera.

Mr. JOHNSTON (Bow River): When the majority of the committee agreed on the recommendation I can see no logical reason why it should not have been acted upon.

Our party was in favour of accepting the report brought down by the committee; otherwise I can see no use in having it.

We now come to the second part of the report, namely, that with respect to lifting the ban on Jehovah's Witnesses, the Watch Tower institution, or whatever it was called, and other religious organizations. From time to time I have been sent articles respecting Jehovah's Witnesses, and I used to receive quite regularly a publication called the "Watch Tower." In all the articles I have received—speaking, of course, of those I have read—I could see nothing to warrant their being banned.

I believe it was suggested on one occasion that they were banned because they were against the war effort, and it was considered that they were not in favour of our war effort because they did not want to kill. However I believe I could bring to the attention of the Department of Justice another place in Canada where there was much more said than anything said by the Jehovah's Witnesses along this line. If I recall rightly, the Department of Justice was informed about the matter, but no action was taken. I am not going to raise religious arguments at this time, but I say that in this connection it would be well to remember that consistency is a very good thing to follow. It is ridiculous to think that we, in our so-called democracy, would go into a man's house, take anything we like from his private library, arrest him on that evidence and put him in gaol. We do that because he happens to have a faith different from that of some of the rest of us. If that principle were carried out to the limit, then there should be many of us in gaol.

Some hon. MEMBERS: Hear, hear.

Mr. JOHNSTON (Bow River): Well, it might be a good place to start a special concentration camp for some of you fellows over there. It might not hurt you a bit.

Mr. MacINNIS: It would not do them any good.

Mr. JOHNSTON (Bow River): Probably it would not do them any good, either.

I say that the minister is in duty bound to explain to the house why he deliberately flouted the authority of a committee set up by the House of Commons. He should go further and tell the house why Jehovah's Witnesses and other religious organizations are outlawed. He should definitely explain to the house why the ban on communism is not lifted. If that old excuse about communism being against our war effort stood at the time communist organizations were declared illegal, it certainly does not hold good to-day. I recall that the attitude of some members of this house, in fact, of by far the majority of the members of this house, was against an all-out war effort. It is so recorded in *Hansard*. They voted against an all-out war effort. Why, then, should they go round and accuse the poor communist of being against us?

Mr. TURGEON: Does the hon. member say that the majority of the members voted against an all-out war effort?

Mr. JOHNSTON (Bow River): Yes, Mr. Speaker, by far, all but the members of this party, if the hon. member wants me to be explicit. I can prove that by *Hansard,* too. I do not think I shall say anything more until I hear from the Minister of Justice. At that time I may have something more to say because I have it right here before me.

Mr. GEORGE BLACK (Yukon): Mr. Speaker, some hon. members who have addressed the house on this resolution and the amendment seem to have overlooked for a moment the fact that we are at war. They complain about the drastic actions which must be taken on account of the fact that we are at war. The hon. member for Vancouver East (Mr. MacInnis) was the first one to refer to the committee of last session, and he took the precaution to tell the house that he did not approve the doctrines of the communists. The members of his party who followed him have not taken the same precaution. What may be inferred from that is for the house to decide.

I was a member of that committee. In connection with the different sects and isms and doctrines which were considered by the committee, I wish to say frankly that as far

as I could see from the evidence before us the institution calling itself Jehovah's Witnesses was simply an over-zealous religious sect and not at all one dangerous to the carrying on of the war by Canada. The same might be said to be true of some of the other sects, but I would be astonished if any member of the committee, bearing in mind the evidence given, would say that of the institution known as communism.

Without exception the witnesses for the communists admitted that before Russia was attacked by Germany they had opposed Canada being at war with Germany. In fact, they had come to support Canada only because Germany had attacked Russia. I think it is fair to infer that if hostilities between Russia and Germany came to an end, these same communists would again be on the side of Germany and against us.

It is not fair to say that the report of the committee last year was anywhere near to being unanimous. Members of the house speaking to-night have referred to how high-minded the committee was, what a splendid membership there was, but I think the members of this house have a better opinion of the members of the committee than had some members of the committee of certain other members. However, I must say that our differences were expressed in argument and debate; we did not descend to the tactics of the communists. If we had, the minority would have been liquidated; they would not have had any report to make.

Evidence was given of the subversive activities in Canada of the communist party. They advocated and followed those subversive tactics in this country. Their literature showed; the evidence of the witnesses showed that they were advised to stir up dissatisfaction in Canada's armed forces, to incite the members of the forces to revolt against their leaders and against their officers. They even went so far as to advise methods of sinking the ships of war of the allied nations. Yet it is said that we should put up with that conduct in Canada.

It may be that communism is tolerated in Australia and in Great Britain. In Great Britain they may be able to laugh off communism with the other soap-box orators in Hyde park, but we in Canada cannot afford to do that. We cannot afford to have a change of government by force advocated in this country. I think the Department of Justice went a long way in adopting that section of the report with reference to the releasing of men who were then in prison, and I compliment the Minister of Justice (Mr. St. Laurent) and the department upon not going so far as to lift the ban on communism.

Mr. RALPH MAYBANK (Winnipeg South-Centre): Mr. Speaker, a few moments ago when the hon. member for Bow River (Mr. Johnston) said that the committee had been unanimous, I thought he was speaking of the report generally and I interrupted him. From what he said later I gathered that at that time he was referring to Jehovah's Witnesses. If he means that the committee was unanimous at that time, of course I was quite incorrect to endeavour to set him right because he was right already. However, as to whether the committee was or was not unanimous generally I think it will be observed by the house that already two members of the house have taken diametrically opposite views. I in turn perhaps will further show the house by what I say that the committee was far from being unanimous. I also was a member of that committee.

At the outset I would indicate one rather sharp difference of opinion between myself and some of the members who have spoken. It is that, while I hold strongly that certain things ought to have been done, namely, that the recommendations of the committee should have been implemented, I still do not see in the circumstances of the case, any right of recrimination such as has been demonstrated by those at the far end of the house. I do not see any occasion at all for the hon. member for Bow River, for instance, speaking in such a heated fashion about this question.

The fact of the matter is that generally speaking the committee got along much better than the hon. member for Yukon (Mr. Black) seemed to hint in his last few words.

True, the committee was not unanimous on anything very often or for long periods of time. If the committee happened to be unanimous at a quarter to eleven o'clock, it was altogether likely that it would not be unanimous at thirteen minutes to eleven; but still the members got along well.

There is no use in private members blaming the government for the non-adoption of the report, and I do not want any person suggesting or hinting that I am an apologist for the government in this connection because they know better. Every hon. member who has spoken in this fashion knows perfectly well that there were many opportunities to have the report adopted. Every hon. member who has spoken knows that he personally had an opportunity to move the adoption of

the report, and that he refrained from taking the opportunity. All these members knew at every moment of the closing days of last session just where the report stood with reference to being adopted or not adopted, and they themselves had the opportunity, at any stage, of proposing the adoption of that report. And they knew they had. There is no use in blaming somebody else. It may be that somebody is to blame, but if so, blame attaches to each of them as much as to any one else.

The facts are well known as to what happened with regard to that report. The chairman of the committee was a minister of the crown. He was not in agreement with the recommendations and he did not want to move the adoption of the report. I suppose that even if you are a minister of the crown you have some right of independence of ideas. He quit his job; he resigned as chairman; another chairman took his place, and there was considerable thought on his part and on the part of others as to whether the report should be presented for adoption as well as merely being tabled. All this is a matter of common knowledge. As far as the two groups at the far end of the chamber are concerned, they know that what I am saying is true. They had their representatives there on the committee; and not only that, they knew by conversation with other members that what I have said is entirely true. I do not approve this business of standing up and trying to blame some other person; that is why I am speaking in this way.

The hon. member for Kenora-Rainy River (Mr. McKinnon) got the approval of the members of that committee to refrain from moving the adoption of the report. It was at first his intention to move the adoption, but afterwards he called the committee together and obtained their approval to the course of simply laying the report on the table. He did not get my approval; I did not happen to be there. The hon. members who have spoken in this discussion know all this quite well. I took the view then, quite openly, that the adoption of that report should be moved, and that it was the duty of the chairman to do so. These hon. members know that, but they are trying to keep it quiet; they would like to attach the blame elsewhere.

What was the position when the chairman decided not to move the adoption of the report? It was that anybody else could move the adoption; and in pursuance of that right I put a notice on the order paper that I would do so. And then I did not do it.

An hon. MEMBER: Shame!

Mr. MAYBANK: Well, I do not know why the hon. member says "shame". I feel no particular shame about it or in telling about it afterwards; but if I were trying to hint that somebody else is to blame, I would be ashamed. Hon. members know the circumstances around the close of last session; already the house was becoming somewhat thinner. Also a certain number of people did not want to discuss this question. I have no hesitation in saying that many of my good friends from the province of Quebec urged in conversation with me that the adoption of the report should not at that particular time be moved; that the report probably would have just as much effect if it were not formally adopted. They said, and I recognized the justice of their contention, "It is going to make a division in the country at the present time; everybody is very hot about this, and we think, Maybank, if you will let it go, in the long run that will turn out to be the wiser course." I never made any secret of my position in the matter. Finally, after a lot of argument—and it took a lot, because I am a stubborn fellow—I agreed. I no sooner agreed to refrain at that time, than members of those other two groups were made aware of the fact that I was not going to move the adoption of the report, and the position was wide open for them to step in and move it themselves. But they did not do so. I am not blaming them for such decision, but one of them, at least, might have disclosed the facts rather than hint that somebody else is to blame.

These are the simple facts, and this is why the report did not happen to be adopted or its adoption did not happen to be refused. The vote on that subject would have been about as uncertain as a horse race or a general election. I do not know what would have happened, but I do know why the adoption of the report was not moved.

Every person knows that, except with respect to the recommendation relative to Technocrats and Jehovah's Witnesses, the report was by no means unanimous. In support of that statement I would remind the house it was agreed in the committee that recommendations of the committee would be kept secret until the report was tabled in the house. A completely accurate report of the doings of the committee and the report was published in the Montreal *Standard* within two or three days of that time. Hence everyone was informed. Many conversations were going on around the house as to what the committee was doing, and every other hon. member knew as much as the members of the committee themselves.

I am one who believes that the report of that committee should have been implemented by the government. Make no mistake about that; that is the view I took. But I cannot agree with some hon. members who suggest that any special blame attaches to the government for the reason that the committee did not report unanimously and all members refrained from seeking adoption of the report. As a matter of fact committee opinion was fairly evenly balanced between the pros and the cons. Oh! I cannot use that expression any more on account of there being now a hyphenated party in the house; it could lead to misunderstanding. In the light of the fact that the committee was not unanimous, indeed was on a hair-spring balance, and the further fact that we did not get the house to adopt our report, I do not see how any person except one who wants to be factiously critical can, with the vehemence some hon. members have been exhibiting, lay blame on the government. It surely is quite as much their own fault. They might recall the words spoken to Brutus: The fault, dear Brutus, is in ourselves, that we are underlings.

Let me now deal with the position of some of the organizations which have been mentioned. The committee, as I said, was unanimous with regard to the Technocrats, The Technocrats are a poor little organization which, I suppose, is making some kind of study and for some reason or another they were banned. I do not imagine that there ever was any great harm in them; but when they were originally banned I was aware that there was information from societies and from companies going to the United States, which at that time was not at war. I knew of possibilities with insurance companies; I thought that something might be happening with regard to this Technocrat organization similar to what could happen with insurance companies; that information could go to the United States and be passed on to Belgium, and so forth. Information was getting from Canada to the United States and overseas from there. I thought something of the sort might be the reason for the ban. But I must say that the government never gave much of a reason for banning the Technocrats. However, I was willing for a while to let this organization stay banned. But when we came to look into the question last year, the question of whether the ban should remain on that organization or not there was no reason that anyone could suggest why it should stay banned. I think that was the view of the committee, and when they reported back to the house and the house took cognizance of it, I believe that, in the light of the facts and of the deliberations of the committee, the ban should have been lifted at once. I do not think there can be any argument, unless there is something that should have been told the committee—and was not told—why the ban should have been kept on that organization.

I now come to Jehovah's Witnesses. Again we must see there was unanimity in the committee's report. I have the case of the government—and of the mounted police—against Jehovah's Witnesses; and, Mr. Speaker, I would hesitate to read that case here in this house. As a matter of fact, the case against Jehovah's Witnesses, as presented to us at any rate, is just laughable. That is all there is to it. There is no occasion whatever for that organization being under the ban. I know they are a bother and, to use the language of sportdom, I wish they would take a "rain check" on their disturbances until the war is over. I understand that they go round and play phonographs in places where the phonograph records will anger those who hear them. Pretty soon a fight develops and there is a big disturbance in the community. Having done that in one community, they will do it in another. I do not say they do it all the time, but I gather they have been known to do that sort of thing. They pick out Catholic communities particularly and go and play records that damn the pope and say things against Catholics generally, and all that sort of thing. Well, if you go into any Catholic community and carry on in that way, naturally there will be trouble. But such actions do not constitute a sufficient reason to put a ban on the organization itself.

The manner in which these people have been treated at times shows the wrong that can be done by operating under a law of this sort. Reference has already been made to the seizure of Bibles. I know of a case out in British Columbia where a considerable number of Bibles were seized and brought to a mill for destruction by reason of the fact that they were contraband and confiscated articles. The owner of the mill, looking at these Bibles, said that it was sacrilege to destroy them, and he found another use for them. Perhaps they are now in the hands of people who may read in them the proper passages from which to learn tolerance. It is nonsensical to have a law which permits such actions. As I have intimated already, the strongest case that can be made for the ban on Jehovah's Witnesses being lifted, is the very case against Jehovah's Witnesses as presented to the committee.

I now come to the position with relation to communists. I believe it is a wiser policy to lift the ban on the communists. That is the position I take with relation to them. If I

should happen to fail to remark that I am out of sympathy with the communists, I hope, sir, you will not draw from my silence any inference such as the hon. member for Yukon (Mr. Black) indicated a little time ago could be drawn from the silence of other hon. members. Perhaps, for safety's sake, I should say at once that I am not in sympathy with them and thus get out from under any possible charge. I think it is wiser to remove the ban from an organization of that sort than to drive it into underground methods. That is my whole approach to the question. I know their record was bad up to the time Russia came into the war, but I think from all we have been able to learn that such is not the situation after Russia came in. The attitude of an organization which changes because a foreign power comes in as our ally is not a satisfactory attitude. I would prefer, as all would, that they should change their attitude because of their Canadianism; nevertheless, so far as any evidence we can find is concerned, they did cease to be subversive, and as a matter of fact they are doing a great many good things throughout the country at the present time.

Now, although banned, the communists are actually organizing. They are abroad doing some kind of organizing. They are probably organizing their party, but doing it in an underground, hidden way as much as possible. They are likely, by reason of this grievance, to be doing much more harm than if they were out in the open where we could see them. After all, this country, this government, this parliament, or any of the parties in the house, need have no fear whatever of any organization which it can see. When a government drives an organization into subterranean channels, it is only inviting trouble for itself.

Moreover, we are in a decidedly illogical position. We have a law whereby people cannot belong to the communist party of Canada. As a matter of fact, they will be put in gaol or in some way detained if they belong. But we let them all out. We have a law against burglary, but we do not let out all burglars. The law forbids burglary, and if the act is done those who commit it are put in gaol. But in this case these people have all been released. Great celebrations have been held in every city, and they are appearing on platforms with other citizens and joining all sorts of other community movements; yet they and their association together with the communist party of Canada are said to be illegal. The thing is illogical.

I further think that we are in danger of creating an impression of persecution. There is danger of doing more harm in the labour world than any good that can be accomplished in any other way. I have observed that resolutions came in first from what one might call the extreme left wing of labour organizations; gradually they moved toward the right, and the two chief labour organizations of the country have already requested the government to lift the ban. Also a large number of other organizations have done the same. There is danger of creating a really serious grievance if some relief is not given.

There is an argument that might be presented with reference to the communists. I think the Minister of Justice might state it, namely, that this organization is illegal anyway under the criminal code. That may be so. If so, it is not made any more illegal by the ban being put on it. You cannot direct traffic any better by putting up two stop signs instead of one. If this organization is illegal under the criminal code, there is no need of this defence of Canada regulations ban.

I come now to the position of the farmer labour temple organization. This is an organization that used to own and operate a number of labour temples. The reason why it was put under the ban was that it was tinged with communism. Its officers were mostly communists. They bored from within until they got into the proper positions and there they held. I have no doubt the organization was one that propagated communism and did so successfully.

All those people who were heads of that organization have been released from internment. As far as the public can see they are honest, honourable and respected citizens going about the country. The only thing is they are not allowed to be officers of that particular organization, and in order to prevent them from becoming officers the organization has been made illegal. That is a pretty roundabout way of trying to prevent the spread of communism, and it is another example of creating a grievance and giving people a chance to talk about it all the time. It is highly illogical to leave these leaders at large; tell them they can go around making speeches here, there and everywhere, but they cannot have their labour temples, or appear in them to make speeches. It is like saying to the soap-box orator, "You may orate as much as you like, but we will kick the soap-box from under you." We take away their property, but let them loose.

There is arising in my mind a suspicion that one of the reasons for not wanting to restore this organization is that the custodian of enemy property may be in a jam. At any rate it seems so clear that there is no reason

for maintaining the ban on this organization that I am beginning to wonder whether the trustee who got the property can make a good report. I know a great deal of that property has been disposed of. I thought at one time that the custodian could take care of himself properly when he came to report on his trusteeship, but I wonder if the matter has now reached the point where it would be well to have such a report brought down and find out just what has taken place. Property difficulties should not influence us in dealing with the situation.

I know that I have spoken emphatically. I do not desire to speak with any more heat than is necessary. I do not take the position of some who have been pressing recriminatory charges against this one and that one, and the government in particular. But coolly and calmly I have reasoned the matter out to my satisfaction, and I submit to the house that it would be the part of wisdom at the present time to lift the ban from all these organizations; with respect to those concerning which the committee did not report unanimously, but with much stronger reason—which seems to me to be unassailable—with respect to those concerning which the committee did report unanimously.

Mr. A. H. BENCE (Saskatoon City): As a member of the defence of Canada regulations committee of last session, which committee made a report to this house on July 23, I should like to take this opportunity of saying a few words. During the two years that I was a member of the committee I enjoyed its deliberations very much, and I must agree with those hon. members who expressed the opinion that the consideration given to the various problems by the members and the deliberations of the committee were conducted with the utmost harmony. It is true that on many points we differed radically, but on the whole I can say that all the members honestly tried to see the other person's point of view. It is a matter of considerable regret to me that I am unable to be a member of the committee this year, but I had an opportunity to take a place on the reconstruction and reestablishment committee instead of this one, and I felt that as one of the younger members of the Progressive Conservative opposition, one representing a prairie point of view and one who has taken a great deal of interest in the matter of reconstruction in the councils of our party, I should accept that opportunity and go on the reconstruction committee. For that reason I am unable to continue on the defence of Canada regulations committee this year.

[Mr. Maybank.]

Last year's committee spent a great deal of time and effort in obtaining evidence relating to the various problems with which we had to deal. As is shown by the report there were some twenty-six meetings, all extending to two hours at least. We heard witnesses from various parts of this country and from as far away as Great Britain. We had the pleasure of hearing from that great and learned jurist Sir Norman Birkett, who is a high court judge in Great Britain and who for a long time was chairman of the advisory committee under the defence regulations of the United Kingdom. I have no hesitation in telling the house that Sir Norman Birkett impressed me greatly, not only on account of his learning and undoubted ability but also on account of his broad tolerance and his personal modesty.

We held our sessions in camera, for very obvious reasons. A great deal of the evidence that was given to us could not be made public because it was confidential. I had thought that many of the deliberations of the committee were also confidential. In fact, on one occasion when we came to some conclusions it was decided unanimously by all the members of the committee that nothing would be said about what had taken place until we were ready to table the report in this house. But to my great astonishment, within twenty-four hours after we had all decided unanimously that nobody would say anything about it the newspapers had the whole story of everything that had taken place in the committee. One would almost have thought they had a dictaphone in the room; the report was so full.

At any rate information and evidence given to us were in large measure confidential, and it seemed to me at the time and seems to me now, even in the light of the discussion that has taken place here this afternoon and evening, that it is impossible to have a properly enlightened debate in this house in connection with the matters that were dealt with for the reasons that I have given; a great deal of this large amount of evidence, which took fifty or more hours to give, was confidential, and even if it was available on an occasion like this it would be impossible to place it properly before the house and present a proper interpretation of it.

This is not a debate on the report itself but a debate on the motion to set up a new committee this year. It does seem to me, however, that in any event it would not be feasible to have a debate on the report, because statements could be made and arguments advanced, as statements have been made and arguments have been advanced this evening, which could be refuted or answered

or substantiated only by quoting from the evidence, which for obvious reasons we cannot present here. I would remind the house that as usual the committee of last year contained a large majority of government supporters. Consequently it was able to reflect government policy and, as I thought, was set up for the purpose of being of assistance to the administration. This year again, quite naturally, the committee is preponderantly composed of members on the government benches; there are ten Liberals, three Progressive Conservatives, one Cooperative Commonwealth Federation, and one Social Credit.

In connection with the work of this committee I am going to suggest to the Minister of Justice (Mr. St. Laurent), along the lines that have been followed by other hon. members, that before it is asked to commence its work it should be advised as to the policy of the government with respect to the report which was tabled on July 23 last. As I pointed out, practically all the time of the committee was spent in considering those points which were the subject matter of the report, in hearing the evidence and listening to the arguments, and in point of fact there was no time to deal with anything else. It does seem to me that the committee which is in the process of being set up under this motion should be told whether or not it is required to deal with those questions which were the subject matter of last year's report, or whether it is not required to do so. There would be absolutely no sense in wasting the time of that committee and the time of witnesses in going over the whole ground again, hearing the type of evidence that was heard last year and all the rest of it, unless first we knew the attitude of the administration with respect to the work done last year. I invite the Minister of Justice, who undoubtedly will close this debate, to advise us with respect to these matters so that the committee now being constituted will be fully seized of the situation, and so that its position and its work may be clarified.

One point in connection with the recommendations of the committee has not been mentioned by any of the previous speakers in this debate. It is a recommendation which has nothing to do with the matter of evidence, and consequently I feel perfectly justified in dealing with it this evening. The defence of Canada regulations as they were in force at the time our committee dealt with this matter last year contained a subsection which at the time of our deliberations was known as 39B (2), and which I think is so known in the consolidated regulations for 1942, providing as follows:

> It shall be a defence to any prosecution for an offence against regulation 39 or 39A to prove that the person accused intended in good faith merely to criticize or to point out errors or defects in the government of Canada or any province thereof, or in either house of parliament of Canada or in any legislature, or in the administration of justice.

I need not read regulations 39 and 39A, but they have to do with the spreading of reports or the making of statements or utterances which are likely to cause disaffection or to prejudice the recruiting, training, discipline or administration of any of his majesty's forces. However, I would direct particular attention to the fact that in these two regulations the words used with respect to the offence are "intended or likely" to cause disaffection or prejudice recruiting and so on. The committee considered section 39B (2) very carefully and recommended to the house that the words "or the conduct of the war" be added to it. The administration has not seen fit to adopt that recommendation, and I think the house should be given a clear explanation as to why that has not been done. The position is this. There have been delivered in this house during the last three weeks speeches which, if uttered on the public platform, could render the persons making them subject to prosecution under the provisions of the defence of Canada regulations. Some of those speeches were intended to urge the administration to an even greater war effort. Some had to do with the labour situation in this country or with the armed forces. In many instances hon. members endeavoured to further a greater and better war effort; yet, if they had made their speeches on the public platforms, they might have been rendered liable to prosecution, because section 39B states:

> No person shall act in any manner, spread reports, or make statements or utterances intended or likely to prejudice the recruiting, training, discipline, or administration of any of his majesty's forces.

If on the public platform the statement is made that Canada's war effort is not good enough; if on the public platform someone says, as hon. members have said in this house no doubt quite sincerely, that we have too many men in the armed forces and that we should reallocate our man-power, those statements might be held likely to prejudice the recruiting, discipline, training or administration of his majesty's forces, and the persons making those statements could be prosecuted. After considering this matter the committee decided that if the person making the statement could prove that he intended to act in good faith, he should not be prosecuted under these

regulations; yet for some reason which I cannot possibly understand the administration has refused to accept that recommendation. If those words were added the regulation would read like this, taking only the parts relevant to the point I am making:

> It shall be a defence . . . to prove that the person accused intended in good faith merely to criticize or to point out errors or defects in the conduct of the war. . . .

Surely we in this country, who are so fond of declaring Canada a free and democratic country, are entitled from a public platform, or wherever we may be, to make honest criticism of Canada's war effort, for the purpose of urging the administration to even greater efforts to bring about the defeat of our enemies.

The refusal of the administration to accept the recommendations of the committee which sat last year is nothing more or less than an attempt to continue the strangling of free speech in Canada. Unless the administration is prepared to accept this recommendation it is doing something to which the people of Canada are entirely opposed, and continuing a condition against which the united nations are fighting.

I pointed out at the beginning of my observations that the evidence before the committee was heard in camera, and I do not propose to discuss it before the house. I should, however, like to say one word in connection with a matter to which reference has been made by several other hon. members, namely, the continuation of the ban upon the sect known as Jehovah's Witnesses. I feel strongly about this matter, both as a result of what I learned from sitting on the committee and from personal knowledge respecting prosecutions in western Canada. I urge upon the Minister of Justice (Mr. St. Laurent) and the administration that this matter be carefully reviewed so as to ensure that prosecutions be instituted only for the commission of some act which would be prejudicial to Canada's war effort, and that they be not instituted simply because persons are Jehovah's Witnesses.

I say this because my information is that these people are Jehovah's Witnesses by conviction. In their minds they cannot be anything else. They can be prosecuted and banned; we can do anything we like with them, but so far as they are concerned they remain Jehovah's Witnesses. This is the position which has arisen in some instances. Five or ten people might be gathered together in a home to read the Bible. The police may come along —and I believe this has happened in certain instances—and raid the home. The occupants of the house may be charged with being Jehovah's Witnesses. They appear in court, and cannot deny their being Jehovah's Witnesses because, in their own hearts and souls they believe they are Jehovah's Witnesses. It is not up to me to endeavour to interpret their feelings, because I cannot quite understand them. Nevertheless I have endeavoured to do so, and my understanding is that they have what is known as a covenant with God to be Jehovah's Witnesses, and that when they are accused of being Jehovah's Witnesses they cannot possibly appear in court and deny the allegation. Consequently a prosecution is practically tantamount to a conviction, even though they may have done nothing prejudicial to Canada's war effort. They happen to be members of a sect from which they cannot in their own minds divorce themselves.

I seconded the amendment of the hon. member for Vancouver South (Mr. Green), and I most emphatically agree with the suggestion he made. I am pleased indeed that the Secretary of State (Mr. McLarty) has seen fit to adopt the suggestion. This has been a matter of considerable concern to many people across Canada over a number of years. They have felt that the whole matter of immigration and naturalization should be thoroughly convassed, and that it is the duty of members of parliament to see to it that the whole matter is reviewed.

I might point out that unless the points to which I have referred are cleared up, and if the committee is placed in a position again where it has to listen to the evidence it heard last year, it is possible it may not have time to deal with matters of naturalization and immigration. If the minister feels that the subject matter of last year's report should be considered by this year's committee, then it seems to me that the house should adopt the suggestion made by the committee which sat in 1941, namely, that a special committee be set up to consider immigration and naturalization only. We do not wish to be in a position again of having to put the matter off because the committee now to be constituted has not time to deal with it.

Many organizations in my part of the country have been giving careful consideration to naturalization, and have formulated certain ideas in connection therewith. They are anxiously awaiting the setting up of a body before which they may place their suggestions, with some hope of having them implemented. I commend the consideration given by the Secretary of State to the suggestion of the hon. member for Vancouver South, and I certainly hope that, whether it be dealt with in the manner suggested by the hon. member or that suggested by myself, it be dealt with

in some way, and the duty we owe the country in this regard thereby discharged at this session of parliament.

Mr. S. H. KNOWLES (Winnipeg North Centre): Mr. Speaker, I followed with considerable attention the attempt made by the hon. member for Winnipeg South Centre (Mr. Maybank) to explain why the report of the committee brought in last year was not implemented. He may, or may not, have given a satisfactory explanation on technical grounds, but the fact remains that the people of the city in which I live feel very deeply in the matter, and so far as they are concerned it still stands that parliament did nothing with the report. Further, the government has done nothing with it in the interim between sessions of parliament. As I understand it, the ban on organizations such as the communist party was placed there by order in council. In other words, it could have been lifted at any time by the same process of order in council. It would have seemed to me particularly appropriate for the government to act upon the sense of the report tabled and to lift the ban, by order in council. Therefore I say that, despite the attempts of my hon. friend to explain the inaction at the last session, the fact remains that nothing has been done by parliament, or by the government he supports.

I feel I should like to underline the efforts made by other hon. members to persuade the Minister of Justice (Mr. St. Laurent) to give some indication to the house and to the new committee we are now in process of setting up as to what the attitude of the administration is or will be toward any report the committee may bring in. I dare to hope that this attitude may be such as to suggest to that committee that it bring in a report very soon along the lines recommended by the committee of last year, so that at an early stage we in this house may have an opportunity of passing upon such recommendations.

I wish to join with others in making it very clear that neither I nor the members of the group to which I belong have any illusions as to the policies of the communist party or as to their attitude, shall I say, toward our political group. In the city from which I come we find ourselves competing frequently, and at times we are political enemies. So far as we are concerned, that does not matter. There is a principle at stake. We believe in the four freedoms of the Atlantic charter; we believed in them before that document was enunciated. In particular, we feel that the principle of freedom of speech is something that should be held to, not merely in an abstract form, but in actual practice and in specific cases. We feel that this holds with respect to the communist party, particularly now that it has been demonstrated that the members of that party are not in any way against our war effort, but in fact are perhaps the most zealous in the community at the present time.

In saying a few words on this subject, particularly with reference to the communist party, I believe that I speak not so much on behalf of the communist people of the city from which I come as for the average citizens of that city, the non-communists, those who share with me a dislike of some of the policies and the strategy of the communists. I may say that the average citizen finds it difficult to understand some of the inconsistencies that obtain at the present time, a number of which have been referred to already by other speakers who have preceded me.

For example, we have the fact that this war is being fought, shall I say, for the four freedoms and for certain other freedoms as well, and yet, by maintaining this ban on the communist party and on other groups such as Jehovah's Witnesses, we deny the principle of freedom of speech. There are also some inconsistencies of another kind. The communist party is banned, but we have released from internment camps the leaders of that party. The party is banned, and yet it carries on under such other names as workers' election committee and communist labour total war committee. I have in my hand a letter from this committee which is written on a printed letterhead.

We are proud of the fact that in Ottawa there is a legation of the Soviet Union. I imagine that in the library within that legation there are works on communist economics and principles, and yet we have the spectacle of books being destroyed in this country because they have been found in the libraries of people connected with the communist party. The party is banned, and yet a great number of demonstrations are being held in this country in honour of the Soviet Union. I am thinking in particular of a large gathering which was held not long ago in Winnipeg, the theme of which was a salute to the Soviet Union. It was arranged by a committee headed by men whom we all knew to be leaders of the communist party. We were glad to cooperate with them in making it a real success. The chairman of that huge meeting was at that time a prominent citizen of Manitoba who has since been taken away, Mr. John Bracken.

These inconsistencies are rather incidental to the fact that by means of this ban we are really saying that we do not believe in freedom of speech, while at the same time that

is supposed to be one of the aims for which we are fighting. We in this group contend that to maintain such an inconsistency is definitely inimical to our war effort. From conversations which I have had with people who are non-communists, even anti-communists, I have realized that their enthusiasm for the war effort has been dampened to some extent by this very fact. They wonder what it means for the post-war period in terms of the freedoms for which we are fighting if we cannot grant these freedoms at the present time.

We in this group have pointed out on other occasions the misgivings that many people in this country have with respect to the post-war period. One set of fears which I have encountered relates to post-war foreign policy. I find that a great many people are wondering just how long the cordial attitude which we are now displaying toward the Soviet Union will continue after the war is over. What is going to be the line-up of forces among the great powers when this conflict has come to an end and we are face to face with the question of the kind of social order we are going to have in the various countries now joined together as the united nations? Many of those to whom I have spoken have felt that this ban on the communist party indicates a desire on the part of the government to be ready, after the war is over, to suppress the ideas held and advocated by the ally that just now means so much to us in the present war.

Mr. GRAY: What is the present position of the Cooperative Commonwealth Federation with respect to the Soviet Union?

Mr. COLDWELL: They are our allies, are they not? As our allies in this war we are prepared to do all we can—

Mr. GRAY: I did not ask the hon. member.

Mr. COLDWELL: The hon. member asked the position of the Cooperative Commonwealth Federation, and I rose to reply.

Mr. KNOWLES: The hon. member for Rosetown-Biggar (Mr. Coldwell) has given the answer of this group. At the present time the Soviet Union is an ally, a major ally, of this country, and our attitude toward them at the present time is one of deep appreciation for what they are doing for us. We are also anxious that the various united nations might be able to pool their ideas after the conflict is over as to the science of economics and the ways of ordering our social life so that we may make progress. I believe that we have some contribution to make to the social and economic life of that country, and that they can make a contribution which will be of value to us. The fear of a great many people is that the powers that be in this country do not want any infiltration into our economic life of the concepts of socialism and cooperative government to be found in some of these other countries. The fear is, I say, that the maintenance of this ban is part of that idea; and I suggest that if this ban could be lifted this would go a long way toward helping a great many people to feel that we are thoroughly sincere in our advocacy of the four freedoms and of a new order, a better world after this war is over.

There is another matter to which I should like to refer briefly in connection with the motion calling for the setting up of this committee. I understand that a letter has been sent by the Winnipeg and district trades and labour council to the Minister of Justice, protesting strongly against the advertising which has appeared in newspapers throughout Canada, placed there by the Steel Company of Canada, and to which reference has already been made in this house. I understand that the Winnipeg and district trades and labour council has suggested—perhaps an even stronger word should be used—to the Minister of Justice that this company and, in fact, the newspapers which carried the advertising, should come in for the very close scrutiny of his department, as to whether this is not in fact subversive activity on the part of this company. I know that when the authorities, or even the defence of Canada regulations committee, go around looking for subversive activities they do not usually look in that direction, they look in the direction of groups politically to the left, or to religious sects which they cannot understand or which are out of the usual run of religious organizations. But I suggest that really subversive activity is to be found in the kind of thing which took place when that full-page advertisement appeared in all the large dailies of this country. I have received a great number of copies of this advertisement from Winnipeg, from people who were incensed by it. I emphasize the fact that the trades and labour council to which I have referred as protesting this matter is connected with the American Federation of Labour, not with the Canadian Congress of Labour, which is the labour organization involved in the steel situation. In other words, this Winnipeg labour body is concerned with a principle. They protest the right of a large corporation to publish this advertising which slanders organized labour,

which speaks disrespectfully of the whole principle of industrial democracy which is sacred to the workers of this dominion and which they feel is part of what this war is being fought for. I can say, from the correspondence I have had, and from the account of what took place far from Hamilton, in the city of Winnipeg in the trades and labour council last week, that the workers of this country find this kind of thing very hard to understand. In fact, despite their utmost loyalty to the war effort, despite all the offers they have made, despite their efforts to be accepted by the government as full partners in the prosecution of the war, they find their enthusiasm cooled by this sort of thing, which seems to suggest to them that all the talk about the right to organize, collective bargaining, and a better deal for labour when the war is over, does not really amount to very much. This thing, I suggest, is subversive; and if the Department of Justice or the defence of Canada regulations committee are really keen and eager to trace down subversive activity, something which is inimical to our war effort, which dampens people's enthusiasm for it, or raises questions as to the validity of the things we are fighting for, they should take some time away from chasing communists and Jehovah's Witnesses and track down this kind of thing.

I regret very much that as yet the government has not had anything to say of any consequence in this connection. One day last week the hon. member for Cape Breton South (Mr. Gillis) asked the Prime Minister (Mr. Mackenzie King) what he thought of this bit of advertising. I believe the reply of the Prime Minister was to the effect that he did not imagine it would make much difference what he thought. I hope that before this debate is concluded the Minister of Justice will give us some statement. Perhaps he will tell us whether he has received letters from the Winnipeg trades council, and possibly some other organizations, and will give us some statement as to whether or not his department regards such advertising as something which should go unchecked. After all, if anything of that size by way of advertising were published in the papers of this country slandering the armed forces, we know what would happen. We have in Canada a great body of working people whose sons and daughters are in the armed forces, who themselves are working hard, making their contribution to the war effort; and for them to be slandered in this way is something they feel they ought not to have to take, and something which raises questions in their minds as to what is going to happen after the war is over.

Consequently, Mr. Speaker, I join with others in expressing the hope that we may hear shortly from the Minister of Justice as to the desire of the government with respect to this committee. Is the government prepared for the committee to make a report fairly soon regarding lifting the ban, for example, on the communist party? I think also we should hear from the minister whether his department, or under his direction, this committee, will be given authority to track down all subversive activities, not only the kind for which they have looked so far, but the kind to which I have drawn attention in referring to the recent advertising throughout the dominion by the Steel Company of Canada.

Mr. J. SASSEVILLE ROY (Gaspé): I should like to say a few words only to draw the attention of the Minister of Justice to the fact that the opposition group from Quebec has no representative on this important committee. As a matter of fact, of fifteen members of that committee, there are only three from Quebec. This committee will have to deal with very important matters, and I would humbly submit to the minister the nomination of the hon. member for Charlevoix-Saguenay (Mr. Dorion) to the committee. He is a brilliant lawyer, and I am sure he would render valuable services to the committee and to the country as well.

Mr. T. C. DOUGLAS (Weyburn): I wish to take only a minute to present a case to the minister. I am not going to traverse the ground which has already been covered by many speakers regarding the recommendations of last year's committee, but I merely ask that one aspect of this question be dealt with in the committee which I do not believe has been dealt with in years gone by. I refer to those who have been interned under the defence of Canada regulations, who are, as I understand it, allowed to have hearings before an advisory committee, and the minister on the advice of that committee decides whether or not they shall be released.

I can understand that in the early stages of the war, and particularly in the very dark days of the summer of 1940, it was better to be safe than to be sorry, and many people had to be rounded up and put out of the way where they could do no harm, until such time as we could make sure whether or not they were going to be a menace to the safety of the state. That was done in Great Britain, where many persons were rounded up who afterwards were found to be innocent. No one can blame a government for doing that when the safety of the nation is threatened, but that is now over three years ago and I

wonder whether the minister has set up any machinery for making a more careful investigation into some of these cases. I can give a particular case which I have had an opportunity of investigating at first hand, and if it is typical of others, then there are people in this country who, I am afraid, are suffering great injustice.

This is a case which I referred to the minister a considerable time ago, namely, that of a man named Alois Zieglansberger under the file number of the Department of Justice, 16-395. Here is a man who was interned on July 27, 1940. His internment number at Petawawa is P.W. 1098. This man is a British subject of German origin. Eighteen months before war was declared he and his wife were at another person's home in the northern settlements of Saskatchewan, and in the course of an argument about economic conditions in Canada, and world conditions generally, he was alleged, by the man with whom he was arguing, to have made pro-nazi statements. There were as many people there who claimed that there were no pro-nazi statements made as there were those who claimed that there had been. On the strength of information laid by the other man who was partner to the heated discussion, this man was interned on July 27, 1940. I made representations to the minister. I have a number of letters on file which I will not take the time to read. The advisory committee, on going over the case, recommended that the detention should continue. I took no further action in the matter. If the advisory committee, after examining the facts, felt that was all they could do, then there was nothing more for me to do or for the Minister of Justice.

This fall I had occasion to go into the district. This man lived at Pierceland, Saskatchewan, over a hundred miles from railway, telephone or doctor, up in the bush settlements. I went through that scattered community and talked to people of all shades of opinion. I could find no one except the particular man who laid the information who would say that the interned man had any pro-nazi sentiments. I found that 128 people in that scattered community, covering a considerable area, had signed a petition and sent it to the minister, assuring him that, knowing this man as they did, as a good husband and citizen and a thrifty worker, they had no doubt that there had been some miscarriage of justice.

I met the man's wife, a young woman in her twenties, with three small children, living on a Saskatchewan homestead, doing all the work herself, sawing wood, driving horses and doing the chores. She had driven several miles in a snowstorm—the night I was there it was almost thirty degrees below zero—to come into town to see me about her husband's case. She brought her children with her because she had no one with whom to leave them. For over two years this woman has been without any support except what she could obtain with her own hands to maintain herself and her three children. I tell you, Mr Speaker, talking to that woman dressed in overalls, a man's clothing, fingernails broken, hands blistered from doing all the chores, and listening to the flimsy basis on which her husband has been held for over two years in an internment camp, I was almost ashamed of the way in which British justice, in which I had always had such great pride, was being administered in this country. I think that cases like that ought to be thoroughly investigated. They ought to be based on something more than information laid by some disgruntled individual in a community, and I should like to have some assurance from the minister tonight, now that we have more time, that machinery will be set up to go more fully into cases such as this. Compare this man's case with some others I could mention. It is no secret that in Saskatchewan the Deutsch Bund organization was strong prior to the outbreak of the war, and I have good reason to know that. Speaking in my own constituency about the aims at world domination which Hitler had, and speaking against the Munich pact, I was warned on several occasions by officers of the Deutsch Bund that it would be a good idea to keep quiet. None of these men was interned. One was arrested one evening, but before five o'clock next morning, he was released and he joined the army.

Mr. MacNICOL: How was he released?

Mr. DOUGLAS (Weyburn): I do not know how he was released, though I have heard it stated that he was released to join the army. Here were people who were members of a nazi organization, active in their support of the nazi philosophy; and here is a man who, from all the evidence which I can gather from his neighbours and from people who, while not his friends, knew something about him and his circumstances, was not a member of a nazi organization, was not even sympathetic to the nazis. He was of German origin, and in the course of a heated argument eighteen months before war was declared he said certain things which a man who was arguing with him declared to be pro-nazi. Well, if all the people who said things in a heated argument about economic conditions in Canada and throughout the world generally were to be interned—

Mr. GRAY: Does the hon. member suggest that that situation is general in his riding? Surely that is an unusual situation.

Mr. DOUGLAS (Weyburn): I am sure the hon. member, on more sober reflection, will agree that even if this were the only case, it warrants investigation. And if this case has not been thoroughly investigated, and my two or three days in the district led me to believe that it had not, then there may be others, I suggest to the minister that the advisory committee—it may be necessary to set up two or three advisory committees—should go over these cases and sift the evidence more carefully. In a community ninety or a hundred miles away from a railway it is not easy to send in police to make an investigation, but an investigation should be made as quickly as possible and the evidence more thoroughly sifted, because we should not have any group of people feeling that a man has been interned merely on the basis of what an informer says, or merely because someone who did not like him has reported him to the police.

Mr. MacNICOL: Do I understand the hon. member to say that the statement on which the gentleman to whom he is referring was interned was made eighteen months before war broke out?

Mr. DOUGLAS (Weyburn): That is what I am told. The statement he is alleged to have made was made eighteen months before the outbreak of war.

I want to say this in closing. I know it is not popular to espouse unpopular causes. The fact remains that as long as there are any people in this country whose liberties are being restricted, whose freedom of worship has been abrogated, whose rights and privileges are being interfered with, none of us are free. Even a single case like this, if it is a miscarriage of justice, this house and this committee which it is proposed to set up have a serious responsibility to see that machinery, if it is not already in existence, is set up by the Department of Justice, to examine such cases, and if these men have been unjustly interned, to have them returned to their homes, while if they are justly interned some provision should be made by the federal government to take care of their wives and dependents.

Mr. GRAY: I do not wish to question the hon. member; I know he is sincere in what he has said, but I hope he will give the Minister of Justice the name or names of those he is now mentioning.

Mr. DOUGLAS (Weyburn): I have already given the minister the man's name and number in the internment camp. The minister already has a file on this man.

Mr. J. G. DIEFENBAKER (Lake Centre): There is one matter that I think might well be brought to the attention of the house at this time with a view to securing from the Minister of Justice (Mr. St. Laurent) a statement respecting the prosecution last June or at least the setting in motion of the wheels of prosecution against Colonel George Drew. The hon. member for Saskatoon City (Mr. Bence) dealt at some length with the sections of the defence of Canada regulations in question and in particular referred to sections 39 and 39A. If there is one thing that we should guard against in the use of the regulations it is that they be not used in any way by the government of the day in prosecutions that have all the appearance of political prosecutions.

The hon. member for Saskatoon City pointed out that the government had not accepted the recommendation of the committee in respect of the defences that can be raised to prosecutions under section 39, which provides that no person shall spread reports, or make statements or utterances intended or likely to cause disaffection to his majesty or act in any manner, spread reports or make statements or utterances intended or likely to prejudice recruiting; act in any manner, spread reports or make statements or utterances, intended or likely to be prejudicial to the safety of the state or the efficient prosecution of the war.

The hon. member pointed out that the government had not accepted the recommendation made by the committee; that among the defences that would be open to a person charged under section 39 would be that the person intended in good faith to criticize "the conduct of the war." The defence of Canada regulations are a very good example of what I was endeavouring to bring before parliament this afternoon when I criticized the government for using regulations instead of statutes of parliament. As the regulations now stand, any man in this country is liable to prosecution although his purpose is to improve the war effort of this dominion, if his words are likely to interfere with the war effort. There is not a statement that any honest, patriotic citizen could make that is likely to prejudice recruiting that cannot be construed as coming within the provisions of section 39. We saw an example of that last summer in the prosecution of George Drew. The law was set in motion, he was brought before the courts. No man in Canada, not even the Minister of Justice, who must have given permission for the starting of the action, believed that the words which were used by George Drew were not those of a patriotic Canadian citizen, a

returned soldier with a gallant record, a man whose sole purpose was to improve the Canadian war effort.

He was brought before the court. The charge was then withdrawn. If the charge had been gone ahead with and the law had been interpreted in accordance with the decision of the court of appeal of Ontario and, I believe, a decision of the court of appeal of British Columbia, however high-minded, however patriotic his intentions, however desirous he was of improving the war effort of this dominion, he was guilty of the offence if he used words that were "likely to prejudice recruiting". If the amendment suggested by the committee had been accepted by this government and the words recommended had been added to section 39B (2) a defence would have been afforded thereby. Why were those words not accepted? The time has come, I believe, when the Minister of Justice should give a full, frank, clear and definite statement to this house and the country as to the reasons for the commencement of that prosecution, as to whether the department really believed, when it permitted that prosecution to be laid, that George Drew had committed an offence akin to sedition and not far removed from treason.

The withdrawal of the charge shows clearly that the government realized that a grave mistake had been committed and a grave injustice done to Colonel Drew. The time has come when the Minister of Justice should on behalf of the government of this country state the facts, and if a mistake was made, as apparently one was, in commencing the prosecution, that an apology should be offered on behalf of the government.

The defence of Canada regulations are necessary; they must be stringent in time of war, but let it never be said that these regulations might be used for the prosecution of those who are opposed to the government. An example of the danger occurred the other day in this house when with reference to an article written by Commander MacLean, the Minister of National Defence for Naval Services (Mr. Macdonald), after replying to the article, made the statement that at the present time the authorities were considering the prosecution of this man under the defence of Canada regulations. At that time the leader of the opposition (Mr. Graydon) made a statement that I thought was particularly apt. His statement was that the minister had said either too much or too little. Almost a week has passed by since that statement was made by the Minister of National Defence for Naval Services, and one begins to question whether or not once more the defence of Canada regulations are being threatened to be used in a manner designed to prevent fair and proper criticism. They should never be used except to punish unfair and untrue criticism or criticism designed to bring or that may well bring solace to the enemy or be prejudicial to the state. I trust that the Minister of Justice when he replies will give us the facts of the Drew case. If amends should be made, as I believe they should, for the commencement of that prosecution which ended in a withdrawal on the recommendation of the special counsel employed by the crown, I hope the minister will make them by frankly admitting that a mistake was made.

Mr. A. R. ADAMSON (York West): I should like to say a word in favour of the amendment moved by the hon. member for Vancouver South (Mr. Green) and particularly to say something in regard to the solemnity of naturalization proceedings. A little over a year ago I had the good fortune to attend a United States court which was naturalizing several new Americans and making them citizens. The proceedings were extremely impressive. First the judge told them very simply what were the duties of a citizen. Each man read the United States constitution and then the declaration of independence. Each was questioned carefully on both these foundation-stones of American liberty. There was no question in my mind, or in the mind of the judge, that they understood what they were doing and appreciated the responsibilities of citizenship. Those men left that court imbued with a sense of patriotism and Americanism, their hearts filled with pride. We should do more to make our new citizens feel that it is a great thing to be a Canadian. So many of us seem to go about thinking it a rather shameful thing to belong to Canada. We want to get over that, and when these men come before the courts to take the oath of allegiance and complete the great step of becoming a citizen of this country they should be impressed with the fact that they are doing something of which they should be proud. Therefore I am pleased to support the amendment that has been moved.

Mr. BROOKE CLAXTON (St. Lawrence-St. George): In just a word I should like to support the suggestion advanced by the hon. member for Saskatoon City (Mr. Bence), though not precisely by reason of the case mentioned by the hon. member for Lake Centre (Mr. Diefenbaker). I refer to the recommendation of the committee that an additional case for exemption be included at the end of regulation 39B. As it stands now, a person may be prosecuted under regulations

39, 39A or 39C for making a great variety of utterances. It is a defence to any such prosecution if the person accused shows that in good faith he intended to criticize the government of Canada or its provinces, or the administration of justce. There were brought before the committee concrete cases, not the one mentioned by the hon. member for Lake Centre, of prosecutions in which there should have been a defence available to the accused on the ground stated by the committee, namely, that in good faith the accused had intended to criticize the conduct of the war.

The committee had in mind two sorts of conduct of the war. First we had in mind the conduct of the war outside Canada. A great part of the war may be conducted outside Canada by our allies, by joint boards or by various other agencies, and it should be perfectly proper for any Canadian in good faith to criticize those bodies if, in his opinion, they are affecting the conduct of the war. It was argued before the committee that in any such case the accused would have no defence provided that the prosecution found a case under regulation 39, 39A or 39C, so that for that reason this addition was suggested. There was also the additional reason that there might be some difference between the government of Canada and the agencies of the government of Canada. It might be excusable to criticize the Minister of National Defence (Mr. Ralston), but not his general staff. It might be permissible to criticize the Minister of Justice (Mr. St. Laurent), though I am sure no one would wish to do so, but not the officers administering the defence of Canada regulations. It might be permitted to criticize the Minister of Munitions and Supply (Mr. Howe), but not the contractors working for him. Therefore, to provide for those cases these words were suggested, and for the further reason that there are other agencies conducting the war in addition to the government of Canada.

When the regulation was under discussion in the committee I do not think it is a breach of confidence to say there was no objection to it. As far as I can remember we spent a good deal of time in trying to find a form of words which would meet the various cases. I do not think any formal vote was taken; certainly there was no material objection, and the proposed amendment met with the substantial support and acquiescence of the committee. We thought we were dealing with a situation which had not been contemplated at the time the regulations were drafted, that we were really making what was a drafting correction. Consequently I hope the Minister of Justice will consider the recommendation of the committee once more. It may be, of course, that reasons were placed before him which were not given to us as to why it should not be adopted, but certainly the committee did not hear any reasons to that effect, and I hope the minister and the government will give further consideration to the recommendation in question.

Mr. CLARENCE GILLIS (Cape Breton South): I will be as brief and as explicit as possible in what I have to say, because I know the Minister of Justice (Mr. St. Laurent) wishes to make a statement and to have the motion passed. I wish to make reference to two matters which were not discussed by the defence of Canada regulations committee last session, and my reason for mentioning them now is to bring them to the attention of the committee that is to be set up.

The first matter I desire to mention is in reference to the internment of Italians in Canada. A great deal has been said about other organizations and other people who came under the defence of Canada regulations, but I think the people to whom I am referring were treated about as unjustly as anyone. In the section of the country I have the honour to represent there were about two hundred Italians picked up, but to the best of my knowledge there was very little evidence upon which infractions of the regulations could be based. For years in that section of Canada there was an acute unemployment situation, and an agitation was carried on to displace those people so as to create employment for those who were termed citizens of Canada. Upon Italy's entry into the war that was seized upon as an excuse to pick up these Italians, holus-bolus, and intern them. I knew many of those men personally, and I am reasonably sure that great injustices were perpetrated against them.

I have made representations on behalf of a few of them, and some have been released. However, others are still retained in custody, and evidently very little has been done about their cases. On two or three occasions I have brought the matter to the attention of the house. I suggest that when this committee sits some attention should be paid to the operations of the internment bureau, and special inquiries should be made as to why such a large percentage of Italians are being held in custody.

I shall not elaborate at greater length on the point, because the departmental records contain complete files of people of that nationality. I suggest, however, that the committee

should pay particular attention to this phase of the matter. Absolutely nothing was done about it at the last session of parliament, and it is for that reason I should like to bring one particular case to the attention of the Minister of Justice (Mr. St. Laurent). The man I have in mind was named John Dornig, of New Waterford, Nova Scotia. He was a man of more than sixty years of age, and at the time of his internment was in poor health. During his incarceration he was under the doctor's care. A few months ago, after many representations to the department, he was released, and shortly thereafter received the following letter from the custodian of alien enemy property:

Department of the Secretary of State
Ottawa, January 29, 1943.

Dear Sir:

The custodian's out-of-pocket expenses in connection with the investigation into the administration of your affairs during your internment amounts to $100.

I shall be glad accordingly to receive a money order for this amount.

That man spent about two years in an internment camp, and while there he was ill. He lost in sickness and accident insurance about $2,500 which he would have received had he not been interned. Now, for carrying on an investigation to satisfy himself that the man was wrongly interned—and that has been proven by virtue of the fact that he was released—the custodian of alien enemy property wants him to pay $100. Surely that is something which should be examined by the committee studying the defence of Canada regulations. Some will say that the expense was incurred in connection with the administration of some of his property. I know this man has no property, and in my opinion the charge is for no reason other than that of making an examination into the files to ascertain whether or not he should be released. I leave these matters to the committee. There are cases I have been attempting to adjust by correspondence and personal representations where I am reasonably sure great injustice is being done.

There is one further matter I should like to mention. The hon. member for Winnipeg South Centre (Mr. Maybank) took considerable time to prove to the house that someone other than himself was responsible for the report of the committee not being lifted from the table. My understanding of his explanation, and my knowledge with respect to the report of the committee presented just prior to the adjournment of the house, lead me to the belief that he proved conclusively that he accepted the responsibility for the committee's report not being lifted. He stated first that he had notified Mr. Speaker in accordance with the regulations that he was prepared to move for the lifting of the report from the table. Under the regulations, after his notification no other hon. member was privileged to move for the lifting of the report. The matter stayed in abeyance in that manner until just before the adjournment of the house. I say, therefore, that if he had not notified the Speaker that he was going to take that action, someone in this group would have done so. I believe to-night that with all his juggling of the English language with respect to the matter of lifting the report he proved conclusively that he was personally responsible for the fact that some other hon. member did not make a similar motion.

Mr. A. M. NICHOLSON (Mackenzie): Mr. Speaker, before the minister closes the debate there are two observations by the hon. member for Yukon (Mr. Black) concerning which I think some comment should be made.

Mr. SPEAKER: If the minister speaks he will be speaking to the amendment, and will not be closing the debate. The amendment will have to be disposed of, and, following that, the main motion.

Mr. NICHOLSON: The hon. member for Yukon suggested that those of us who were asking that the principles of freedom of speech and freedom of assembly should be practised in war time are possibly communists. He mentioned that the hon. member for Vancouver East (Mr. MacInnis) was the only member of this group who made it clear that his sympathies were not with the communist party. The hon. member for Bow River (Mr. Johnston) who spoke this evening was opposed at the last general election by a communist candidate. The hon. member for Yorkton (Mr. Castleden) and I were opposed by officials of the communist party in Saskatchewan. I felt at that time that the communist group were following along lines which were not in the best interest of democracy, or in the best interests of Canada and her war effort. But it seems strange that those leading officials of the communist party were permitted to stand as candidates in a general election. I did not suggest they should be interned. I believed we had a cause which could stand up to any criticism they might offer, and I am glad to say that no member of our organization endeavoured to have communist opponents placed in internment camps.

The hon. member for Yukon suggested that if hostilities between Germany and Russia came to an end, the communists would be on the side of Germany. I consider that this

does an injustice to one of our great allies, namely, Russia. Those who make statements of that kind fail to understand the fundamental differences between communism and fascism. And to suggest that those in Canada who are friends of the Soviet Union are not whole-heartedly concerned with seeing that Germany is completely defeated is simply a refusal to face facts.

I wish to voice the hope that in the near future the recommendations made last year by the committee will be acted upon by the government. I refer to the lifting of the ban on the communist party, and consideration of the status of Jehovah's Witnesses and Technocracy.

Mr. SPEAKER: I wish to point out that this amendment is not relevant to the motion, and its acceptance may create a dangerous precedent. The amendment proposes to graft on to the motion to appoint a committee to consider and review the defence of Canada regulations, 1941, a new question, namely, the consideration of the law relating to naturalization and deportation. There is no relevancy between these two propositions. Amendments must deal with the same subject-matter as the motion they are intended to modify. A member could not, for instance, on a motion to appoint a committee to review the Criminal Code move that the committee will also review the Companies Act. The subject-matter mentioned in the notice must be strictly adhered to, or else there would be no limit and the motion to appoint a committee would open the door to all kinds of investigations of the whole administration.

I am informed that there is some agreement to accept this amendment, but I can allow it only if no exception is taken to its regularity and on condition that its adoption will not be a precedent and be binding upon me. If the Minister of Justice (Mr. St. Laurent) wishes to speak he will be speaking solely on the amendment. After the amendment has been disposed of, the house will then deal with the main motion, amended or not amended as the house may decide. Then the minister may reply, but when he does so he will close the debate.

Hon. L. S. ST. LAURENT: I expressed to the hon. member for Vancouver South (Mr. Green) that I had no objection to the amendment because I had discussed it with the Secretary of State (Mr. McLarty) and with the Prime Minister (Mr. Mackenzie King) in the absence of the Minister of Mines and Resources (Mr. Crerar). The reason why we thought it could be accepted as an amendment to the motion has been indicated in some of the discussion here to-night. It was suggested that it might be desirable to have some provision for the possible deportation of those whom it has been found necessary to intern as enemies under the defence of Canada regulations. On account of that connection it did not strike me that the amendment was altogether foreign to the main motion. Consideration might be given as to whether or not persons whom it has been found necessary to intern under the defence of Canada regulations should be deported. For that reason the amendment might be looked upon as being connected with the main motion, and there probably would be no embarrassing precedent for Your Honour if you were to allow the amendment to be accepted.

Mr. SPEAKER: I would point out to the minister that his remarks do not cover the question of naturalization. There is no provision in the defence of Canada regulations with regard to naturalization.

Mr. ST. LAURENT: There was a provision in the defence of Canada regulations which treated as enemy aliens those persons who were of the races at war with the united nations and who had been naturalized since 1922.

Mr. SPEAKER: I just wish to point out to the minister that while his explanation does give a degree of relevancy to the amendment, I am not altogether satisfied that the principle which is being enunciated to-day is a proper one for the house to accept, namely, to import into a motion before the house another subject matter not relevant to the main subject-matter. I wish that to be noted. That is my opinion. The question is on the amendment.

Amendment (Mr. Green) agreed to.

Mr. ST. LAURENT: I am sure that hon. members will not expect me in the few minutes that remain before eleven o'clock to answer all the observations that have been made in something over three hours of debate. This is merely a motion to set up again a committee for the examination of the defence of Canada regulations. A question was addressed to the Prime Minister on February 5 by the hon. member for Vancouver East (Mr. MacInnis) as to whether or not it was the intention to set up again this committee as in previous years to deal with the defence of Canada regulations. That was the first reason for the motion. The second reason was that the committee of last year recommended that it be reconstituted this year to examine the situation as it may exist at this

time. The third reason was that all the recommendations made in the report were considered. Certain of them were adopted in the forms suggested by the committee, and other modifications to the regulations were made. It was felt desirable to have the committee consider whether or not the modifications which had been made would have any effect upon the general recommendations.

One modification was dealt with by the hon. member for St. Lawrence-St. George (Mr. Claxton) and the hon. member for Lake Centre (Mr. Diefenbaker) and had to do with adding new words to section 39B of the defence of Canada regulations. This section provides that it shall be a defence to any prosecution for a violation of the section to prove that the person accused intended in good faith merely to criticize or to point out errors or defects in the government of Canada. It was suggested that the words "and the conduct of the war" should be added. This was given serious consideration, and the defence departments had serious objections to the amendment in those terms and suggested the modification which was made to regulation 16.

If and when this committee is reconstituted the officials of the defence departments will, I assume, come before the committee and explain what objections they have to the general form of the recommendation that was made. Personally I could see no serious objection to adopting that recommendation, and the law officers in the department could see no serious objection. The matter was discussed with the defence departments over a period of weeks in an effort to arrive at some formula which they considered could be inserted without danger to the safety of the state. The officers of the defence departments will be in position to give what reasons they have for the view that it would be improvident to have an amendment in those terms to section 39B.

With respect to the Jehovah's Witnesses I must say that I know nothing about them. There has not been a prosecution of Jehovah's Witnesses authorized in the department since I have been connected with it. There was a recommendation made with respect to a large number of organizations which appeared to me to be to the effect that the regulation interfered with freedom of conscience or freedom of worship. There was inserted as an addition to paragraph 39C the following:

> No person shall be guilty of an offence against this regulation by reason only of his attending a meeting, the sole purpose of which is religious worship or instruction.

[Mr. St. Laurent.]

That has been added, and will be before the committee to consider whether or not it is a sufficient safeguard.

Mr. DOUGLAS (Weyburn): While it is true that none of these prosecutions has come from his department, is it not true that the attorneys-general of the different provinces, and even magistrates, have carried on prosecutions against these people merely for having Bibles in their possession?

Mr. ST. LAURENT: It is not to my knowledge that such is the situation. I will not say it has not happened; I do not know. I have no knowledge of any prosecution of Jehovah's Witnesses, and I know that none has come to my attention in the department since I have come there.

Mr. DOUGLAS (Weyburn): There were eleven last week, I think.

Mr. ST. LAURENT: With respect to the supposed illogical situation in which the department would be because communists have been released from custody and because the ban has not been removed, I might say that all those who have been released from custody have been released not because they were communists but because they said that they wanted to help in our war effort and because they individually signed undertakings that they would

> . . . not participate in any propaganda or other activities of the communist party of Canada or of any organization over which the communist party exercises control, or of any other association, group, society, or organization declared to be illegal under regulation 39C of the defence of Canada regulations.

If they have not complied with that undertaking it is not because they did not give it. They were released upon the distinct understanding and upon the assertion that they were the most ardent anti-fascists who could be found anywhere, and that they were not asking to be released for the purpose of carrying on communistic propaganda, but that they were asking to be released because they wanted to help us win the war. If instead of doing that they have done something else they have violated the undertaking. There have been certain representations that this has been done. I have had these representations investigated, and I have not yet been satisfied, with respect to any of these organizations which have been mentioned, that it would be possible to establish before a court of justice that it was an organization "over which the communist party exercises control."

As to the communist party itself and its doctrines I am not speaking for the government. I stated very clearly last year what

my own views were. I considered that the communist party is illegal, not only because it is declared to be so in the defence of Canada regulations, but because its aims are contrary to the criminal code and because, when section 98 was struck from the criminal code, section 133 was amended by adding thereto the following:

Without limiting the generality of the meaning of the expression "seditious intention" everyone shall be presumed to have a seditious intention who publishes, or circulates any writing, printing or document in which it is advocated, or who teaches or advocates, the use, without the authority of law, of force, as a means of accomplishing any governmental change within Canada.

There is a clear distinction to be drawn between people who advocate the use of force without the authority of law as a means of accomplishing governmental changes in Canada, and the government of our Russian allies. I am quite sure that if we or any group of people from Canada were to go to Russia and to advocate the use of force to overthrow the Russian government, our organization would be looked upon in Russia as subversive and seditious.

The fact that these people have been released, or that those who adhere to their doctrines are now outspoken advocates of a substantial or total war effort, does not detract from their original aims; and quite recently language which I will quote before the committee was used by one of them at a meeting which was attended, not by persons who had been interned and released, but by others who were formerly known to be members of the communist party. And right here I may say that, at the same time that the other amendment about freedom of worship was made, regulation 39C was amended to make it an offence, not to belong to the communist party —those were the terms in which the article previously existed—but to act as a member or as an officer of the party. So that the intellectual adherence to the doctrines would not be an offence. The offence would merely be constituted by some overt act to further the aims of the organization. The amended regulation now reads:

Every person who acts as an officer or member of an illegal organization or who advocates or defends the acts, principles or policy of such illegal organization, shall be guilty of an offence against this regulation.

Mr. COLDWELL: Why, if the criminal code is as it is, is the regulation necessary? Why not lift the ban?

Mr. ST. LAURENT: Because, if the ban in the defence of Canada regulations were removed, it would be asserted all over Canada, and believed by a great many people, that the aim of the national council for democratic rights had been achieved; that the great issue of democracy which they have stated in a number of their publications had been realized, and that the legality of the communist party had been asserted affirmatively by this parliament. This is from one of their publications:

Why should the legality of the communist party be an endorsation of communism, any more than the legality of the Conservative party would be an endorsation of Conservative tenets?

Mr. GRAYDON: Do not forget that "Progressive", too.

Mr. DOUGLAS (Weyburn): Do not you forget it.

Mr. ST. LAURENT: The publication to which I referred also contains this:

Is Mr. St. Laurent, on the basis of political prejudice, to be allowed to determine what organizations and groups shall be legal or illegal in Canada? Is his personal opinion to be the measure of freedom of organization? . . . Since when does freedom of association and conscience depend upon agreements or disagreements with creeds by a minister of the crown? . . .

If the personal opinion of a minister of the crown, who dislikes a given political theory, is to be the principle upon which the democratic fabric of Canada is to operate, then, no group, no organization, no religious belief or any creed is safe—all will be at the mercy of the prejudices of this minister.

That is what will be taken to be the meaning of lifting the ban in the defence of Canada regulations; and one of those who was released, Mr. Tim Buck, in a number of speeches said that what was wanted was the lifting of the ban to make the communist party a legal organization in Canada; and that if the ban were lifted, the impression throughout the country would be that something had been done by this parliament to make the communist party as legal a party as the Progressive Conservative party, to which some of the pamphlets attempt to liken it. I think that would be giving serious encouragement to propagating a doctrine which now is contrary to the criminal code, and is so under an amendment which was recognized as designed to have that effect when it was inserted in the code; because, if hon. members will look at the debate which took place in 1936, they will find Mr. Woodsworth saying to the then Minister of Justice that he was taking away with one hand what he was giving with the other by repealing section 98. And notwithstanding the logic of the reproach

that was then being made to the Minister of Justice, this house saw fit to do what the then Minister of Justice proposed, and to add to section 133 a paragraph which amounted in fact to taking away with one hand what was being given, by the repeal of section 98, as to its substantial provision, with the other hand.

Mr. COLDWELL: The then Minister of Justice denied that he was doing that. That is my recollection.

Mr. ST. LAURENT: If my hon. friend wishes to read the debate he will find that it was on June 19, 1936.

Mr. COLDWELL: I was here.

Mr. ST. LAURENT: He will find it on pages 3900 and following of *Hansard* of that year. I have read two or three times the whole debate, and the hon. gentleman will find that the then Minister of Justice persisted and merely accepted one suggestion, namely, that the amendment be restricted to advocating the use of force to bring about governmental changes within Canada. The amendment at first had been drawn in general terms—to bring about governmental changes. It was suggested that this might extend to governmental changes anywhere, and it was restricted to governmental changes within Canada. I think that all other matters dealt with by hon. members can be quite fully gone into in committee. Everyone seems to be desirous to have the committee set up, and since we have now taken over three and a half hours to say "yes" to the motion, I suggest that the question be put and the motion carried, so that the committee can get down to its business and obtain in more accurate form all the information required.

Mr. GRAYDON: Is the minister going to let the matter stand as it is without making any explanation with respect to the Colonel Drew matter raised by the hon. member for Lake Centre (Mr. Diefenbaker)?

Mr. ST. LAURENT: With respect to Colonel George Drew? I did not intend at this time to make any statement in that connection. If I felt there was any apology due to Colonel George Drew, I would not hesitate to make it, but knowing the facts that I know, my opinion is that I owe him no apology.

Motion (Mr. St. Laurent) as amended agreed to.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 11.05 p.m.

Tuesday, February 23, 1943

The house met at three o'clock.

SOVIET UNION

TWENTY-FIFTH ANNIVERSARY OF ESTABLISHMENT OF THE RUSSIAN ARMY—TRIBUTE TO ITS VALOUR AND SPIRIT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): To-day marks the celebration in the Soviet Union of the twenty-fifth anniversary of the establishment of the red army. Its achievements in the last twenty months have given to all the free peoples who have been resisting nazi aggression so much cause for encouragement and thanksgiving. I do not wish to allow the occasion to pass without reference in this house to the successes of the Soviet forces under the leadership of Premier Stalin. The whole free world is in their debt for what they have done to withstand the German invaders and to drive them from many thousands of square miles of Soviet territory. May their arms continue to be successful until victory over our common enemy is achieved.

Speaking of Russia's successes I should like to repeat in this house a warning which Mr. Eden gave to the people of Great Britain in his speech in London on Sunday. The foreign secretary of Great Britain pointed out that German propaganda was trying to succeed where German armies had failed and was making every effort to foster suspicion and encourage dissension between the allies by reviving the bogey of bolshevism and by representing Hitler as the saviour of western civilization. We must be on our guard in Canada against deceptions and propaganda of this kind. Inspired by mutual trust and confidence, begotten of common efforts, let us believe in and work for full and frank cooperation towards victory among all members of the united nations, and after victory has been won, towards a just and durable peace.

The past year has witnessed the establishment of direct diplomatic relations between Canada and the Union of Socialist Soviet Republics, which was announced in this house on June 12. Shortly afterwards we had the pleasure of welcoming to Canada Mr. Feodor Gousev as Soviet minister, and I am glad to be able to inform the house that Mr. Dana Wilgress will shortly establish the first Canadian diplomatic mission in the U.S.S.R. I am sure it is the fervent hope of all Canadians that the establishment of diplomatic relations is but the prelude to a long period of mutual

understanding and cooperation between our two peoples, both in the conduct of the war and in the maintenance of a firm and durable peace.

Impressive figures have recently been made public in the United Kingdom and the United States of the supplies furnished to the Soviet government by the united nations. I should like the people of Canada to know as fully as possible within the limits of military secrecy what portion of these supplies has been produced in Canada.

Out of a total of over six thousand tanks more than one thousand were manufactured in Canada. Two thousand universal carriers have gone forward to the U.S.S.R., as well as quantities of guns and over 22,000,000 rounds of ammunition of various types. We have sent to the Russian people military clothing and supplies. Many shiploads of strategic metals and materials have gone forward from Canada. In the field of foodstuffs the house will recall the Canadian-Soviet credit agreement under which a credit of $10,000,000 was extended to the U.S.S.R. to cover purchases of Canadian wheat and flour. The Canadian people have contributed $1,000,000 to the Canadian Red Cross Society and these funds have been used to supply essential medical supplies vitally needed on the Russian front. The Canadian aid to Russia fund has also completed an appeal for $1,000,000, to which the Canadian public have generously responded by subscribing in cash a sum considerably over $2,000,000. If the value of goods donated were added the total would be considerably over $3,000,000. Thus essential weapons, munitions of war and raw materials, foodstuffs and medical supplies have gone forward from Canada to strengthen the Russian people in the fight, while at the same time Canadian forces, together with their comrades in arms from each of the united nations, have hammered powerful blows against the common enemy.

In paying tribute to the valour and spirit of the Red army our admiration is equalled only by our determination to face the common enemy with like fortitude. To-day our common task in this vast struggle has brought Russia and Canada closer together. To-morrow, when the scourge of fascism has been blasted from the minds of free men everywhere, our peoples must work side by side to aid in the establishment of a world order based on inter-dependence and on the worth of human personality.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I deem it a very great honour and privilege to associate the

[Mr. Mackenzie King.]

Progressive Conservative party in this house with what has been said by the Prime Minister (Mr. Mackenzie King). It seems to me particularly appropriate that on this occasion, when the Red army is celebrating its twenty-fifth anniversary, we in Canada should pay a well-deserved tribute to that great ally who in this war has shown a strength which perhaps many of us at one time thought she did not possess. The other day a German propagandist made this statement with respect to the present situation concerning Germany and Russia; that the Russians had broken loose with a power eclipsing all imagination. I think to-day we in Canada are only too pleased to have the opportunity to express something of our feelings and our thoughts with respect to the tenacity, the heroism and the bravery being shown by the Russian people, their army and their government in the interests of freedom and liberty throughout the world. As long as the voice of freedom is heard it will pay tribute to the valour, the endurance and the indomitable pluck of the Red army of Russia in this conflict, and I welcome this opportunity to pay tribute to so honourable and so staunch a fighting ally in this great cause.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, on behalf of the Cooperative Commonwealth Federation I too should like to support what has been said by the Prime Minister (Mr. Mackenzie King) and the leader of the opposition (Mr. Graydon). I am sure there is no one in this house or in the country who does not admire the bravery and fortitude with which our Russian allies have withstood the onslaught of a well-prepared, dangerous and bitter foe. A short time ago I was reading Ambassador Davis's "Mission to Moscow", and I was amazed at the appreciation he had, even before Munich, of the strength of the Russian army and the likelihood of its being able to withstand an onslaught from the west. To-day, in endorsing what the Prime Minister has said, may I suggest that it is part of our bounden duty to try to break down the suspicion that still exists in some quarters with regard to Russia, bearing in mind that in the days which will follow this great struggle Russia will play a leading part in the reconstruction of the world. Ever since Russia entered this conflict I have been hopeful that two things might happen: first, that Russia might become rather more democratic in its ways and its methods of government, and second that we, the democratic nations, might become rather more progressive.

Some hon. MEMBERS: Hear, hear.

Mr. COLDWELL: I mean "progressive" in the dictionary meaning of the word; when you tag on to it the word "Conservative" you have a conflict in terms. Therefore I should like to emphasize this hope that the association may do us both good.

I know that in some quarters there still lingers a feeling of fear of a repetition of the bolshevik revolution. Well, revolutions are recorded throughout the pages of history, and apparently the people who brought about those revolutions were not always ashamed of them later. If we look through the pages of our own history we find that in 1649 the English people had a revolution which spilled much blood and chopped off a king's head. The American revolution was a great historic event which also caused a good deal of unnecessary bloodshed, as did the French revolution. But out of these revolutions, deplorable though they were, came something better for the nations involved and something better for mankind; so perhaps, and I think indeed for certain, out of the revolution which took place in Russia we may see something better arise in that country.

May I leave with the house just one further thought. We all applauded when we heard of the splendid manner in which our Canadian people had responded to appeals for aid to Russia. This is as it should be; but I suggest that after all Russia is not asking for charity. I am indeed glad that the Minister of Finance (Mr. Ilsley), in presenting the resolution concerning the gift to the united nations on behalf of the Canadian people, has included all our allies. Therefore, Mr. Speaker, on behalf of the party with which I am associated I heartily concur in the sentiments expressed by the Prime Minister.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, coming fourth in the list of speakers it may well be assumed that everything worth saying has been said. Therefore I think it is only necessary for me to add that our group heartily concur in the fine things that have been said.

ALMONTE RAILWAY ACCIDENT

REQUEST FOR TABLING OF FINDINGS OF TRANSPORT COMMISSION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to inquire from the Minister of Transport when he will be able to table the report of the board of transport commissioners concerning the railway wreck at Almonte on December 27.

[Mr. Coldwell.]

Hon. J. E. MICHAUD (Minister of Transport): No doubt the hon. gentleman has reference to the findings of the board of transport commissioners following their investigation of the Almonte wreck. The findings, decrees and orders of the board of transport commissioners usually are tabled with their annual report, as required by the act. However, I shall see that a copy of this finding is sent to my hon. friend right away.

Mr. GRAYDON: I suggest that the finding should be tabled in the House of Commons, because it is of interest throughout the country. We should not have to wait until the tabling of the annual report.

Mr. MICHAUD: I will ask that this report be included with those made up during the last year, and they will be tabled to-morrow or the day after.

PRIVILEGE—MR. MAYBANK

DEFENCE OF CANADA REGULATIONS COMMITTEE—REFERENCE TO STATEMENT OF MR. GILLIS IN DEBATE ON FEBRUARY 22

On the orders of the day:

Mr. RALPH MAYBANK (Winnipeg South Centre): Mr. Speaker, I rise at this earliest opportunity to endeavour to wipe out what amounts to a reflection either intentionally or unintentionally cast upon me in the debate last night. After I had left the house the hon. member for Cape Breton South (Mr. Gillis) declared with respect to the non-adoption of the report of the committee on the defence of Canada regulations that it was I who had in effect stood in the way of the report being presented for adoption, and that I was responsible for his, and members of his party, being prevented from securing the adoption of the report. I wish to indicate by the rules of the house how completely inaccurate such a statement or suggestion is. It is true, as I said in the house last night, that there is a measure of responsibility upon me; I freely and frankly took such responsibility last night. The hon. member's remark arose from the fact that I had stated that responsibility for the non-adoption rested on his shoulders as well as on those of other members of his party, and of other hon. members in the house.

The facts are matters of record. I served notice that I would move the adoption of the report, and after forty-eight hours I was free to do so. But when I did not do so, then according to the rules and practices of the house, as is well known by a number of hon. members in the Cooperative Common-

wealth Federation party, any one of them was completely free to move the adoption. I cannot speak with certainty as to whether the hon. member for Cape Breton South was ignorant of or whether he had knowledge upon that particular point. I should have thought he was well aware of the position at all times, and that he himself knew he had that right; but if he would say I am wrong about that, naturally, I would accept his statement. However it is perfectly true that according to the rules and practices of the house it was the right of every hon. member of his party, or of any one of them, to move the adoption of the report, and each of them refrained from doing so.

The house, not I only, was at that time seized of that notice I had given. It was not I only who had the right to move the adoption of the report. It was the right also of the hon. member for Cape Breton South. But if he was not personally aware of his rights, then other hon. members of his party, and in particular his leader, or the hon. member of his group who sat on the committee, certainly did know the facts. There can be no question about that.

One other point: It was the representative of his party who agreed with others—not with me, because I was not in agreement—that the adoption of the report should not be moved.

Mr. M. J. COLDWELL (Rosetown-Biggar): I should like to have an interpretation of standing order 45. I may say that that was not my understanding of the rule. My understanding was that forty-eight hours' notice was given by an hon. member proposing to move concurrence. Discussing the matter this morning I told the hon. member for Cape Breton South that I did not think anyone who had not given notice had the right to move the adoption. I should like to have that cleared up, because it is an interesting point of procedure.

Mr. SPEAKER: There is no question before the house on which a ruling must be given. The question should have been raised at the time the notice of concurrence in the report was given, and therefore I am not in a position at this time to make any distinction between the points made by the hon. member for Cape Breton South, the hon. member for Rosetown-Biggar, and the hon. member for Winnipeg South Centre.

Within the rules of the house the hon. member for Winnipeg South Centre has raised a question of privilege, as he was entitled to do. At the moment however there can be no discussion with regard to what has been said in raising the question of privilege. That matter will have to be brought before me at some other time.

Mr. CLARENCE GILLIS (Cape Breton South): With respect to the question of privilege may I be permitted to make a few observations?

Some hon. MEMBERS: No.

Mr. HANSON (York-Sunbury): He is entitled to correct any error.

Mr. SPEAKER: On a question of privilege an hon. member has the right to discuss a misinterpretation of something stated by himself in a speech. He may point out any misconstruction given to his words. But a question of privilege is not an occasion for a debate with respect to a statement made by another hon. member on a question of privilege.

Mr. GILLIS: It is not my intention to debate the remarks of the hon. member for Winnipeg South Centre. But I say he is in error in his observations respecting my remarks of last night.

Mr. SPEAKER: Do I understand the hon. member to say he is of the opinion the hon. member for Winnipeg South Centre was in error in the statement he made last night?

Mr. COLDWELL: The statement he made to-day.

Mr. MACKENZIE (Vancouver Centre): That is not a question of privilege.

Mr. HOMUTH: It is all trial and error.

Mr. GILLIS: I stated last night that in his explanation as reported at page 615 of *Hansard* he had given me the impression that he was largely responsible for the committee's report not being moved at the last session. I still hold that impression, notwithstanding what he has said this afternoon. The report was brought in toward the close of the session. I was not a member of the committee, but I was interested in the report. I was informed that the hon. member for Winnipeg South Centre had given Mr. Speaker notice, in accordance with the rules, that he would move the adoption of the report. I was further informed that under the rules, while his notification stood no other hon. member was privileged to make that motion. I had spoken to him personally, and he told me that he was not sure whether or not he would move the report, but that he would inform me if he did intend to move it. When he decided he would not make the motion there was not sufficient time left in the ses-

sion to give anyone an opportunity of going through the regular formula required to bring the matter before the house. I still contend my contention of last night was correct.

NATIONAL WAR LABOUR BOARD

INQUIRY AS TO APPOINTMENT OF REPRESENTATIVE OF FRENCH-CANADIAN WORKERS

On the orders of the day:

Mr. J. S. ROY (Gaspe): Mr. Speaker, I should like to ask a question of the Minister of Labour (Mr. Mitchell). I have already made an attempt to draw the attention of the government to the fact that French-Canadian workers are not represented on the national war labour board. Is the government considering the advisability of naming a French Canadian to represent that group of workers?

Mr. REID: I wonder if there is a Scotsman on the board.

Right Hon. W. L. MACKENZIE KING (Prime Minister): On February 12 I made a very full statement in the house with respect to the organization of the board, and if there are to be any changes or additions the house will be informed in due course.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Friday, February 19, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon, and the amendment to the amendment of Mr. Cardin.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, when the house rose on Friday night I had been speaking for about half an hour, and, as I remember, I was setting forth the reasons why my group would oppose the amendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin). During the course of my remarks I stated why I believed the motion had been made. I thought it was rather a motion of protest on the part of a considerable section of the people of Canada as represented by the hon. member who moved the amendment. I still believe that to be so. At the same time within the amendment itself two reasons are set forth to justify it. As I understand it, the first is that there is confusion throughout the dominion with respect to labour, and the second is that there is a fear that we shall not have the production which is necessary.

[Mr. Gillis.]

I should like to deal with that aspect of the amendment.

We grant that the whole labour situation in Canada is in a muddle, and we believe that every aspect of it should be examined. We contend that the entire state of affairs as regards this matter ought to be clarified and the various inadequacies adjusted. If the government has fallen down in any one thing more than another since the beginning of the war it has been in the management of the labour supply of the country. The government has been guilty of making grievous mistakes with respect to labour, and within the next few months I feel sure we shall see a clear manifestation of that fact. Then he who runs may read.

We agree that a parliamentary committee ought to be struck, as suggested by the hon. member in his amendment. This committee should investigate objectively and intensively and completely the labour conditions throughout Canada. It seems to me that a number of departments are involved in the labour question. Obviously the three departments which are concerned with the defence of the country are interested; then there is the Department of Labour and the national selective service branch. At various stages other departments have been involved; they seem to be falling over each other and creating confusion, and the result is that hardly anyone knows just what is what with respect to labour. Even the Prime Minister (Mr. Mackenzie King) has had to step in occasionally and give us a speech setting forth what was to happen, and the result is we just do not know what the position is. A committee charged with the responsibility of ascertaining all the facts in regard to the matter would be doing a service to this country, and I agree with the hon. member in that respect.

I believe also that the whole food situation in Canada ought to be canvassed with the greatest care. I have indicated my feeling in this respect before. The fuel situation is far graver than most people realize; there is much danger of a serious and painful fuel shortage next year which may affect people from end to end of this country. This parliament ought to examine into the situation so that we may know just how serious it is and provide the necessary remedies. Housing conditions in Canada should also be examined into; they are partly a result of the labour situation. Then the matter of transportation, referred to in the amendment, should be investigated. It is my belief that there is plenty of man-power and woman-power in Canada provided that it is wisely and effectively mobilized and applied where it is needed.

One example that comes to mind is the mismanagement of labour with respect to gold. This point has been dealt with already in some measure in this house by certain hon. members. I understand that something like 22,000 men in Canada are still engaged in the useless work of producing gold. I understand also that over $200,000,000 worth of gold is being produced in this country. Of what conceivable value it can be is beyond the power of anyone who faces the facts to decide.

There is another matter in connection with which I think we should have a committee. As I say, I believe that this amendment is a protest by reason of the feeling which exists between a great many French-Canadian people and English-Canadian people. A committee should be appointed at this session whose work should be to examine into the whole situation that exists between the two great races of Canada. The object of this committee should be the bringing about of conditions that will be fair to both races. I have heard statements made by some of my French-Canadian compatriots to the effect that they feel they are being discriminated against in connection with the economic affairs of this country. That may be so; I am inclined to think that it is so. That matter should be looked into; the truth should be found out and equal treatment given to everybody from one end of Canada to the other. It should be done at this session, before anything serious develops. The committee should consist of representatives of both races, and the representation should be such as to make everyone feel satisfied that justice will be done, that the whole case will be heard. Every province should be adequately represented, as well as every party, so that there can be a non-political, unprejudiced investigation into the whole question. Thus we might create harmony, good feeling and good will between the two great races whom destiny and providence have ordained should work together in the building of Canada.

I believe that these committees would do a great deal of good in the country. To that extent I agree with the hon. member's amendment. However, I do not think the working of the mobilization act should be suspended until the committee has finished its work. The committee could work just as well while the war effort of this country was going forward under the National Resources Mobilization Act. Therefore I am going to oppose the amendment on the ground that the suspension of this act and the disruption of the country's war effort are unnecessary.

There is another matter which should be taken care of in connection with this whole question. Canada should remove at once the financial restrictions which are hampering the country at every turn and which are creating unpleasant and probably injurious incidents between the French-Canadian and the English-Canadian people. If Canada were to free herself of all financial restrictions and base her war effort and her economy purely on the man-power and material resources which we have, we should find it easier to clear up many of the difficulties which have caused the feeling which has given rise to the sub-amendment.

We could reward men for going into the various activities into which we wish them to go. Many people of Canada up to the present time have not realized that we could have encouraged men to join the army in such numbers that we would have found it difficult to keep out of the army a sufficient number of men to carry on the rest of the nation's business. As I say, we could reward men for going to war simply by promising them sufficient financial consideration and thus providing that they should be not worse off but better off for enlisting. We could get men to go into agriculture or any other activity by the simple method of rewarding them adequately for so doing. Consequently, if Canada were in control of the financial mechanism which is operative in this country and if she exercised that financial mechanism with the object of mobilizing all our resources, we should overcome much of the ill-feeling which has developed.

Mr. H. E. BRUNELLE (Champlain): Mr. Speaker, after some hesitation I have decided to say a few words on the amendment of the hon. member for Richelieu-Verchères (Mr. Cardin). In a pressing appeal for support of this amendment the hon. member for Témiscouata (Mr. Pouliot) the other day made references to some of the members who spoke in the debate on the address and discussed man-power and the labour shortage on the farms. I was one of the members who spoke in the debate on the address and touched on those questions, but surely not in the way that the hon. member for Témiscouata implied. Indeed I think I did the very opposite. I did not criticize the government any more than the Prime Minister (Mr. Mackenzie King) or the Minister of Agriculture (Mr. Gardiner) criticized the government. I said that the Conservative party, having advocated for over three and a half years the conscription of more and more men, were now complaining that there was a shortage of men on the farms, and I congratulated the government upon having followed the policy of a balanced war effort. I also stressed the

importance of agriculture and the necessity of its being continued unimpaired. I quoted some authorities in support of my contention and ended by saying that the welfare of the farmers, while in the hands of the Minister of Agriculture was well safeguarded.

I could reply to some other urgings and coaxings and pleadings which have been made recently and which are based on predictions and prophecies, but in order to save time I shall not do so. I repeat to-day what I said the other day, and I am consistent, I believe, in voting against the amendment of the hon. member for Richelieu-Verchères, as I intend to do. Far be it from me to lecture anybody, but I think that in matters which are open to controversy it is often expedient to let well enough alone, particularly in this case, knowing the circumstances under which the mobilization law was passed and knowing the manner and extent of its application. In all these circumstances the act offers a singularly good occasion for letting well enough alone. I shall say no more on that, and I am sure I shall be understood.

This session, Mr. Speaker, has just begun. The members have come here to report on what has taken place in their respective constituencies since the adjournment of the house last fall. The members have already done that duty and have reported to the government what they have found. They have pointed out that great care must be taken in enlisting more men because enlistments seem to have reached what I might term the saturation point. More than ever do I think that the speech from the throne this year has afforded us an opportunity for a debate which has been very useful. We have been able to talk upon any subject. The members have come here from their constituencies with very recent knowledge of what their constituents have told them, and in turn they have been able to tell the government what is taking place throughout the country. The ministers, who are all shrewd men, have listened, and I submit that they have already begun to remedy the present situation. For instance, the Minister of Agriculture in his address in this house on February 9, put on *Hansard* a letter which has already been addressed to all directors of boards in charge of granting exemptions or postponements of military service. I beg leave to quote only two or three paragraphs of this letter:

This is the first of such letters which will be issued by the labour department.

This means that other letters will be sent and that further steps may be taken to remedy the situation. I quote further:

[Mr. Brunelle.]

The growing scarcity of agricultural labour makes it increasingly important that essential agricultural workers be encouraged to remain on farms.

Further:

Farm workers who apply for postponement of military training are to be granted postponement until further notice.

This good beginning is sufficient to make me trust the government and believe that whenever the occasion arises other remedies will be applied. In any event, Mr. Speaker, I believe that any investigation which may be made into the shortage of man-power on the farm should be conducted by the ministers themselves. It is their responsibility. I have complained, as almost every other member of the house has done, of the fact—and the fact is an inevitable one—that too much of the responsibility of the ministers is being transferred to somebody else. My friend the member for Richelieu-Verchères, whom I esteem very much, has himself complained that too many boards and commissions were made to assume the responsibilities of the ministers. I like to approve and follow the hon. member for Richelieu-Verchères whenever he is right, and I think he was right when he said that. But in moving the amendment which is now before the house I do not think he agrees with what he said in the speech he made on the address only a few days ago, and I am sorry I cannot follow him this time.

The organization of our immense national resources was a tremendous job. It has been done well by our ministers; and happily this country had at its head the best brains and the most brilliant administrative minds that it could have. In saying this I wish to compliment the hon. member for Richelieu-Verchères, because he himself was one of the ministers when this mobilization law was framed and passed, and even during the first two years of its operation. In changing the complete national organization from a peace-time to a war-time production it is inevitable that mistakes will occur, that there will be shortcomings or deficiencies. The shortage of men at the present time is one of those inevitable defects, and I believe the government in charge of the affairs of the country will correct it in due course. When that famous and glorious "new order" is being established the same thing will occur; there will be defects; there will be shortcomings, but with good will and understanding everyone will do his best to correct those deficiencies and defects. So that to-day, with good will and understanding, the shortage of men on the farms will easily be remedied.

I think that the first duty of hon. members when they came to attend this present session

was to make representations to the government and show where remedies should be applied. This we have done. The second duty of members was to afford the government a reasonable opportunity of putting remedial measures into effect. This, I hope, we shall do.

The amendment of the hon. member for Richelieu-Verchères means the overthrow of the government; it cannot mean anything else. If my memory serves me rightly, I took this definite and precious opinion from the lips of the hon. member for Richelieu-Verchères himself when last year a similar amendment was made to the speech from the throne while he was a minister of the crown. I cannot support such a drastic measure at this time. In spite of the grievances I have—and at a time like this almost everybody has grievances—I retain my faith in the government; and particularly I trust the Prime Minister, whose record as a brilliant administrator and a wise leader of men is the pride of almost every Canadian citizen. I wish to add that as a rule I revolt against the mere idea of following anyone sheepishly or blindly against the dictates of my conscience or the conclusions of my humble judgment. But when I find a really superior man who is honest, who is highly experienced in a matter which happens to concern me, I do not hesitate; I take pride in following him. And to-day the Prime Minister is really a superman. I wish to add, in case somebody may say that I have changed, that last year the situation was quite different. I, in common with other hon. members, had a special and specific mandate to fulfil. This year I am free to act and to vote according to my humble judgment.

Mr. DIEFENBAKER: What was the mandate the hon. member had to fulfil last year?

Mr. BRUNELLE: I can easily reply to my hon. friend. It was on the debate concerning the amendment of the mobilization law.

Mr. ROWE: The plebiscite vote.

Mr. BRUNELLE: It was in connection with the amendment of the mobilization law. I say that I had then a special mandate; and I do not intend to go into this matter again. We discussed it fully last year, and all of us knew about it. My hon. friend must have been absent at that time, because surely every hon. member must know of it.

We are invited to vote for an amendment which if carried would mean the overthrow of the government. Before plunging into such an adventure I want to know where I am going.

Mr. ROWE: Page the Prime Minister.

Mr. SPEAKER: Order.

Mr. BRUNELLE: Honestly and sincerely I wish to ask the hon. member for Richelieu-Verchères, whom I esteem very much, to tell me now whom he would want to sit in the place of the Prime Minister.

Mr. CARDIN: I can tell the hon. gentleman that I know perfectly well where he is going.

Mr. HANSON (York-Sunbury): What will happen to him at the next election, I suppose.

Mr. BRUNELLE: This reply of the hon. member is not an answer to my question, and, coming from him, I say that it is a deplorable reply.

Mr. POULIOT: Is the hon. member going to a deplorable place?

Mr. BRUNELLE: I hope the hon. member for Témiscouata (Mr. Pouliot) will not interrupt. He does not like to be interrupted, and I am sure he will agree with me when I say that it takes a great deal less patience for him to listen to me than it takes for us to listen to him.

Mr. POULIOT: The truth hurts.

Mr. SPEAKER: Order.

Mr. BRUNELLE: Some people say that any man can be replaced. It is true that the most brilliant man, even a genius, can be replaced, but how?

In conclusion I wish to say that the amendment of the hon. member for Richelieu-Verchères might have its *raison d'être* at a later time—if, for instance, the government would not listen to our representations. But coming at this time, when the government has had no opportunity to remedy the situation which has been depicted by hon. members, this amendment is unnecessary, inexpedient and premature.

Mr. M. J. COLDWELL (Rosetown-Biggar): Before the amendment to the amendment is voted upon I should like to say a few words, since I was unable to be present on Friday afternoon when the hon. member for Weyburn (Mr. Douglas) placed the considered point of view of our group before the house. As he said then, we shall vote against the amendment to the amendment. We believe that in the midst of this great struggle, when in a very real sense we are fighting for our survival, we could not possibly suspend the operation of any acts or regulations which relate to the conduct of the war. No matter how much we may disapprove policies adopted by the government and subsequently approved by parliament, we hold the view, and I

believe it is the proper and democratic view, that when parliament has given its approval to a certain line of policy it is the duty of members of parliament to support that policy until there is an opportunity of changing it. In peace time one can rise in the House of Commons or elsewhere almost as soon as a policy has been adopted and urge that it be changed; but once we are committed to our allies to taking a certain part in that war, and the war itself is in progress, we must support the policy accepted by parliament under which it is being conducted. That is our position.

I thoroughly agree with my friend the hon. member for Weyburn and others in this house when they point out that the subamendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin) is moved by one who was a member of the government when the policies which we are now discussing were instituted. Therefore there can be little doubt that at that time the hon. member gave his support to them.

Since the war began we in this group have urged on many occasions, beginning with the day the war broke out, that the first thing that should have been done was the making of a thorough survey of all our resources in order to determine in what manner we could best serve the common cause. We believed and stated that if we allowed ourselves to be stampeded in any one direction we might ultimately find ourselves in difficulty as a nation. Ever since this war began there have been those who failed to recognize that this is not a war in which large bodies of men move from place to place or are entrenched, as in former wars, but a mechanized war in which many machines are used, the operators of which not only have to be very highly trained but also have to be supported by large numbers of men in industry and agriculture whose business it is to produce the machines and food required for the conduct of the war. Hence our failure to conceive an over-all plan is very largely the difficulty which we face at the present time.

Our friends to my immediate right have been very interesting to many of us in the house this year. In the first two years of the war we heard from them continuous criticisms to the effect that we were not placing enough men under arms, that we were not preparing to send more and more men into the battle line. This year they have been in agreement with the contention of many other hon. members of the house that in order to maintain those men in the battle line we must have large numbers of well-trained men in our factories and on the farms producing the commodities required to enable us to play our part in the conduct of this war as we are best able to do.

I am in agreement with the hon. member for Lethbridge (Mr. Blackmore) who said a few minutes ago that even at this time a useful purpose would be served by accepting at least one of the suggestions made in the proposed subamendment, namely, that a thorough survey even at this late day should be made of our man-power in order to see how best we can apportion it in the several fields of endeavour connected with the war. This must be done not at a time when we are withholding the mobilization of man-power, but when we are actually continuing our mobilization. There is no reason in the world why a thorough survey should not be made and an understanding arrived at of the possibilities of our country. So I say that the suggestion in the subamendment to the effect that a committee be set up to inquire into the man-power problem in this country is a constructive suggestion. But while we regard it as such we could not possibly support an amendment which would withhold from the government at this critical time the right to continue to call men for service in the armed forces.

The problem is not only one of men in the armed forces. As has been properly pointed out by many hon. members in this debate, we require to produce this year larger quantities of food than ever. The Minister of Agriculture (Mr. Gardiner) made this very clear to us when he spoke in the present debate. If we are to have the quantity of food produced in this country that is required not only by our own and allied armies but also to assist in feeding people in Europe when the second front is opened in the west and the nations are liberated, then we require to pay particular attention to the problem of man-power on the farm. I noticed that on February 9 the Canadian federation of agriculture placed before the Prime Minister a brief on the subject of man-power in agriculture in which they made the position clear. The spokesmen for the federation stated that it will be impossible to meet the greatly increased production goals if a heavy drain on the skilled man-power of the farms continues. They went on to say that it was their considered opinion that the increasing shortage in farm labour cannot be met by the unpaid labour of the farmer's wife and young children, nor can skilled labour so essential to present-day farming be replaced by untrained help from the cities, without a decline in the production of food. The federa-

tion recommended that to ensure an adequate supply of skilled farm help the allocation of the available man-power supply should be made without discrimination between agriculture and other essential war industries. For peak labour demands during seeding and harvest, they suggest that military authorities should release men in military training and that the steps necessary to this end should be taken in ample time to meet the situation. These were constructive proposals from the federation of agriculture which I would warmly commend to the minister.

Underlining the man-power muddle in which we find ourselves, a return for which I asked before the house met, which was tabled on February 10, indicates clearly how serious the situation is, not only because we have shortages in some fields of vital industry but also because we have at the present time a great deal of unemployment.

I asked for a return indicating the number of persons registered as seeking work at the regional employment offices, five in number. I find, for example, that on January 14 of this year there were 96,331 persons so registered, and I believe that number has since risen to some extent. This emphasizes the plea that we should have some investigation into our man-power policy in order that we may serve to the greatest extent possible the needs of this country and of the war effort. The group with which I am associated has continually urged that an all-out war effort requires not only the mobilization and organization of our human resources but, even more fundamentally, the organization on the same terms and the same basis of industry and wealth. If we are going to have an all-out war effort, we must do exactly that.

Before I sit down there is just one other thing I should like to say. I hope during this session of parliament we may be able to end the kind of controversy about the war effort that from time to time we have had to endure here. If we could only realize that to-day we are in very truth fighting a war of survival; that while we may hold different views and advocate different policies it should be the duty of all to endeavour to see to it that the war effort of our country is a maximum contribution to the common cause of defeating the aggressor powers. So that while it seems to me the time is long past when we should have formulated a thorough-going, comprehensive, over-all war plan for this country, at least now that time ought to be here in a very real sense. As I say, we should endeavour during this session to see to it that we make our maximum effort in the conduct of the war and that the man-power, financial and economic resources of the country are utilized to the very best effect. This cannot be done by overemphasizing one phase or the other of our national effort. We should endeavour to see each part of our great effort in its own true and proper perspective. Only in that way can we make our maximum contribution to the common cause.

Mr. L. D. TREMBLAY (Dorchester) (Translation): Mr. Speaker, I have no wish to conceal the fact that I feel reluctant to rise at this time in order to voice views at variance with those suggested by the amendment moved by the honourable member for Richelieu-Verchères (Mr. Cardin). If I find it so painful to contradict him it is because for so many years—and for my part I might say since my early youth—we had been used to see the mover of the amendment at the head of the Liberal forces in our good old province of Quebec, and we were fond of hearing the redoubtable fighter endowed with such captivating and convincing eloquence. We enjoyed following him when he campaigned in company with the late lamented Right Hon. Ernest Lapointe and indeed we had every reason to admire and esteem him. If most of us cannot follow him to-day he may nevertheless be sure that he still enjoys our full esteem. Of course we are sorry that he has seen fit to leave the government which has and will continue to have our unflinching support.

I may say about his amendment that it expresses some of our feelings. Thus when the hon. member states:

"This house is of the opinion that in view of the recognized shortage of farm labour, also the admitted shortage of labour in war industries and in other essential industrial and transportation activities, . . .

When he voices such a regret, I can tell him that most of us fully agree with him. I, for one, have had an opportunity of representing to the proper authorities that they should make available to farmers such help as is essential to the production required for our armed forces and for our allies.

In Quebec military district No. 5, the responsible authorities—or what we call the deferment board—have as a rule granted postponements to those who could prove that they were bona fide farmers. Unfortunately, our young farmers, not very conversant with the law, have often failed to answer the first call and to apply for the postponement to which they were entitled. On the other hand the deferment board was rather inclined to follow the letter rather than observe the spirit of the law, and in this, as in everything, the letter killeth while the spirit giveth life.

So that quite recently, on February 3, to be exact, the hon. Minister of Labour (Mr. Mitchell) sent a letter to the chairman of the mobilization boards—that is to the postponement boards—containing instructions and an interpretation of the mobilization act. I think it important that certain parts of this letter be put on *Hansard* so that our farmers might be made aware of the privileges to which they are entitled and which should be granted them when they apply to the mobilization board for a postponement. This letter is dated February 3 and reads in part as follows:

It is the intention of the regulations that agricultural workers are to be retained in agricultural employment as far as practical through the national selective service (civilian) regulations. To the extent that their services can be spared from the farms during the "off-crop" season they are to be encouraged to take temporary seasonal employment in lumbering and logging, forestry, fishing, coal and base metal mining, and acceptance of seasonal work in such industries does not deprive men of their right to postponement as agricultural workers providing they return to farm work when the season re-opens.

I have often been asked, I might say, practically every day by visitors who come to see me and by electors who tell me: I have been granted a postponement, and I would like to know if I am permitted to work in the bush this winter, or to work elsewhere during the "off-season", so as to earn a few extra dollars. Well, farmers should be better informed of the interpretation of the law as given in this letter and be in a position to take advantage of this privilege. It should be made very clear to them, and on this subject the minister not only stated that they have this right, but that they should be encouraged to take advantage of it.

I also wished to call the attention of the house to this letter because the hon. member for Richelieu-Verchères, on Friday last, stated that he was sorry that the farm worker was not left on the farm where he was so badly needed. Now this letter shows clearly that even before this statement was made, the Minister of Labour had sent instructions to the chairman of the mobilization boards telling them to leave the farm workers on the farms where they are needed.

In paragraph 4 of this letter, the minister states:

Farm workers who apply for postponement of military training are to be granted postponement until further notice.

I must admit that a more favourable explanation is given here of the mobilization policy of the government. Ever since this act came into force our good farmers did not know where to apply. They had to fill in forms which, as we all know, even professional men can hardly understand. Then they had to get letters from their mayor, their parish priest, or from some distinguished or other responsible person and prove that they were farmers. Their cases had to be proved beyond all doubt or else their application was immediately turned down. I wish here to call the attention of the government on this fact—unfortunately we have in the army to-day farmers that are needed on the farm and who came up for military service for lack of information concerning the procedure to be followed to obtain postponement. I hope the government will consider this situation and make sure that it is remedied.

Paragraph 4 states that:

Farm workers who apply for postponement from military training are to be granted postponement until further notice, unless it is established that the applicant is not an essential worker in agriculture. It should be noted that the regulations do not require the farmer to produce proof that he is an essential farm worker. If the board doubts that a man is an essential farm worker, even though postponement until further notice is given, it can always exercise the right to deny postponement by calling such a man before the board when established facts are presented.

This is my understanding of the matter—and I would ask the hon. minister to correct me if I am mistaken; a farmer or a farm hand is not obliged to prove that he belongs to that particular class. If the board is of the opinion that he is not a farmer, it is up to the board to prove it. Yesterday, upon meeting the Minister of Labour, I submitted precisely such an interpretation and the minister assured me it was absolutely what the Department of Labour wished to see put into force.

Now then; I now quote paragraph 5 of the letter:

If a worker who upon receipt of "order—medical examination" claims to be an agricultural worker but is not considered by the board to be essential to the operation of a specific farm—the question then arises as to whether or not he is essential to agriculture in the district.

If agricultural labour is needed in the district, he should be given an opportunity to place himself in a position where his services would be essential to agriculture on some other farm; or in the alternative to increase the production of a specific farm. The board could give a deferment for three months instead of "granting postponement until further notice" in order to give the man an opportunity of finding essential work.

Here again, an improvement is evident. Let us take, for example, the case of a farmer who has three sons at home and only needs two absolutely to run the farm and does not need the third who consequently is

not an essential worker, the board must grant a postponement of three months to the latter thus giving him an opportunity to find employment on some other farm in his district where his services will be required and essential to agriculture. The board, moreover, must grant him an exemption for the time during which he will do some essential work on another farm. It is one of two things: either the government are sincere ar they are not. The government is sincere, of that I am convinced; they want the farmer to produce and to produce as much as he can. Hence the new interpretation given to the mobilization act. I therefore congratulate the government and particularly the Minister of Labour on the instructions issued to competent authorities, and I now hope that the government will see to it that this interpretation is accepted by the mobilization boards throughout Canada.

The hon. member for Richelieu-Verchères to-day, after deploring the conditions which the government must remedy, urges us to give a vote which would express a want of confidence in the government.

His own statement, however, according to the *Citizen* of February 22, is as follows:

Hon. Mr. Cardin said in an interview here Saturday it was not his intention through his subamendment introduced Thursday in the throne speech debate to force the formation of a national government or to consolidate groups of Quebec members opposed to the government's man-power policy.

The honourable member was stating, no doubt, his honest opinion. He himself has told us on a previous occasion—and we believed him—that any government other than that of the present Right Honourable Prime Minister (Mr. Mackenzie King) would offer no guarantee that the province of Quebec and its feelings would be respected as they are by the present Prime Minister. I do not believe it was the honourable member's intention to precipitate a want of confidence motion against the King administration. He himself has said as much. However, he states further:

Mr. Cardin admitted his subamendment could be interpreted as a want of confidence motion but "essentially it was not intended as such."

A little further on the article continues:

However, Mr. Cardin was "perfectly sure" the government would not suffer a defeat on his subamendment.

From this, it might be deduced that the hon. member, while intending to blame the government, does not wish to be unfair. I hope that he desires the conversion rather than the death of the sinner, if there is a sinner. Just the same, it may be inferred from his statements that he does not wish the fall of the present administration. But in what position do we find ourselves? The adoption of this amendment would constitute a censure of the government, expressed by a vote of want of confidence from the hon. members. By voting for the amendment, we would express a wish to overthrow the government and we do overthrow them technically as well as practically.

I may say that popular sentiment in the province of Quebec favours our support of the government who alone offer a guarantee that our legitimate requests as well as our rights will be respected. The hon. Prime Minister surely enjoys not only the confidence of the great majority of my fellow-citizens, but even the esteem and affection of nearly 100 per cent of the population. During the 1940 election, especially in my constituency, there have been, for a certain time, dissatisfied people. One of them, known as a Liberal, not a very fervent or steadfast one, even ran against me. In Dorchester, even among the leaders and the rank and file of Conservatives who gave me their support, it was stated: "We want Tremblay because we know that he will not detach himself from Mackenzie King in the House of Commons." Which goes far to show the sincerity of my stand. I have always taken this attitude with my constituents, with those of other constituencies, of the entire province and even of other provinces, when I have supported candidates outside Quebec who were standing for election. My attitude to-day has not changed. I have faith in the hon. leader of the present government; I have faith in his ministers and my vote against the amendment moved by the hon. member, will express this confidence.

Mr. L. P. PICARD (Bellechasse): Mr. Speaker, the universe is ablaze; for the last three and a half years the world has been ravaged by one of the worst wars that has ever come upon humanity in all history. Two groups of nations are facing each other; two ideologies are trying to destroy one another. Three and a half years ago Canada made its choice and sided with the democracies. When the proposal to declare war was brought before this house few members raised their voice against it; it was carried without a recorded vote. Since that time Canada has made a splendid effort under the present government. Our industrial machine has been geared to produce more than we ever thought it could. Our agricultural production has been raised to new levels. A strong army is now under

arms and our navy has been multiplied more than five times. We have more than 150,000 men in the air force and have contributed more than any other nation in the commonwealth to this splendid plan which has provided airmen for the united nations. All this has been done by progressive steps, with the least disturbance of the normal life of the country and the preservation of national unity; it has been done under the Prime Minister (Mr. Mackenzie King).

In considering the present amendment to the amendment every hon. member should ask himself what his attitude was in the past, what it has been up to now and what will be the logical attitude to take on it. In 1940 a vast majority of the members from Quebec supported the bill to provide for the mobilization of the human and national resources of the country. During the following three and a half years if the members from Quebec have been at variance with the government to any great extent, it was on Bill No. 80. French Canadians want to win the war and they want to win it under the present government.

If I may be permitted to talk about my own views and ideas I would say that in the past I have been against our fighting the wars of the British empire unless Canada was directly concerned. My views have not changed. But this is not a war being waged for the pleasure or the aggrandizement of the British empire; this is a world war, a war in which our own institutions are at stake. Canada, whether it is French or English, whether it is the east or the west, stands united on this question. While we may differ as to the best methods to be used to achieve the desired result, we are all convinced that Canada has a better chance to achieve this without disrupting national unity under the leadership of the present Prime Minister.

French Canada has accepted the mobilization of our youth for the defence of Canada and it has volunteered in much larger numbers than it did under the different methods used during the last war. The law that now governs this mobilization was voted upon by a great majority of the members from Quebec. That law is still the same, and that is the law that this amendment to the amendment would suspend. Men will be needed on the other side and volunteers will be taken out of the ranks of many of the regiments now defending our country. Men will be needed to train for the defence of Canada. Nothing has been changed. The law was passed with that intention and despite Bill No. 80 it is still being operated in that spirit.

Under Bill No. 80 the government is given the power to send men overseas, but I do not think that power has ben exercised except to send men to Labrador, Newfoundland and Alaska. I may say that I have had the approval of meetings in my district where I have been told that they have no objection to men being used for the defence of the hemisphere in Labrador or elsewhere, but they are against our men being used on the other continent. This attitude has been approved by French Canada at large, and I am sure that many other hon. members from Quebec will say the same thing. Nothing has been changed and the government is still tied to the declaration that whenever it passed the order in council to use conscripts for overseas service, it would bring it before the house for approval or disapproval on a confidence motion. So that the members from Quebec are still just as free as they were before to vote confidence in the government now; they are in the same position as they were when they voted for the mobilization act in 1940.

What I stated in my speech a few days ago in the debate on the address I still repeat. My good friend the hon. member for Témiscouata (Mr. Pouliot) reminded the house the other day that I was one of those who had talked about man-power and criticized the government's policy. What I criticized was the operation and the interpretation by the boards of the mobilization regulations, and I still say that clearer instructions should be given to all these boards dealing with deferments or exemptions of farmers or workers in industry. I still think those instructions should be made clearer, but that is a question of interpretation and a question of the operation of the law. It is not a question of principle as to whether the government has taken the right course in carrying out the mobilization act. It is just a question of knowing whether the government has instructed the boards as to the proper interpretation of the rules, and whether the boards interpret them in such a way as to ensure a proper flow of workers for the farms and for industry. Should we now suspend that law and say to the rest of the world: We will deliberate for months to find out if we have enough men at work or not in industries and agriculture? Should we say at a time like this: Let us wait—German armies may be on the march here and there, and it is true we want to win the war, but let us wait and argue before committees for months in order to please a certain element of the electorate? I would rather be defeated, Mr. Speaker, than support such a proposal. The whole world would gape in astonishment if they saw any democratic institution in one of the united nations waiting and arguing for months as to whether we have enough men on the farm or

otherwise. I have enough confidence in the government to believe that if abuses have crept into the administration of the law on account of a misinterpretation of the rules, and the facts are brought to their attention, they will be clever enough to correct those abuses. May I say with all due respect to the house that the people have more confidence in the Prime Minister himself settling this question than they would have even in a committee of this house.

People have evoked in the last two years quite frequently the name of a man whose memory is so dear to me that I feel I should say a word about him to-day. The hon. member for Richelieu-Verchères (Mr. Cardin) mentioned his name in the house the other day, and if there is any who has the right to do it, it is the hon. member for Richelieu-Verchères. For him I have the greatest respect, because he has rendered great service to the country, and no matter what people in other parts of the country may think of his present amendment they should bow to him because in moments of crisis in the past he knew what to do. He stood where he should, and he used his great influence at the time with the people of his province to get them in the right way. He deserves the gratitude of the people of this country for his past services, but on this question we cannot follow him.

I have as much right as any to evoke the memory of Lapointe, whether here or in public gatherings. I knew Mr. Lapointe for some thirty years, ever since I was a child. I knew him as his secretary for twelve years, and without boasting I think I may say I enjoyed some of his confidence. Frankly, those who tried to picture Mr. Lapointe, as some have tried at meetings of the Defence of Canada League, are either not sincere or they know very little of the man. There is one thing that Lapointe had, and that was a true sentiment for Canada at large, not only for his province but for the whole country. He was one hundred per cent a Canadian. Lapointe was a disciple of Laurier, and he believed in the true Liberalism of Laurier. He went further and believed in the true Liberalism of the English school of Gladstone and so many other leaders on the other side. He was, above all, for a united Canada. He would not have given one inch of ground on matters of interest to his compatriots where a question of principle was concerned. But in matters where the interests of the whole country were concerned he would have thought as a Canadian above all else.

Lapointe at any moment was ready to fight bigotry where he found it and when he thought that it would hurt Canada. In English Canada he would fight men like Shields and others who are trying every day to stir up racial hatred. In his own province he preached a better understanding and fought all his life against the extremists from the days of 1910 when he fought nationalism, and successfully in his own constituency; when he stood by Laurier on the question of the navy. When people said that Kamouraska would turn against him, Lapointe summoned a meeting of his people the day after he returned to his constituency from Ottawa and got his people to follow him. He was not one of those to flinch. The people stood behind him and he was sent back to Ottawa. It was those who had hesitated to follow Laurier who were defeated at the next election by Nationalists, and not those who had remained steadfast. Lapointe in Quebec in his last years had enough trouble fighting the views and sentiments preached by the Bouchards and other separatists who came against him, sometimes with the silent support of the official opposition. Everybody will remember Lapointe's attitude during this war, and none of those who vote against this amendment should think that he is not in the true line with Lapointe. That was true also, at the time, of the member for Richelieu-Verchères. He then stood by Lapointe and the two deserved credit. I again pay my due respect to the hon. member for Richelieu-Verchères, whose true Liberalism for a quarter of a century has been an example for all of us, whose views I cannot share now, but whose sincerity I would not question. But I cannot follow him in the steps he is now taking. The hon. member for Richelieu-Verchères sat here on Laurier's side; he was one of his disciples. Does he think for one moment that Laurier would bring in such an amendment as this? If he does, I respectfully differ; I do not think so.

Mr. Lapointe before his death said on many occasions that he had not changed his attitude as to Canada's participation in this war to the utmost, with this reservation, which he had given to his friends and compatriots, that he would not ask them to be conscripted for the defence of Canada overseas. But he said he would support everything short of that to win the war, and if he ever came to the conclusion that that was necessary, he would withdraw himself rather than do it, because of the undertaking he had given.

That was the attitude of Lapointe. I say, if Lapointe were living he would be sad, even sadder than we are, to see this house faced with such an amendment to the amendment. Lapointe, had he lived, would not have brought forward such a subamendment; and

I can assure you, sir, that the vast majority of the members from his province will be true to him, and will vote against it.

Mr. JOSEPH LAFONTAINE (Megantic-Frontenac): Mr. Speaker, if I rise at this stage of the debate to speak on the subamendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin), it is because of the fact that I want to give to this house and place on *Hansard* the reasons which, I think, will justify my voting the way I intend to vote when the division is called.

During the 1940 election, I visited all the parishes of the constituency of Megantic-Frontenac which I have the honour to represent in this house. Addressing all the electors of those parishes, I then stated sincerely and frankly what, if I were elected, my attitude would be on any questions which might arise, such as the very question which is now before the house.

At those meetings, in the light of statements made by the Prime Minister (Mr. Mackenzie King), the late lamented Ernest Lapointe and the hon. member for Richelieu-Verchères (Mr. Cardin) who was then Minister of Public Works, I pledged myself to do two things.

First, I promised to oppose any measure or bill of conscription for overseas service; second, I promised to oppose any union or coalition government, a dream so dearly cherished by a number of members sitting on the opposite side of the house. These are the only two specific promises I have made to my electors and I may state, Mr. Speaker, that I will keep them at all cost, being convinced that keeping my word is preferable to any honours that might be conferred on me.

Moreover, at each of the meetings at which I made those promises, I declared that, in view of the war we were waging at the side of France and England, I could foresee dark and difficult days ahead. I stated that we might be faced with complex problems, such as those that confronted us during the last session and such as the present one, but that, realizing the extent of my responsibility, I would consider all these questions in the light of circumstances and in relation to the facts and arguments expounded and that I would vote according to the dictates of my conscience. I have been faithful to this policy ever since I came to this house and I will adhere to it when the time comes to vote on the motion before the house.

What does the amendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin) refer to? It appears at page 551 of *Hansard*, as follows:

[Mr. Picard.]

This house is of the opinion that in view of the recognized shortage of farm labour, also the admitted shortage of labour in war industries and in other essential industrial and transportation activities, Your Excellency's advisers should have provided for the withholding of the operation of the National Resources Mobilization Act in regard to the raising of men for military service until, at least, a complete investigation is made by a committee of the house, to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war, without destroying the economic, social and national life of the country.

Scarcity of farm labour. No doubt remains in the minds of anyone regarding the scarcity of farm labour; but should this scarcity be blamed on the mobilization act exclusively? I do not think so, for you know that the regulations enacted under this act permit farmers' sons and farm workers to obtain a postponement of training until a specified date or until further notice.

Any man, whether a farmer, a farmer's son or a farm worker, when notified to report for his medical examination could, within eight days of the receipt of such notice, apply for postponement or extension by duly completing the questionnaire enclosed with the notice and returning it to the registrar of his division. The latter would submit the case to the board set up for the purpose, which passed upon the advisability of granting or declining suspension or postponement of the call-up in the light of the reasons set forth in the application.

May I be allowed to mention incidentally, Mr. Speaker, that all men in Division F who were called up under this Act have been treated with fairness and impartiality, both by the registrar and his staff, who invariably made it their duty to supply all the information requested by those concerned, and by the members of the board. In so far as I know—and I am conversant with the question—they have discharged their duties in a fair and sensible manner. There may have been and, undoubtedly, there were some mistakes made, but they were made unintentionally and, in most cases they were due to a lack of knowledge or a lack of attention on the part of the applicant in filling the application for postponement. In every case where an applicant deserved a postponement, such postponement was granted. If, as I have just stated, all true farmers, their sons and their employees were granted a delay or a postponement until further notice, as has been the case in Division F, then the Mobilization Act cannot be held responsible for the present scarcity of farm labour. I am inclined to believe, on the contrary, that it was caused by the large number of farmers who, lured by the industrial

areas, their war munition and equipment industries and the high wages paid, have forsaken the farm for the cities. Of this, Sorel, the home town of the hon. member for Richelieu-Verchères offers a typical example; its population has nearly doubled since 1939 on account of its war industries.

The same condition obtains in the city of Quebec whose population has considerably increased during the past two years. The amendment says:

> Until, at least, a complete investigation is made by a committee of the house to ascertain and determine by what means or methods Canada can now most effectively contribute to the winning of the war.

I oppose the setting up of such a committee, for I feel that a measure of this sort might be a step toward the establishment of a union government. Anybody familiar with the setting up of a committee of the house is aware that such a committee is made up of members belonging to every party. Is it not exactly in this fashion that the union government of 1917 was organized? The amendment continues:

> Without destroying the economic, social and national life of the country.

I am wondering, at least up to the present moment, where is to be found the destruction of the economic life of the country and how it could be destroyed, even though the industries of war require more workers.

Just now, more people are at work than at any other time in our history; the salaries are just as high, or perhaps higher, than they have ever been.

To support what I have just said, may I be permitted to sketch the part played by war industry in Quebec? As regards implements of war, four of the nine types of aircraft made in Canada are manufactured in the province of Quebec. The largest plant in the British Empire manufacturing 25-pounders, from the raw materials to the finished products, is located in the province of Quebec. Our province manufactures and assembles two types of tanks, and turns out every kind of aerial bombs. It has two of the largest shell factories and half a dozen shipyards which launch cargo-boats, corvettes and minesweepers. Sixty per cent of the Canadian soldiers walk in shoes made in our province, which turns out, in large quantities, parachutes, bullets, cartridges, trench mortars, chemical products, explosives, and electrical and wireless apparatus.

The aluminum industry has built there one of the largest plants in the world. The province of Quebec is the centre of the newsprint industry. Pulp and paper, essential products in modern warfare, are manufactured in our province, and the capital invested in that industry amounts to $360,000,000. Our province produces more rayon than any other province. As to the mining industry, we can say that the fabulous resources of our province saved the allies from a difficult situation. Aluminum, copper, asbestos are our main products, but other strategical products badly needed by the united nations, such as manganese, tungsten, molybdenum and chromium, are to be found in our province and are in process of development.

The weekly earnings of the 600,000 industrial workers of Quebec amount to $16,300,000. They produce the whole of Canadian aluminum; they operate one of the largest tank factories on the continent; they produce planes and ships in vast numbers.

In view of such facts and figures, I do not believe that the government have been, nor are they now, leading us toward economic ruin; quite the contrary, they have given us a kind of prosperity.

Whatever may be said to disprove it, the amendment as drafted, were it adopted by the house, would constitute a non-confidence vote against the government. As there is nothing in the speech from the throne which is contrary to the obligations I have taken toward my constituents, I shall vote against this amendment and I shall support the government, for I have every confidence in them.

Mr. GASPARD FAUTEUX (St. Mary): Mr. Speaker, it is not without a feeling of emotion and without fully realizing my responsibilities that I rise to address the house. Since the hon. member for Richelieu-Verchères (Mr. Cardin) has moved the amendment which is familiar to all of us, I believe we can truthfully say that the province of Quebec has been deeply stirred. One cannot rise in this house and speak for or against that amendment without first realizing that he shall have to speak for or against the mover, the hon. member for Richelieu-Verchères, the former minister of public works.

The hon. member for Témiscouata (Mr. Pouliot) stated the other day that during the thirty-odd years of his political life, he had perhaps never witnessed such a momentous occasion. I am not much advanced in years, Mr. Speaker, but still I have been in politics for about twenty years. I come from a family which is active in politics and which has taken a part in the development of our province, and if I rise in this house to-day, I may say, with all due deference to my good friend the hon. member for Témiscouata, that

it is not for the sake of the Christmas tree or the gifts that may hang on it. But, before registering my vote I simply wish to explain my stand. And, as I said at the outset, it is exceedingly difficult for a member from the province of Quebec to speak on the amendment. The hon. member for Richelieu-Verchères must certainly be aware that the whole province and all the members, even those who do not see eye to eye with him and who will vote against his motion, have nevertheless much affection and admiration for him.

However, the electors of our respective constituencies have sent us here not from any considerations of friendship or affection, but to fulfil our duty, all our duty. And if we must not vote for the gift hanging from the Christmas tree, neither must we be prompted to vote by any fear of the pack of any organization, or of a press which I dare not style as I should, and which is striving neither for national unity in Canada, nor for the greater good of Quebec, not for the defence of Canada, but for a single cause, which is to assume power both in Quebec and in Ottawa.

Moreover, Mr. Speaker, if the hon. member for Richelieu-Verchères will permit me, I shall quote a few remarks of his which still move me deeply and which, if they were true and heartfelt when he made them over the radio, must still hold true in this debate.

On April 24, 1942, the hon. member for Richelieu-Verchères, speaking over the radio on the question of the plebiscite, made a marvellous speech that we all like to remember. At the beginning of his speech, he said:

> The discussion of the great problem of to-day has upset and worried the minds of many people, especially amongst the French-speaking population of this province. I am old enough to remember a similar campaign that was made in 1911, the year I entered politics. Laurier was then thrown out of power following the attacks hurled against him by his compatriots of the province of Quebec. The men and women of my age remember it as they remember also the consequences of that serious blunder.
>
> The famous navy question was then to the fore. In certain parts of the country, Laurier was accused of not being imperialistic enough. . . .

The same thing is said to-day about Mr. King.

> . . . and his idea of establishing a Canadian navy was laughed at; and in the province of Quebec, he was accused of having sold his country to England. . . .

History repeats itself, Mr. Speaker.

> . . . and it appeared that the campaign in the province of Quebec was financed from outside, by Mr. Borden's supporters, through the imperialistic fund. These people were then trying to divide the province of Quebec so as to succeed in throwing Laurier out of power. How many false declarations of independence did we not hear then, how many self-seeking denunciations against so-called political partisanship. . . .

We are called "yes-men" today

> . . . accusations of weakness and treachery, in short, appeals to prejudice. It was very much like what we hear to-day, save that the leaders of the movement at the time were more important and more gifted.
>
> A few of the would-be saviours of that time can still be found to-day taking part in this agitation. They are somewhat older, but appear not to have learned from experience, probably because they have not personally suffered from the conditions which they contributed to bring about. These agitators claimed that Laurier was a coward and a traitor, that he was bent on retaining power at any price and that he had sold out to England.
>
> It was then possible to frighten the people of Quebec and many honest individuals were taken in for lack of a proper understanding of actual facts and of the grave situation of the moment. As a result, under attacks coming from two opposite directions, but supported, it has been said, by funds coming from the same source, Laurier was overthrown. Sir Robert Borden succeeded him at the head of affairs and it was under his leadership that we had the would-be union government of 1917. Those who had remained faithful to Laurier stood with him in the opposition. They still could protest, but having lost power, they were forced to submit to the law as imposed by the majority.

I call upon my province and my colleagues not to forget that statement. Therein lies perhaps my motive for rising in my seat to-day, Mr. Speaker. In 1911, I had not, like the hon. member for Richelieu-Verchères, the privilege of waging the political campaign at the side of Laurier. I was then but a boy at the Quebec seminary. But I perfectly recall how Laurier, our leader, defeated candidate in Quebec East, the man who the preceding day in Quebec had been called a freemason, an enemy of the French Canadians, an imperialist, a traitor—with a profound emotion, I can still see him, the traitor to his own people and to his church; he was standing in the hall of the Seminary by the side of the Right Reverend Mathieu, archbishop of Regina. He who, according to his own people had forsaken his fellow-countrymen, and his faith, had in time of defeat and sorrow found no better place to seek solace than in Quebec Seminary by the side of that great man, the Right Reverend Mathieu.

What, may I ask our electors, the province of Quebec and our hon. friends now on the opposite side of the house for whom I have great respect, what have we promised to the province of Quebec at the last elections? What have been our promises to the province of Quebec for the last twenty years? We, of the Liberal party have promised that there would be no conscription. Yes, it is true, we have made that promise, I have made it

myself. When bill No. 80 was before the house, almost a majority from the province voted against conscription and most regretfully and unwillingly against their leader, the Right Hon. William Lyon Mackenzie King.

But what are we being asked to-day? What measure is before the house? We are discussing the speech from the throne, and I believe that each and every one of us appreciates the fact that in the speech from the throne there is nothing which is likely to create embarrassment nor to interfere with our political ambitions and the interest of our country. The most striking aspect of the speech from the throne are those social reforms announced by the government, their social security programme. That is the problem, Mr. Speaker, which is before the house to-day. The debate is not on conscription, nor on the question of dividing the country; it is not directed against the Province of Quebec nor against any other province. Notwithstanding the wonderful speech made by the hon. member for Richelieu-Verchères in which he praised Canada's war effort, a war effort in accord with the sentiments of the Province of Quebec, the hon. member moved an amendment which comes as a surprise to everyone. For my part, I oppose this amendment though it mean the end of my political career; I represent a constituency of workers in the city of Montreal and one of the most important counties in the province; I was elected without the help of the Liberal association.

I won over the friends of the hon. member for Laval-Two Mountains (Mr. Lacombe). I asked my friends what they were willing to do for this war and this is what they replied, and I think they expressed the sentiments of the province of Quebec: "We wish to do our share; we are willing to make sacrifices and work for the war; we will subscribe generously for the war effort but we are opposed to conscription."

As far as I am concerned and speaking for my electors, I may say that as long as conscription for overseas service will not be forced upon the people of this country, there will be but one leader for the constituency of Montreal-St. Mary, the province of Quebec shall never have but one leader and that leader is the present Prime Minister of Canada.

I received this morning a resolution from the Liberal Association of Montreal-St. Mary, a highly important organization since during the last election out of four candidates running three were Liberals and the other took good care not to mention that he was not a Liberal.

We, the officers of the Liberal Association of Montreal-St. Mary, gathered in a special meeting, do declare unanimously that we have always had confidence in the Right Hon. Mackenzie King;

That to-day we must more than ever before be true to his policy as the only one capable of maintaining unity amongst all component parts of the country and of meeting the manifold demands of the hour;

That we have enough confidence in the patriotism of our member of parliament, Dr. Gaspard Fauteux, to give him full liberty to take the stand he deems necessary on the amendment to the amendment moved by the Hon. P. J. A. Cardin, as we are convinced that the vote he will give will be in the best interests of his country, his province and his county;

And here are some more telegrams. At the last minute, at 4.25, probably learning that my name was on the list of members who were to speak this afternoon, and knowing that I had received telegrams asking me to vote for Mr. King, the Jeunes Laurentiens sent me a wire stating they hoped that I would vote against my leader. I say again to this house and to my colleagues from Quebec that I prefer to work with Mr. King to help build a country united from coast to coast, from the Atlantic to the Pacific, than to work against him to comply with the wishes of a small group of Laurentiens who think only of their own petty interests, who seek to overthrow King as Laurier was overthrown, who attempt to overthrow another leader in Quebec as they defeated me in 1935 by resorting to slander and lies.

Mr. Speaker, with your permission and the consent of the house, I shall conclude with a sentence we love to quote in the province of Quebec, even though it was uttered by a man who was not our leader. It applies, I believe, not only to the province of Quebec, but to the whole country, and I think it is the very spirit of the policy followed by the Liberal party: "Cessons nos luttes fratricides et unissons-nous." Let us put a stop to our fratricidal struggles and let us unite.

Mr. LIONEL BERTRAND (Terrebonne): Mr. Speaker, I have taken a great deal of interest in the amendment moved by the hon. member for Richelieu-Verchères (Mr. Cardin) and I am doubly interested for the simple reason that I intended, during the session, to express certain opinions along the same lines. More than once I have noted a scarcity of labour in my constituency, and since, on many occasions, the leading authorities in our country have deplored this condition, I had anticipated a debate on the question and I intended to take part in it. The sub-amendment moved by Mr. Cardin offers me an occasion to express my views on the subject, and I avail myself of this opportunity.

During the past two weeks in particular, the information given by the members of this house, to whatever party they belong, and the complaints they have made, offer ample proof that we are faced to-day in Canada with a serious labour shortage not only in agriculture but in essential industries as well.

In my estimation, this scarcity of labour is due to the fact that recruiting in our country has been carried on without any definite and comprehensive plan and in total ignorance of the needs of agriculture and its allied industries, as well as of the needs of other industries essential to the economic life of the nation. The raising of armies may seem all important in the eyes of the Department of National Defence, but is it possible for this department to be unmindful of the fact that armies would be helpless if, on the home front, we had no men for the production of implements of war, or to keep our communication lines open, or to extract from the soil the food products necessary to the physical life of the nation.

Agriculture is short of labour. It is asked to deliver maximum production, while on the other hand it is deprived of the necessary labour. All farmers' sons called up before or after the 23rd of March should be sent back to the land without further delay. And they should not have to go through that red tape which takes their requests from the commanding officer to the defence boards, from desk to desk, for weeks and weeks, until they get the routine answer which, no matter how important the reasons put forth, is always negative. Moreover I suggest that under the law the miller, the blacksmith and the saw-mill hands should be rated as farmers. Agriculture cannot yield sufficiently unless it has the services of those workers, especially at a time when restrictions of all kinds cripple its efforts.

Our war industries, our essential industries are also complaining of a labour shortage, which will shortly become more acute when three large plants in the Montreal district will ask for some twelve thousands of workers. War production is essential; to be efficient, it needs stable as well as skilled labour.

A number of factories have witnessed the exodus of their employees to the military camps and have been unable to replace them. Mobilization has also deprived a number of other factories—some farm implement manufacturers among them—of their skilled labour and are thereby in an embarrassing and disastrous position. It seems ridiculous to me, for instance, that expert machinists and technicians have been called for training and assigned, in military camps, to secondary jobs, while they could have been a strong element of stability and efficiency for the war effort.

[Mr. Lionel Bertrand.]

I shall go even further: I claim that essential industries should be allowed to keep all the labour they need to enable them to place production on the efficient basis which will never be reached by the present ceaseless changes in their personnel.

Is it possible to attain maximum efficiency in farm and war production when, in such a vast country as ours, fast and excellent means of transportation are not available to them? Is there not a scarcity of railway employees? Do not the same conditions obtain for the motor transport companies who have to work under more and more stringent restrictions?

On November 30, 1942—about three months ago—on the occasion of the 78th general annual meeting of the shareholders of the Banque Nationale, its president, Mr. Beaudry Leman, said:

> The present scarcity of labour may be due, to a certain extent, to the lack of a comprehensive plan to allocate all fit persons methodically as between the military and the economic fields. In any case, scarcity of labour is already felt in certain essential branches of production such as agriculture, stock raising, lumber operations, coal mines and even other mines which produce essential metals for the prosecution of the war. Should we not profit by England's experience, where 50,000 miners who had joined the army had to be returned to the coal mines?

Until recently, mobilization was under the Department of National War Services. To this end, the country was divided into districts headed by administrative commissions and registrars. The divisional offices were supposed to fill the requisitions for recruits, sent in by the department of National Defence, and grant postponements in accordance with a clear-cut policy. It would be unfair to say that these commissions did not try to be fair. The Montreal commission, apparently well organized, and evidently administered by a well-chosen staff, neglected nothing to attain this object. But those boards, in conformity with the instructions they had received from Ottawa, had to call for training a number of men who, if a fair plan of labour allotment had first been worked out, would greatly enhance our war effort in factories, on farms, in mines, in lumbering and in transportation.

Sooner or later, owing to the impulsion thoughtlessly given to recruiting, the labour shortage was bound to bring about the serious problem which this country is facing today. So far, nearly 800,000 men have gone into Canada's armed forces, out of a mobilizable population of 2,215,800, or one third of the latter. Now, the United States, whose population is about 140,000,000, has decided to call to arms no more than a maximum number of seven million and a half men, and a committee has just opposed the enlistment

of married men, such a policy being considered by them as detrimental to the welfare of the American nation. Canada would then make, as regards enlistments, a greater effort than the United States, which seems ridiculous. In the neighbouring country, recruiting has been conducted on a basis which kept into account the fact that industry and agriculture are two fields which in a well organized war effort should be on a par. For a few months past, the national selective service has replaced the war services in so far as mobilization is concerned. To this date has that organization achieved what was expected of it? Obviously it could not be efficiently organized without a temporary stop to recruiting, so that past errors might be corrected and a new labour allotment plan worked out for the benefit of the various phases of our war effort. To date, our man-power has been almost thoughtlessly requisitioned, as if that were the only important factor in achieving a war effort. If the present situation continues, the economic life of this country will be threatened. If production of war supplies should decrease, if transportation facilities should be curtailed through a labour shortage or a lack of materials caused by a labour shortage, would our war effort be enhanced? If agricultural production should lag, on account of a labour shortage, would that place our war effort on a better footing? This labour problem must be faced or it will cause irreparable clefts in the economic structure of our nation.

In the speech he delivered at the meeting to which I have just referred, Mr. Beaudry Leman made this important statement which speaks for itself:

> War expenditures for the present fiscal year will reach nearly $4,000,000,000. This figure shows the magnitude of our economic effort, but it also emphasizes the burden which has to be borne by a country of eleven million and a half people, a nation which wants to be, at one and the same time, a granary, an arsenal and a man-power reservoir. Now the leaders of the united nations tell us about a war of attrition which might last for a few more years. We ought to remember that "slow and steady wins the race."
>
> In order to win the peace after a war of attrition, there should be left reserves of man-power, capital, foodstuffs, raw materials and products of every description. Influence in world affairs will pass from those countries which will have to ask for assistance to those which will be in a position to tender assistance.
>
> Furthermore, the power of a belligerent country depends in a large measure on the balance between its war-time economy and its peace-time economy, for a loss of balance might give rise to serious results. An excessive effort, untimely or misdirected, disturbing the national economy which is its basis, might weaken Canada before the end of hostilities. After the war, our country will be unable to assume the heavy responsibilities which will be devolved upon it, if its economic position is not sound and secure.

I am not opposed to the war effort of my country as witnessed by my attitude in the past. I feel that, in a war which has developed into a world war, Canada upholds the principles of democracy as well as a civilization based upon the fear of God and regard for human freedom. I am not opposed to our war effort; I have done more in my constituency than any member in this house has done in his own to help the government solve its war-time industrial problems. I am not opposed to our war effort, but if it is shown that, at the present time, Canada is doing more, in relation to its population, than any other country, am I not right in assuming that there must be a limit to its effort and that this limit has already been reached? If such talk brands me an isolationist, I welcome the name. However, I look upon other nations of the empire. Has not Eire asserted her neutrality? Did South Africa impose conscription? Is not her war effort limited to the confines of the African continent? As for New Zealand and Australia, are they not waging war within circumscribed areas and have they not clearly defined their position? Isolationists? No; but Canadians for short, that's the word. Descendants of this country's first settlers, we set Canada above all other countries. Allowances we have made aplenty since the war's outbreak. The province of Quebec has made more indeed than any other province and I need not give details. If Canada can boast of national unity, or of anything like it, let us not seek afar for the reason: it has come out almost entirely of the allowances made by the province of Quebec.

These few words, Mr. Speaker, have enabled me to express my views. I have done so without mental reservation, with the sincerity of which I feel possessed and with no thought of personal advantage. I don't know how long I shall remain in politics but, so long as I am here, I mean to say what I believe to be fair. On February 8 last, I said I continued to sit on this side of the house because I am afforded freedom of speech or of utterance. I wonder now if this freedom still exists after the speech delivered by the Prime Minister (Mr. Mackenzie King) Friday afternoon. During my address on February 8, I conceded the Prime Minister's special abilities as a leader and admired the prestige he enjoys in the United States, with whom after the war, Canada, an American country, will be called upon to assume a leading role. I did say

nonetheless that, on all measures that come before the house, I will vote as my conscience dictates; and, in the present debate, duty compels me to support the subamendment moved by the hon. member for Richelieu-Verchères.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. SPEAKER: Before the house took recess for dinner the debate had closed, and I had read and put the question from the Chair and stated that the vote was on the amendment to the amendment. I have now to put the question.

The house divided on the amendment to the amendment (Mr. Cardin) which was negatived on the following division:

YEAS

Messrs:

Bertrand (Terrebonne)
Cardin
Crète
d'Anjou
Dorion
Dubois
Dubuc
Fournier (Maisonneuve-Rosemont)
Gauthier
Lacombe
Lacroix (Beauce)
LaCroix (Quebec-Montmorency)
Lizotte
Pouliot
Roy—15.

NAYS

Messrs:

Abbott
Adamson
Anderson
Authier
Bence
Bertrand (Laurier)
Bertrand (Prescott)
Black (Chateauguay-Huntingdon)
Black (Yukon)
Blackmore
Blair
Blanchette
Bonnier
Boucher
Bourgeu
Bradette
Breithaupt
Brunelle
Casselman, Mrs (Edmonton East)
Casselman (Grenville-Dundas)
Castleden
Chevrier
Church
Clark
Claxton
Cleaver
Cloutier
Coldwell
Corman
Coté
Crerar
Cruickshank
Dechêne
Denis
Desmond
Diefenbaker
Donnelly
Douglas (Queens)
Douglas (Weyburn)
Dupuis
Durocher
Edwards
Emmerson
Eudes
Evans
Fair
Farquhar
Fauteux
Ferron
Fontaine
Fournier (Hull)
Fraser (Northumberland, Ont.)
Fraser (Peterborough West)
Fulford
Furniss
Gardiner
Gershaw
Gibson
Gillis
Gingues
Gladstone
Golding
Goulet
Graham
Gray
Graydon
Green
Gregory
Hanson (Skeena)
Hanson (York-Sunbury)
Harris (Danforth)
Healy
Henderson
Hill
Hlynka
Hoblitzell
Homuth
Howden
Howe
Hurtubise
Ilsley
Isnor
Jackman
Jaques
Jean
Johnston (Bow River)
King, Mackenzie
Kinley
Kirk
Knowles
Kuhl
LaFlèche
Lafontaine
Lalonde
Leader
Leclerc
Leduc
Leger
Little
Lockhart
McCann
McCuaig
McCubbin
McCulloch
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
Macdonald (Kingston City)
McDonald (Pontiac)
McGarry
McGeer
McGibbon
McGregor
McIlraith
MacInnis
McIvor
MacKenzie (Lambton-Kent)
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McKinnon (Kenora-Rainy River)
MacKinnon (Kootenay East)
McLarty
MacLean (Cape Breton North-Victoria)
McLean (Simcoe East)
Macmillan
McNevin (Victoria, Ont.)
McNiven (Regina City)
MacNicol
Marier
Marshall
Martin
Matthews
Maybank
Mayhew
Michaud
Mills
Mitchell
Moore
Mullins
Mulock
Mutch
Neill
Nicholson
Nixon
Noseworthy
O'Neill
Perley
Picard
Pinard
Poirier
Pottier
Power
Purdy
Quelch
Ralston
Reid
Rennie
Rhéaume
Rickard
Roebuck
Ross (Calgary East)
Ross (Hamilton East)
Ross (Middlesex East)
Ross (Moose Jaw)
Ross (St. Paul's)
Ross (Souris)
Rowe
Ryan
St. Laurent
Sanderson
Senn
Shaw
Sissons
Slaght
Soper
Stirling
Stokes
Taylor
Telford
Thauvette
Tremblay
Tripp
Turgeon
Turner
Tustin
Veniot
Ward
Warren
Weir
White
Whitman
Winkler
Wood
Wright—195.

Mr. PARENT: I was paired with the hon. member for Beauharnois-Laprairie (Mr. Raymond). Had I voted, I would have voted against the amendment to the amendment.

Mr. J. SASSEVILLE ROY (Gaspé): Mr. Speaker, before proceeding with my comments on the amendment to the main motion I should like to say a very few words about the situation created last Friday by the Prime Minister (Mr. Mackenzie King). He made certain remarks concerning the numerous parties formed lately throughout Canada. To a certain extent I think his remarks are quite right, but I wish to remind him that those newly-formed political parties have all arisen under his regime. Some of them have been formed right from the ranks of the Liberal party.

The Prime Minister also made reference to the rivalry existing among different opposition members in the house. Well, with regard to that I would point out that the most typical example of political rivalry we have seen in the House of Commons was at the conclusion of the debate on Bill No. 80 of last session, to amend the National Resources Mobilization Act, 1940, when the Prime Minister himself replied to the then leader of the opposition, the hon. member for York-Sunbury (Mr. Hanson). The Prime Minister said also that the opposition lodged against the government was to serve some political aims and ambitions.

We from Quebec know what was said and done in our province during the twenty-five years prior to the provincial election of 1939 and the federal election in March, 1940. We know the promises that were made in Quebec during that period. Those promises were such that the Prime Minister was obliged to hold a plebiscite to be released from them, and that cost the country nearly $2,000,000 of public money. That was political ambition, and the Prime Minister should be the last one to talk to others about political ambitions.

The amendment moved by the Conservatives has been read in the house so many times that I shall dispense with having hon. members listen to it again. It looks to me like a soft pedal on the policy of the Conservative party in the past. The Winnipeg convention was held this winter, and since that time speeches have ben made by the new leader of the party, Mr. Bracken. Those speeches have been made in such a form as to give an impression to the population of Canada that the Conservative party was putting a soft pedal on its imperialistic policies. We have heard two speeches in the house, one by the leader of the opposition (Mr. Graydon), which dealt in considerable detail with the man-power shortage faced by war industries and agriculture. Then the former leader of the opposition, the hon. member for York-Sunbury, said that the people of this country were more heavily taxed than the people of the United States or Great Britain. Hearing those speeches I thought the party had changed its imperialistic policies; I thought it was no more in favour of a greater war effort than the Liberal party was making. However there appears to have been some change in this late policy. There is a saying that what is bred in the bone will come out in the flesh. Last Friday, answering a speech by the Prime Minister, the leader of the opposition said this, as reported on page 562 of *Hansard:*

> In the months that lie ahead we shall need reinforcements for our army. Let us, as a parliament and as a country, not leave any doubt in the minds of those fighting with us in this great war for freedom; let us not permit the word to go forth that we are not ready to do everything that may be necessary with respect to man-power, financial resources and all things that will bring forth a total war effort in this dominion.

That completes the amendment. Now that that has been said, we know more of what to think about the amendment. The leader of the opposition continued:

> It is true that our own amendment is a vote of want of confidence in the government, but it is founded on grounds that we think will make for a greater war effort in Canada instead of a lesser one, as would be the case if the hon. gentleman's amendment should carry.

If that is the aim of the amendment, we now know exactly what to think about it.

At the conclusion of my remarks I intend to move an amendment which will also be a motion of want of confidence in the government. It is to replace and improve the one which has already been offered, and I hope the Prime Minister will be satisfied with it.

First of all, I should like to say something about the shortage of man-power throughout Canada.

An hon. MEMBER: In your new party?

Mr. ROY: You will hear more about the new party after the next election. Many of you will hear about it, but from seats different from those you now occupy.

As I say, I intend to move an amendment at the conclusion of my remarks. Most of the hon. members who have taken part in this debate have referred to the man-power shortage that exists at the present time. I wonder how one can ask for a greater war effort and still criticize or complain about the man-power situation. I know that in the past the Conservative party have never brought about any great miracles and perhaps they think if they were in power they could bring one about that would supply to industry and agriculture all the man-power that is needed, and at the same time continue the

drafting of men; that would be a wonderful miracle, but I do not think they will have a chance to bring it about.

There is without doubt a shortage of man-power. All the speeches we have heard in the house testify to such a shortage. In order to prevent it there is only one thing to do—and that is why I voted in favour of the amendment of the hon. member for Richelieu-Verchères (Mr. Cardin)—we must stop the drafting of recruits throughout Canada. There are but three places where our man-power can be found. One is the army and the other two are the war industries and the farms. If there is already a shortage of man-power and the army continues to draft men from the other two sources, the problem will increase. I do not think anyone can bring about a miracle to change the effect of this wrong procedure.

In spite of all that has been said about us we are for victory. That is why last year I joined with the hon. member for Laval-Two Mountains (Mr. Lacombe) in moving an amendment to exempt from military service all men employed on the farm in order to permit the vital industry of agriculture to carry on with a production which is most necessary to our war effort. I cannot understand why hon. members should support a government which follows such a rash policy When the government needed additional employees for its own civil service, it did not let those employees go into the army. The civil service has been increased by about 70,000 men and women. However, when agriculture, which is the basis of the war effort for our allies, is concerned, the government does not deal with it in the same way. It did not proceed as it did to meet the needs of the civil service or the other needs of government in connection with various organizations. It went right ahead and took the skilled man-power, that cannot now be replaced. It took so many men that to-day every hon. member, including even those who have not expressed their opinions in this house, believes there is a shortage of labour on our farms. If we do not have an abundant crop next fall; if the season is not as good as it was last year, and if we lack labour to cultivate the farms, we may find ourselves in very great misery before very long, and our war effort will suffer as a result.

As I have said already, no miracle will happen to give us more labour on our farms and in our war industries. There is only one way to correct the situation, namely, to stop this policy of drafting men which has gone far beyond the limits of our mathematical capacity. In my opinion the way to stop such a policy is this. Conscription must be applied to those financiers who are making as much more money as there are more soldiers in the army, or who are making as much more money as there are more contracts coming to war industries. Those people will stop making money out of the army and out of our war effort when they are compelled to take the money out of their own pockets to help win the war. Then, as I said in a previous speech, their advice will become much wiser.

I should like now to deal with another matter, and I wish I had a far better knowledge of English in order to do so, for it would be much easier to keep from making any slips of the tongue, as it is said in English, and to avoid hurting the feelings of anyone. It should be well understood that the complaint I have to make about a certain gentleman or a certain little organization does not in our opinion involve all our Anglo-Saxon fellow Canadians. We know them far too well for that. We remember what was done for us by great statesmen like Baldwin, MacNab, Macdonald and a great many others, and we would not want to hurt the feelings of any person or any group, but this is a very particular case with which I wish to deal. I hold in my hand a publication entitled the *Gospel Witness and Protestant Advocate*. The editor is Reverend T. T. Shields, and I should like to read a few extracts from this fine example of literature which seems to be founded upon a hatred of all Catholics in regard to our war effort in Canada. First I would refer to the issue of October 22, 1942, at page 2:

> The Roman Catholic Cardinal "will assume the responsibility of settling the whole matter." This is the man who has been recently honoured by Queen's university. It seems to us that if the devil himself would only appear in the robes of a cardinal—and it must be admitted that in this cardinal he has an excellent representative—universities, city councils, Canadian clubs and empire clubs, the dominion cabinet and the Canadian premier himself would all bow down to him.

Then a little further along he says:

> That is Roman Catholicism—as deadly a poison to the individual, to the family, to evangelical Christianity and to the state—indeed a more deadly poison than the germ of typhus, or tuberculosis, or smallpox, or leprosy, or the black plague.

That is what this gentleman has to say about the Catholic religion. Then in the issue of June 25, 1942, this review reproduces an article from the Victoria *Daily Times* of Monday, June 22, reporting a speech made by Mr. Shields somewhere out west. The article states:

> Roman Catholicism was the enemy of free institutions everywhere, he said. It was the fourth axis power and just as much the implacable enemy of Britain as Germany, Italy

and Japan, he added remarking, Though we win the war the chief enemy will still be in the Vatican.

The real ruler of Canada this moment is not Prime Minister Mackenzie King, but Cardinal Villeneuve of Quebec, he said. Not a thing could be done without approval from the Vatican, he added.

Doctor Shields told his hearers one of the reasons R. B. Bennett left Canada lay in his weariness of having the Roman Catholic church continually pulling his coat-tails for special privileges.

In the November 12, 1942, issue of the same publication appears an article entitled "The Relative Importance of Unity," which concludes in this way:

In religious controversies we have repeatedly seen errorist minorities numerically overwhelmed, only to observe an organized subtilty defeat a superior number of unaffiliated individualist advocates of righteousness.

All this is another way of saying, Beware of peace. In these columns we have repeatedly pointed to that religio-politico thing called the papacy as the chief of all visible enemies of mankind. As the tide of battle turns and the doom of the axis powers becomes visibly nearer, we may expect the papacy, gradually and without announcement, to abandon its neutrality, and endeavour to ingratiate itself with the powers of freedom. We must not allow ourselves to feel the slightest elation when gangsters begin to cheer the police. As the tide gradually turns in our favour and against the axis, we may expect to see the whole Roman Catholic hierarchy in Canada emulate the example of Admiral Darlan: they will fight even openly just so long as they think there is any chance of winning, but as soon as they see the die is cast, they will make their exit from France, and turn up as a guest of the victorious armies. Therefore, while we are far from the end of the conflict, the Quislings who helped to precipitate it will soon be attempting to reorient themselves in order to get as much out of the wreck they have made, as may be possible.

Mr. SPEAKER: Order. I must call attention to the fact that there is so much conversation going on that it is impossible to hear what the hon. member is saying.

Mr. ROY: Thank you, Mr. Speaker. What I have just read is quite clear; we can see that the reverend gentleman becomes more than saucy. He becomes somewhat dangerous. It would be easy for the government to stop this sort of propaganda. Again, in the Victoria *Daily Times* of Monday, June 22, 1942, Doctor Shields is reported thus:

"I don't believe the Roman Catholic Church need be feared after the war," he added. It was the most gigantic bluffer in the world. Its forces would fight in ambush and darkness, "but when you turn the light on it, it runs," he said.

He denied any personal quarrel with individual Roman Catholics, but said sometimes "in exposing the ravages of Rome some Roman Catholics may get a few splinters of shrapnel."

Is that what he wants—a sort of bloody persecution against the Catholics? He does not put to himself this question: Are the French-Canadians or the Catholics in Quebec being treated fairly in this war effort? Are they getting the same wages in the war industries in Quebec as workers in similar industries in Ontario? Does he ask himself, when our boys are sent to Hong Kong, Dieppe, or elsewhere, whether they are Catholics or not? No; this gentleman does not worry about conditions that exist in Quebec or about what Quebec is doing in spite of the unfair treatment we are at present receiving.

There is another matter I would draw to the attention of the government. This issue of October 22, 1942, of the *Gospel Witness* from which I have quoted, and which at the time of the last victory loan seemed to circulate to the extent of a good many thousands of copies, contained on the back page a cartoon, showing in the centre the church of St. Peter of Rome, with the armorial bearings of the pope at the top, and showing at either side of the church Mussolini and Hitler making a salute to the church of Rome. Written in big letters, so big, Mr. Speaker, that you can see them from your place, are these words, "The Relationship of Roman Catholicism to Nazi-Fascism." This pamphlet was distributed among the English-speaking population of our country at the time of the last victory loan in October. At the same time there was distributed throughout the whole province of Quebec another pamphlet, in French only—according to the information I could secure from the bureau of information—and on the front cover is a photograph of the interior of a Catholic church in which a service is proceeding. There is written at the bottom, in French, "Ils Veulent Détruire l'Eglise de Dieu", which means in English, "They want to destroy the Church of God". That is referring to Hitler and Mussolini. On the back, to give this publication the appearance of another religious pamphlet which is also published in Quebec under the name of "Le Messager du Sacre-Cœur", there is printed a picture of the Sacred Heart with these words below, in French, "Je suis la Voie, la Vérité et la Vie", which means in English, "I am the Way, the Truth, and the Life". Inside the booklet will be found pictures of Hitler. His portrait is close to that of Cardinal Villeneuve; and the statement of Cardinal Villeneuve in favour of our war effort and against the axis powers appears under the portrait of Hitler. This booklet was published by the Service of Information, Ottawa, under the authorization of Hon. J. T. Thorson, Minister of National War Services. This was circulated in Quebec at the very same

time that the other review from which I have quoted was circulated among English-speaking Canadians in other parts of the country. This one that was circulated in the province of Quebec was published by the government's own bureau of information. I wonder which one of these gives the truth? I do not know. But I want to say to you, Mr. Speaker, that this kind of propaganda throughout the country is not only false, but lowers respect for religious beliefs. It is against the unity of Canadians; it is against the best interests of our war effort, and it should be condemned. Since the government has permitted the circulation of this review and at the same time has published this other pamphlet which has been circulated in Quebec province, I say that the attitude of the government in both instances is wrong, and that we should stop this business.

I should like to speak English well enough to appeal to the spirit of fair play and justice of all the members of this house and to the respect which I am sure every hon. member has for the religious belief held by Catholics throughout Canada. I appeal to my fellow-members to support our country in which all serious-minded men are willing to work to help win this war, for which purpose we are asked to vote huge sums of money. I also ask the government to stop this kind of propaganda which is nothing else but forgeries and rashness.

I move, seconded by the hon. member for Charlevoix-Saguenay (Mr. Dorion):

That all the words after the words "Your advisers have" in the amendment be deleted and the following substituted therefor:

"not taken the necessary measures to stop the present anti-Catholic propaganda and prevent the circulation of some abusive publications conflicting with the purposes enunciated at the time of our war declarations and contrary at the same time to the spirit of the confederation pact and of the Atlantic charter, and, further, the rural and labour populations of the dominion are not adequately represented among Your Excellency's advisers and that this deficiency is responsible for the inequitable application of the National Resources Mobilization Act."

Mr. MACKENZIE KING: Mr. Speaker, I do not rise to speak to the amendment but to correct a statement made in the course of the remarks of the hon. member for Gaspé (Mr. Roy). I did not wish to interrupt him when he was speaking, but I do not wish a certain statement he made to go unchallenged because it is wholly incorrect. My hon. friend, as I understood him, referring to third parties in this house, said that they had come into being during the course of the administration of this country's affairs by a government of which I had the honour to be the head. Looking at the third parties in the house, I recognize first the Cooperative Commonwealth Federation. My recollection is, and I think I am right, that the Cooperative Commonwealth Federation came into being at the convention which was held in Regina in 1932 or 1933.

Mr. HANSON (York-Sunbury): They were here before that, perhaps under another name.

Mr. MACKENZIE KING: The convention was held, I believe, in 1933, when the Right Hon. R. B. Bennett was the leader of the Conservative party and the Conservative party were in office. I look beyond, and see another third party, the Social Credit party. My recollection is that that party also came into being between 1930 and 1935. I believe that Mr. Aberhart in his province came into power in the early summer of 1935, and that the first Social Credit candidates who offered themselves for the federal house did so in 1935. So that that party came into being during the time when the former Prime Minister, Mr. Bennett, was leading the Conservative party in this house and that party was in power.

I come to another party, the Progressive Conservative party. It has come, it is true, into being in the time during which this administration has been in office, but I think I can safely say that the Progressive Conservative party is the same old Conservative party, under another name.

As for the remaining parties, so-called, I do not think they are so much parties as they are leaders and would-be leaders of parties.

I hope that my hon. friend will see that I am seeking only to correct him, but I think it is advisable that the correction should be made.

Mr. GRAYDON: May I say a word to the Prime Minister with regard to what he said about the Progressive Conservative party being the same old party? Of course no one knows better than he that his statement is at least seriously open to question. The Prime Minister has been quite keen to-night to describe the growth of new parties and new groups in Canada. I believe we shall all agree that he is the same old Prime Minister whom we have had for a long time.

An hon. MEMBER: And whom we shall have for a long time yet.

Mr. LACOMBE: Mr. Speaker, I rise to a point of order. This debate is absolutely out of order. The vote has been taken on the amendment to the amendment; you have now

in your hands another amendment to the amendment, and that is what we are discussing at present.

Mr. SPEAKER: We have an amendment which has been moved but not yet read from the Chair. The Prime Minister was making a correction, and the leader of the opposition wishes to reply to the Prime Minister before the amendment is read from the Chair. I think it would be fair that the leader of the opposition should have a reply.

Mr. GRAYDON: I merely wanted to say this to the Prime Minister, with all seriousness and gravity. I suggest to him that in the course of this debate, at a time when he himself has said that this country, and indeed the whole world, are facing grave issues, requiring our serious consideration and our urgent attention, these old questions of how many parties grew up, and when, could be appropriately left until such time as victory has been won.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I wish to say a few words with reference to the amendment to the amendment of the member for Gaspe as to what he calls "abusive publications". Freedom of religion is something which the British empire and the mother country have had since time immemorial. This is the greatest war the world has ever seen. Its importance is primary, not secondary. While I believe in freedom of religion I believe also that this parliament should stick to its task of attending to the war; and let me say that there is no province which has more to fear to-day from at least one aspect of that war, the sinkings around our coasts, than the province of Quebec.

A great many people do not agree with some of these papers. All my life I have been a warm friend of the Catholic people of the city of which I was the head. There is no bigotry in Toronto; it is a tolerant place. If we are to set ourselves up as a sort of religious parliament and take into consideration every pamphlet which is published on either side, we shall be doing something which we have no right to do. The matter is one of property and civil rights, within the jurisdiction of the provinces, and in dealing with it this parliament is going very far afield.

The amendment to the amendment also brings in the Atlantic charter. Well, Casablanca put the Atlantic charter in the waste-paper basket the other day.

Many matters which are not in order have been discussed in this chamber. Let me say to the hon. gentleman who moved the amendment to the amendment that I have a warm regard for him, but I fail to see what we, sitting here as a parliament, have to do with religion. All of us, Jew and Gentile, black and white, should be equal before the law, and subject to the law every person is free to express his opinions. A great many of the matters which are referred to were virtually forgotten long before the last war, at least by a large number of the people of this country, and why they should be reopened at this time I do not know. I recall that the Rev. Mr. Toplady, who wrote that great hymn, "Rock of Ages," was in his time one of the most violent controversialists in behalf of certain religious opinions. Those doctrines and dogmas are forgotten to-day, but his hymn written in 1836, has brought comfort to the sick and dying the world over, while his religious controversies were long ago forgotten. I believe, with war on, that we should leave these disputes alone. We must think of such matter as the sinkings in the gulf of St. Lawrence; of the fact that five hundred ships sent to North Africa, with three hundred and fifty men-of-war and one hundred and twenty escorts, have been removed from the north Atlantic; that General Winter that has been the best friend we have had in the St. Lawrence, will not continue to aid us much longer. We had better stick to our own business. It is for the provinces, controlling property and civil rights, to regulate this issue. There is a law of libel, and if there is anything libellous in these articles the courts are available to determine the question; it should not be brought before parliament.

I protest against an amendment of this kind, dealing with a purely religious controversy of which people know little or nothing, very few having even read these pamphlets. I believe in freedom of religion and freedom of thought. I have heard a great many controversies and I do not agree with most of the controversialists on either side. I am a humble member of the church of England. That church believes in freedom of religion and freedom of speech. In any event we are wasting our time, for this is a subject beyond our powers. If you ask me, sir, the amendment to the amendment should be ruled out of order as dealing with something which lies within the jurisdiction of the provinces under section 91 of the British North America Act. If there is any grievance, let those who complain of it go to Queen's Park, which authorizes the publication of pamphlets. I repeat that I object to this parliament being made the scene of a religious controversy which is none of our business.

Mr. LIGUORI LACOMBE (Laval-Two Mountains): I seconded the amendment to the amendment moved by the hon. member for

Gaspé (Mr. Roy) just as I would second any amendment moved in the public interest. It is indeed regrettable to view religious quarrels brought about by fanatics who should be excluded from our society. It is a known fact that a certain clergyman in Toronto is constantly attacking the Roman Catholic religion by his speeches and his articles. This gentleman even sends to hon. members of this house his publication. Does he know how insulted we feel when we receive his paper? The Minister of Justice (Mr. St. Laurent) is vested with all the necessary powers to stop this propaganda, which affects more than four million Canadians. The attitude taken by Reverend Shields is a cause of scandal in a country which more than ever should attempt to maintain harmony. On many occasions municipal authorities have had to intervene in order to stop this man from spreading doubt, dissension and discord. The clergyman from Jarvis street causes trouble not only in the province of Quebec, but from the Atlantic to the Pacific. A bishop from British Columbia had to appeal to the Minister of Justice to prevent this man from repeating in his diocese his insults against the Roman Catholic church. This state of matters must cease and the government should take action in that regard without further delay.

The amendment to the amendment moved by the hon. member for Gaspé deals with the readjustment of salaries for Canadian workers. This measure is urgent, and I know that the working class of Quebec is entitled to a just reward for its labour to the same extent as workers in the other provinces. Let us take the farm labour problem. As I have already said very often in this house, if the government does not grant complete exemption from military training to farmers and farm hands we shall be headed for disaster and starvation. Furthermore, all farmers actually undergoing their military training should be sent back to their farms. The hon. member for Gaspé is perfectly right in deploring the fact that farmers and labourers are not adequately represented in the cabinet. This is the reason why so many people in this country are exploited by the trusts. While farmers, labourers and craftsmen are working, toiling and suffering, war profiteers are reaping public funds. This deplorable situation must cease.

The Prime Minister (Mr. Mackenzie King) does not seem to be pleased with the new parties. At least this was the opinion he expressed with unusual strength on February 19. He said that multiplicity of parties was responsible for the downfall of France. This was not the determining factor of the defeat of that great country, and the Prime Minister knows it. One must go further back in history, to the point where the victorious allies of the last great war began losing the peace when they were preparing the treaty of Versailles. If France was in a state of extreme weakness when the present war broke out, it was as a result of the guilty complacency of the victor much more than of the formation of new political parties in that country. Who allowed the Rhineland to be remilitarized a few years before Stanley Baldwin stated that the first line of defence of Great Britain was on the Rhine? The unquenchable financial and commercial imperialism of certain nations was responsible for the downfall of France to a greater extent than was the creation of new political groups.

During the last war a few people grew rich while others suffered untold hardships. A few loathsome profiteers flooded Europe with war equipment. Boundaries did not exist for cannon merchants. The ocean itself was no barrier for those ever greedy madmen, the most active and at the same time the most repulsive of whom was Sir Basil Zaharoff. Holder of a baronetcy, commander of the order of the bath and grand officer of the legion of honour, that shady character became the intimate friend of the great political and military men of that period. He gave advice on war operations; he travelled from one seaport to another in perfect safety; he laid down the law, and compelled those in power to obey him. In short, he dominated governments and influenced history.

The terrible and horrible war which engulfed the lives of sixty thousand of our countrymen on foreign battlefields, which cost and is still costing us billions, which cost thirty-three countries the staggering sum of $186,000,000,000, and in which fifteen million men were killed, now appears to have been useless and to have settled nothing. Why? Simply because Germany, though she may have lost the war, won a great peace-time victory through the failure of the other powers to realize the inevitable consequences of their actions. When Germany was condemned to pay reparations a few of the victors proved quite willing to grant her loans much more considerable than the amounts she had to pay. When her commercial fleet was seized her enemies of yesterday provided her with the funds required to build another and more powerful one. Dictatorship of money; what crimes we commit in your name! Twenty-five years ago the old Germany was crushed and begging for mercy. To-day the new Germany, in a shaken Europe, openly defies the democracies. Behind the back of the League of Nations she imposed humiliating

conditions on Great Britain and France. What happened when the vanquished of yesterday demanded the dismemberment of Czechoslovakia? Two great nations gave way in the face of the terrible doctrine, "Might is right".

These are indeed cruel truths, but no purpose is to be served by concealing them. It is far better to turn the searchlight of truth on the lowest strata of international life. In the face of events like these, invisible forces such as cooperation and love of peace remain the only safeguards of our civilization. The petty interests and criminal hypocrisy of certain nations have led all peoples into the terrible situation which now confronts us. To ensure the peace and progress of the world should have been the ultimate goal of the statesmen who were called upon to guide the destinies of the most powerful countries on earth; but arbitration and conciliation treaties were wrecked by a formidable instrument, that of financial and military imperialism. As substitutes for disarmament, tranquillity and the free development of peoples, heinous psychological trends have given us all the devilish weapons invented by a barbarism which we still dare to clothe with the noble name of civilization. Even Winston Churchill raised loud protests at Westminster in 1938 and 1939 against the criminal complacency shown by financiers of all kinds who continued to lend Germany enormous sums of money in order to facilitate the rebuilding of her navy. Right here in Canada a few weeks and even a few days before the present war broke out, shameful trusts were shipping to the enemy large quantities of nickel, rubber, steel, oil and gasoline. With heroic Belgium and Holland, heroic France, my mother country, was the first to fall under the blows of a formidable war machine which past and present allies had built up for Germany. No; France did not succumb to the quarrels of a few new political parties who were rather harmless. France was defeated by the shameful betrayal of commercial, military and financial imperialism. When history is written the impartial historian will strike out that page which the Prime Minister wrote on February 19, 1943, on the deep causes of the fall of France.

In conclusion, I would formulate this wish. National unity will live in Canada inasmuch as our living strength is preserved from disaster by a sound political economy. Where are we going in this whirlwind of billions succeeding other billions? Where are we heading with this mad race on public funds? What will become of our agriculture, our industries, our trade? In what society are we living? The future is so dark that I foresee the disintegration of our families and the bewilderment of our population, with generations of Canadians toiling under the burden of excessive taxation. I am thinking at present of the state of decadence and bankruptcy which will fall upon us as a consequence of our participation in this war on a scale out of all proportion to our resources, and I sincerely hope that God may preserve us from such a calamity. Accordingly, Mr. Speaker, I will vote for the amendment to the amendment moved by the hon. member for Gaspé.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Before the vote is taken I have just a few words to say with regard to censorship. There was a great man who was in charge of the censors in Great Britain at the beginning of the war. He was Lord Macmillan, and he stated his views on the general rules of censorship in this way:

> Lord Macmillan sensibly gave orders to the censors that they are to confine their activities to news of a military character likely to be of value to the enemy, and are to refrain from censoring matter which merely happens to be politically disagreeable to the British government.

I take this from *The Week*, September 20, 1939, just at the beginning of the war.

This is a very reasonable view. It is a view which is in accordance with British usage. I do not discuss the qualifications of the head of the Canadian bureau of censors, who is supposed to be a counsel of certain fame; but what I cannot understand is the laxity of censorship regarding yellow-press news, such as the publicity stunt afforded by the trial of Errol Flynn. Some incidents in his trial were simply disgusting. Then, there was the story of Frances Farmer who was always drunk; it was one which could not be accepted as an example for either the young or the old.

It takes a great deal of courage to bring the case of Pastor Shields before the house, on account of the blackmail Shields uses at all times against those who dare to criticize him. I do not know whether or not I am right, but according to my information his case was to be considered—or was considered. I would direct the attention of the Minister of Justice (Mr. St. Laurent) to some Quebec jurisprudence respecting the rights of minorities. It is a very old case in which a man—and I do not recall whether he was a notary or a journalist —named Plamondon was sued by a Quebec Jew who complained that the defendant had written articles which had the effect of dissuading clients from buying at the plaintiff's store, simply because he was a Jew. I do not remember the decision of the superior court, but I have a distinct recollection of the judgment

rendered by the court of appeal, which was headed by no less a person than the late Sir Horace Archambault, then chief justice of the province of Quebec. That judgment stated that any man guilty of such offence against a citizen belonging to a minority in the province should pay a considerable amount of money. That is Quebec jurisprudence.

Now that most of the civil powers of the province have been taken by the federal government, I wonder that no distinction is made between freedom of speech and abuse. I did have some observations to make respecting the address in reply, and perhaps this would be a good time to make them. The amendment to the amendment of the hon. member for Gaspé (Mr. Roy) refers to the Atlantic charter. Well and good. I am all for the Atlantic charter. It will be remembered that four freedoms were mentioned in that charter, the first two of which were freedom from fear and freedom from want. Those two appear in the speech from the throne as it is contained at page 3 of the *Votes and Proceedings* of this session. But to my great astonishment the speech from the throne does not mention the other two freedoms, which are just as great and just as necessary in any democracy as are freedom from fear and freedom from want. I refer to freedom of speech and freedom of religion. They are not mentioned in the speech from the throne. Why? Let hon. members now sitting in the house check the record. I was astounded when I noted that omission.

I have another regret to express, namely, that there no distinction is made between freedom and licence. Freedom of speech and licence of speech are not at all the same thing. Freedom of speech is the right to say anything which is not against good order in the country. Licence is the procedure of saying things which may be injurious to public safety and order. I sincerely believe that what Shields has said from the pulpit is dangerous to good government, good order and peace in this country. So much is this so that two of the largest hotels in Canada—the finest hotel in Ottawa, the Chateau Laurier, and one of the largest in Montreal, the Windsor—have refused Pastor Shields the right to repeat an address in which he called the Roman Catholic church the fifth column in Canada. The authorities at the Chateau Laurier are officials under the control of the Canadian National Railways, and certainly the board of directors of the Windsor hotel at Montreal are not bigoted men. However, the officials of both those hotels felt they could not admit this man Shields to repeat under their roofs that which was injurious to large numbers of our fellow citizens. Their understanding was the same as that of the King's Bench which was presided over by the late Sir Horace Archambault on a different occasion, namely, that minority rights in this country shall be respected.

We hear a great deal about national unity. One thing I regret very deeply is that some people take for granted that Canadians of British origin necessarily think differently from Canadians of other origins. That is a great mistake. The troublemakers in this country are a very small minority. I have had the privilege of travelling in Ontario and in the maritimes, although I have not been so fortunate as to have done the same through the west, but I shall do it soon. The people of Ontario whom I know and the people of the maritimes whom I know, whether of British origin or of French origin, think the same when they consider anything without religious or race prejudice. They are all good people. There are, however, certain people who are interested in having this country disunited. They are only a few, but they do this to prevent the Canadian people from being informed of what they are doing. These troublemakers are the war profiteers who control the press through their advertisements.

One of my regrets is that there is not an independent English daily press in this country to give the proper information to the Canadian people. Recently I was in a large Canadian city where two evening papers are published. I bought both papers and they could be read in five minutes, or possibly in three or two minutes. There were just a few headlines on the front pages, some news, and then advertisements for the women who wanted to go to the stores to buy food or clothing or other commodities. I made a comparison between those large fat papers and the weekly press.

Why is our daily press not just as good as the average weekly press? The weekly press publishes some advertisements, but the editors are close to the farmer; they take time to think and they show more independence. I do not know whether the publication referred to by the hon. member for Gaspé (Mr. Roy) was monthly or weekly; since I do not read it I do not know what it is. I have listened to the quotations he gave. It is deplorable that papers with the largest circulation among the English people are quite often—there are a few happy exceptions—much below the average of the weekly press.

Speaking again of censorship, what I have to say will be quite brief. The other day I wanted some information about our trade but

I could not get it because the censor held it up. If any hon. member will look at our trade publications he will see that they contain practically no information. We are told that our exports are larger than they were before. This may be true because I do not know whether my information is correct, but I have been told that the total amount of our exports includes the gifts we have made to other countries. This is absurd, if true.

It is also impossible to get any information about importations from Great Britain. Why? Is it because the minister of trade of Great Britain said when he was in Canada last year that they could supply us with any merchandise we wanted? Is it because our exports at the present time are mostly war munitions, food, grain and lumber? Is it forbidden by the censor that members of parliament be given detailed information about our exports because our imports from Great Britain are entirely different from our exports, being made up mainly of commercial merchandise? If that is the situation there is no reason why this information should be refused. It would not help the enemy to know what kind of merchandise we are getting from Great Britain provided it is not war munitions and arms. That is why I express my feeling about this matter.

We are doing our best to help the common cause; we are all for it. But is it not time to follow the example of Great Britain and produce merchandise for export like that country is doing although it is exposed to bombardment? That is one question. If we do not do that, what will be our external trade when the war is over? We shall be left without any trade at all. It is time to think of that. Many people are employed to-day. They do their work happily. They make money; so much the better for them. But we must think of the aftermath and see to it that all good examples which are given by the old country are followed by us.

An hon. MEMBER: Louder.

Mr. POULIOT: I am sorry I have to speak a little louder for my hon. friend. I have expressed my views on these matters, and I think my hon. friend the member for Gaspé was right in bringing them to the attention of the house.

But there is something more. I have heard from a source which I cannot give that when Mr. Chaloult was prosecuted, Pastor Shields was also to be prosecuted. Then it was not Pastor Shields who was prosecuted; it was Mr. Drew. Then the charge was withdrawn. I have also been informed that it was a Roman Catholic from another province than that of Quebec who intervened to stop all prosecutions against Pastor Shields. Did he act for himself or on the suggestion of some other gentleman? Although I cannot disclose the source of my information, I can say that it is generally pretty good. If the government had really considered the case of Pastor Shields and decided that he should be prosecuted, why did they change Shields for Drew? That I cannot understand, because they do not belong to the same church, and their cases are entirely different. By the way, Mr. Chaloult was acquitted, and so was Mr. Décary of Montreal, who was the registrar of the National war services board. He was accused before the courts and suffered calumny, and then he was acquitted by the Supreme Court of Canada. I was humiliated as a French-Canadian when I saw the way in which those gentlemen were treated, but I was most indignant when I saw the way in which the hon. member for Portneuf (Mr. Gauthier) was dealt with. When a charge is laid against an officer there is a previous investigation and all the charges are summarized. Therefore the army authorities know in advance the charge in the case. What I complain bitterly of is this, and I would say the same if it had been any Conservative member or any Jewish member or any citizen of Canada: Here was this man, a member of the House of Commons, put in custody, in gaol, if you wish, for fifty-one days, during which time the worst calumnies were circulated against him. Some one sent me some clippings from papers from all over the country, papers from British Columbia, for instance, with headings in type about two or three inches high, "Quebec Scandal." It was portrayed as a Quebec scandal. That is what happens every time when it is a case in the province of Quebec.

I have the best possible disposition toward this government, not toward all the members of the government, but especially towards the Prime Minister (Mr. Mackenzie King), for whom I have been fighting for years; but I tell you, Mr. Speaker, that if those things had been done by a Tory government, the Liberal party would have been one to fight it. How can we speak of freedom when these things happen? It was the reverse of the British practice. In Britain a man is considered innocent, or not guilty, until he is found guilty. In the case of the hon. member for Portneuf, it was known in advance by the national defence department that the charge against him could not be substantiated. Nevertheless the brass hats decided to humiliate him by keeping him for fifty-one days in the "clink" at the citadel. Not only that, but gossip—I know it is untrue—went on and

on, and even members of the cabinet were associated in the calumnies that were made against the hon. member. I protested each time very strongly. But that is what was done. It is not only as a Roman Catholic, not only as a French Canadian from the province of Quebec, but as a Canadian, that I protest against the abuses I have mentioned which appeared in the *Gospel Witness* and the abuses of which the brass hats in Ottawa have been guilty, and so on and so on. It is as a Canadian I protest, a Canadian who has never raised a racial or a religious issue in this house. I have always abstained from doing so, but I think this sort of thing should stop. Of course, there are some people who live by it. But now that people throughout the country are showing a spirit of magnanimity in this war, I hope that all this which has to be regretted will not happen again and will not have to be deplored again. These things would not happen if the proper distinction were made between licence of speech and freedom of speech, and if the government were ready to assume their responsibilities when it is time to do so. Sometimes it is not necessary to assume any responsibility; yet they tell us, "Well, we have assumed a great responsibility". This time I must remind my good friend the Minister of Justice (Mr. St. Laurent) that he has at his disposal all the machinery which is necessary to stop this; and I will tell also the Minister of National War Services (Mr. LaFleche) that he must give definite instructions to the censor to censor news which should not appear in the press, and also comments which are prejudicial to the good understanding that must exist in this country.

I have been very mild in my remarks. Before closing, as I do not want to make another speech on this address, I have just a word to say to the hon. member for Bellechasse (Mr. Picard). I listened to him this afternoon; he is an able speaker. I know that for many years he was the secretary of the late Mr. Lapointe, and he was of a good enough disposition quite often to speak on my behalf in my constituency. I know him well enough to tell him that I was very sorry regarding what he said of the late Mr. Lapointe, who was a very dear friend of mine. As he knows, Mr. Lapointe and I were on the best possible terms, and I always regarded him as a big brother. I will say no more about him because his remembrance is in the hearts of all those who have known him. What Mr. Lapointe had to say in his lifetime he said, and I believe that hon. members know enough of the good relations which existed—

[Mr. Pouliot.]

Mr. CHURCH: May I ask the hon. gentleman a question before he concludes?

Mr. POULIOT: Just one minute—between the hon. member for Richelieu-Verchères (Mr. Cardin) and myself to know that I was a good friend of Mr. Lapointe and that it was not only the hon. member for Richelieu-Verchères and the member for Témiscouata who were good friends of that great minister. I was deeply touched when an English-speaking colleague, who sits across from me but is not in the chamber at the moment, told me with tears in his eyes what Mr. Lapointe had done for him. Others, too, have testified how much Mr. Lapointe was to them personally. For all these reasons I think that, while it would be perfectly in order to quote what Mr. Lapointe said in his lifetime, it is pretty difficult to accept his interpretation of the events of the day and that they should be judged in the light of the attitude he took while he was still alive.

The only thing that remains for me to do is to thank the house for their kindness in listening attentively to what I have said. I hope nobody has misunderstood my remarks. What I have done is for the public good, and for no other purpose.

Mr. CHURCH: Will the hon. member answer a question? Does he not think it will be far better to wait until after the war before some members raise questions of this kind in the house? We are not all theologians, and this forum is not a religious seminary. Surely the war is paramount. Most of us have not read the articles or even seen them. We cannot be expected to interfere in differences of opinion between reverend doctors on both sides of a religious subject of which we know nothing.

Mr. POULIOT: In answer to the hon. member for Broadview I would say this. In the first place we do not know when the war will end; and if we wait until the end of the war to prevent Pastor Shields from abusing French Canada the country will be in an upheaval within a few months.

Mr. CHURCH: Religion is outside our sphere of authority.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I had not intended to speak on this amendment, but, having regard to what has been said in the course of the debate thus far, it is important, I think, that I should draw the attention of the house and the country to the possible consequences of continuing the debate and permitting a motion of this kind to go to a division.

There are times and places for all things. The hon. member for Témiscouata (Mr. Pouliot), who has just taken his seat, said that he thought it was well that the hon. member for Gaspé (Mr. Roy) should have brought this subject to the attention of the house. I take no exception to his bringing any subject to the attention of the house, but I take very strong exception to the hon. member bringing the subject in the form of a motion of want of confidence in the administration, bringing it on the address, and raising for discussion in the house at this particular time a subject which cannot be other than perhaps the most controversial of any which could be raised at this time of war.

On grounds of public policy I am going to make a personal appeal to my hon. friend to withdraw his amendment. He has brought the subject to the attention of the house; he has brought it to the attention of the country; and I ask him now in the interests of the country, the maintenance of national unity and the avoidance of religious controversy at this time of war that, having served his purpose by bringing up the subject, he ask leave of the house to withdraw his motion and not have the matter carried to a division. I shall give him and the house reasons why I feel the way I do, and what I think would be a preferable course to the one he has adopted.

While I was speaking with one hon. member this afternoon as to a previous vote, the vote on the motion moved by the hon. member for Richelieu-Verchères (Mr. Cardin), the hon. member mentioned to me that he thought that all the ex-minister had in mind was to bring the matter up for discussion, that he did not really mean any want of confidence in the government, but that it was perhaps the only chance he would get to present the point of view which he had presented. There may be some hon. members who are still of that impression with regard to the motion to which I have referred and some who may so view the present motion and other similar motions. May I point out that, on going into committee of supply, hon. members have the right to bring up for discussion any subject whatever if it is of the nature of a grievance. To bring forward a subject of grievance at the time of a motion to resolve the house into committee of supply does not mean that the matter has to be in the form of a motion or if in the form of a motion, pressed to a division.

If hon. members wish to bring a subject up in this house and have it discussed without subjecting the government to any expression of want of confidence they may bring the matter up on the motion to go into supply, and if this is done by way of amendment when the proposed amendment has been discussed they may ask that the motion be withdrawn and that the house be permitted to go into committee of supply. That opportunity is open to hon. members and that is one way in which questions upon which hon. members wish to present their views can be presented even if they are of a most controversial character. But to dignify a question of this kind by treating it as something so important that it must be brought forward in the debate on the address in reply to the speech from the throne in the form of a vote of want of confidence in the administration, seems to me to be not only the wrong way of proceeding but to be a course which helps to bring parliament itself into contempt in the eyes of the people.

The people of this country expect this parliament to get on with measures relating to the war. They are not looking to members of parliament moving amendment after amendment all in the nature of motions of want of confidence in the administration, once the house has tested the confidence or lack of confidence there may be in the ministry. The motion of the leader of the opposition is a test on that point, each amendment is a further test, but all these motions when they are moved on the address in this way are want of confidence motions, because they mean that if they should carry his excellency would not be thanked for his speech, a speech which set forth the policy of the government, and the whole policy of the government would be repudiated by the House of Commons. If hon. members appreciate the significance of proceedings of the house and the manner in which, according to parliamentary procedure, they should be conducted, they would have no difficulty in finding that this want of confidence motion should be voted down, if it comes to a vote.

But may I go a step further than that. The government I maintain has the right to ask every hon. member of this house if they are not prepared to give their support to the government in most things, that at least they will not seek to embarrass the government in its war effort. I ask my hon. friend, does he think that the motion which he has introduced to-night is in any way going to strengthen the hands of the government in seeking to maintain national unity in this country in this time of war? If he does not, I think he ought to be prepared to withdraw his amendment.

May I say to him that the government has considered what it is wisest to do with Mr. Shields. I want to put before him a side of the matter which perhaps he has not considered. I do not think it is part of the business

of the government to try to deal with matters of religious controversy. The first part of my hon. friend's amendment has the effect of blaming the government for not taking steps to stop what he terms "the present anti-Catholic propaganda." That is one of the grounds on which his amendment is based, that the government should have taken steps to prevent anti-Catholic propaganda. When I said that the government had thought of what action it should take in regard to Mr. Shields it was not in connection with what he was doing in the way of anti-Catholic propaganda, it was in respect to one particular statement he had made which had relation to the defence of Canada regulations, and whether or not Mr. Shields should be prosecuted for what he had said in that connection. The hon. member for Témiscouata (Mr. Pouliot) by a slip of the tongue, I think, said that if Mr. Shields was to be persecuted such and such a course should be taken. I think my hon. friend meant to say, if he was to be prosecuted.

Mr. POULIOT: Yes.

Mr. MACKENZIE KING: Now there is the whole situation as related to the amendment of the hon. member for Gaspé. The government would have to consider whether it were best to risk making a martyr of Mr. Shields, give him an excuse for saying he was being persecuted, or whether it were better to leave matters of libel and slander to the courts of the country to be dealt with in accordance with the law of the land. The law of the land provides as the hon. member for Broadview (Mr. Church) pointed out, that prosecutions in such matters are to be instituted by the attorney general of a province, not by the attorney general of the dominion. Let me ask my hon. friend this question—and I am putting the whole case before him and before the house and the country in order that all may see how I at least view these matters. Assume that my colleague the Minister of Justice (Mr. St. Laurent) who has been in the government just over a year I think, within the first few months of his coming into office, or at any time up to the present, had as Attorney General of Canada sought in some way to bring action against Mr. Shields in the province of Ontario, what would the cry have been all over this country? That the government at Ottawa, which had a large following from the province of Quebec, at the instance of its following from Quebec province, through its new Minister of Justice from Quebec province had started a prosecution on religious matters in the province of Ontario. What situation would have followed from that. If you want to start a religious controversy in this country that it may be impossible to control, just begin having matters of the kind affecting race and religion dealt with as between one province and another.

The laws of libel and slander exist and to these laws recourse for redress may be had by churches as well as other institutions and by individuals. It is open to anyone to bring an action against Mr. Shields for anything he says that is libelous. But as long as no individual brings an action against him, as long as the church itself or representatives of the church think it wiser not to bring action, because they do not wish to let him assume the role of a martyr and give more notoriety to a man who may be seeking notoriety and martyrdom above everything; so long as that step is not taken by the parties most interested I do not see why the government of Canada should be expected to take action to deal with religious controversy.

Turn the situation around. What would be said of an effort by the government to stop, in one province, anti-protestant propaganda in another? Unfortunately, both among those who profess that they are in the communion of the Roman Catholic church and those who profess they are in the communion of the Protestant churches, there are men who to my mind have no right in this world to speak in the name of religion, who despite their professions, are intolerant and seek to stir up all the religious strife they possibly can. I think the common sense of the people deals in the end most effectively with those people. I do not think the people of Ontario take Mr. Shields as seriously as does my hon. friend from the province of Quebec. They know men of that type, and they feel that the best way to deal with them is to ignore them, treat them with contempt. Speaking here as a member of a Protestant church, I wish to say that I have utter contempt for Mr. Shields and his unworthy utterances. I believe that the right-thinking men and women of our country share an equal contempt for the head of any church or one belonging to any denomination who tries to stir up in this country in time of war religious controversy and strife. If in these matters there is any action to be taken by any government the action should certainly be taken by the authorities of the province which is the proper one to deal with such matters.

I have dealt sufficiently I think with the point that I wished particularly to bring out,

namely, how completely we would have misapplied the government's powers had we taken the course of action which my hon. friend says in his subamendment we should have taken. Instead of making a bad situation any better we would have made it infinitely worse.

I have said that there are other times at which this matter could more fittingly be dealt with. If the house wishes to have a further discussion with respect to Mr. Shields or any matter that has to do with religious controversy, then I say let us have one of our secret sessions and there discuss the matter as fully as we please. My hon. friend opposite smiles when I say, let us have a secret session—

Mr. HANSON (York-Sunbury): I was not smiling at that. I would not dignify it with a secret session.

Mr. MACKENZIE KING: Well, my reason for suggesting a secret session is that if there are any hon. members who feel deeply on these matters and want them discussed, I for one would be prepared to discuss them as fully as possible in any session of this parliament which would not create in this country a worse situation than it was being sought to remedy. A secret session, as I see it, is the only kind of session at which a matter of this sort could be properly dealt with in time of war. So I say to my hon. friend that if he withdraws his amendment and wishes to have this matter further discussed at a secret session, for my part I will be prepared to seek to meet his wishes by providing an opportunity for discussion in that way. But I do not think this debate should be continued longer, because every voice that is raised in discussion, on one side or the other, is only helping to create or foster religious controversy in Canada during this time of war. Since the beginning of this war I have done my utmost to prevent anything in the nature of political discussion of a serious controversial character from developing to a point where it would become a question of race or religion. If in time of war we ever get into a discussion of controversies that relate to matters of race and religion, then we shall be handing this country over to the enemy without further fighting to save it.

So, Mr. Speaker, I hope my hon. friend will accept the suggestion I have offered and at least, if he cannot help the government, will not seek to embarrass us more than is necessary in our endeavour to carry on the war effort of the country.

Hon. P. J. A. CARDIN (Richelieu-Verchères): I do not propose to make any extended remarks on the subamendment that has been moved by the hon. member for Gaspé (Mr. Roy). While I sympathize with many of the points he has expressed during the presentation of his case, in all sincerity I must tell him that as the motion is framed I cannot support it, because it mixes religious questions with economic and political matters.

I agree with the hon. gentleman that there is necessity for a discussion of the subjects dealt with in his subamendment. Because we come from the province of Quebec there is no reason why we should not express our views on such questions and always be afraid of endangering national unity. We are not the only province responsible for the maintenance of national unity in Canada. We have our rights and privileges under the constitution, as have the citizens of every other province. We have the right, to which no one can object, to voice our views and our contentions on the floor of this house, and it is time we stopped trying to teach a lesson to the representatives of the province of Quebec only. Difficult questions affecting national unity are often raised by other representatives of the Canadian people in this House of Commons, but unfortunately the blame always falls upon the province of Quebec. We are always being asked to make sacrifices and to cease making representations because in the opinion of some our attitude might be interpreted as interfering with our war effort.

With that I cannot agree. I repeat that the motion presented by the hon. member for Gaspé deals with matters which we should be given an opportunity to discuss, and the Prime Minister (Mr. Mackenzie King) has promised that such an opportunity will be provided. That opportunity should be given not only to the hon. member for Gaspé but to all other members of this house who have similar questions to raise.

I am not ready to support the subamendment, however, because it raises too many questions at the same time. The subamendment is a little too complicated, and a vote upon it would be almost unintelligible not only to this house but to the country. If an opportunity is given for discussion I would be ready to support the hon. member on many of the points he brought up in his remarks, whatever may be the criticism as to the length of time taken or the delay occasioned to the other business of the house. These matters are of importance, and we should have the right to discuss them freely and completely.

I am not entirely satisfied with the observations made by the Prime Minister. We are told that all our actions should be directed toward the winning of the war, that we should not do anything to embarrass or hinder what

must be done by the government. If we are going to stop thinking; if we are going to cease taking any action in this house; if we are going to cease expressing any opinions which are not in agreement with the policies of the government, then we might just as well close parliament, go home and let the affairs of the country be administered by orders in council. We ought to be reasonable, I admit. We ought to take into consideration the position in which the government finds itself and the difficulties with which it has to contend. I am quite ready to do my share to help the government discharge its duties. But I am not ready to sacrifice the right to express my own views on questions which I think are important and deserving of the attention of the members of the house.

The practice we are asked to follow here does not prevail anywhere except in Canada. If you look at the reports of proceedings in other parliaments you will see that members are free to discuss any question, that representatives are not met at every step with the objection that what they are doing may delay the progress of the war effort or may in some way embarrass the war policy of the government.

My motion was not made with that purpose at all. It was the logical conclusion of what had been said by all members having spoken in the debate. I never asked that the mobilization act should be suspended in its entirety. I asked that part of it only should be suspended for a short time, pending an investigation; that was all. My motion has been misrepresented and my words have been distorted during the debate.

Mr. HOMUTH: By whom has it been misrepresented?

An hon. MEMBER: Order. Shut up.

Mr. HOMUTH: Who said that? I will not shut up. Who distorted the hon. member's words?

An hon. MEMBER: Sit down.

Mr. HOMUTH: I will not sit down; I don't have to.

Mr. CARDIN: I frankly admit the great responsibility which is on the government at the present time; I have never denied it. I have been ready up to now, as I will be ready from now on, to do the best I can to help, without going to the extent of trampling upon my own convictions. I am ready to do the best I can to help the government discharge its responsibilities, which I repeat are great; but I claim that on certain questions at least parliament has a right to express its will, and that the representatives of the people in this house have a right to voice their disagreement with certain policies of the government. This is not unpatriotic. This is not doing anything against the united nations in their endeavour to win the war. It is merely preserving, even during war time, the privileges and liberties of the members of a democratic parliament, for which at the present time our armies are fighting.

If we are going to be prevented from expressing our views on any subject on account of the war, then I repeat that we might as well go home, and close up parliament, because there will be nothing left for us to do here.

Therefore I am not very much impressed by the argument that we should stop discussion on most subjects not directly related to the war, simply because it might be embarrassing to the government. I am not very much impressed, either, by the argument that if action had been taken against Pastor Shields by the Minister of Justice (Mr. St. Laurent), who is a French Canadian, it would have caused an upheaval all over the country. It could have caused trouble only in the minds of those who do not understand Canadian problems.

If there was cause for prosecution, whether the Minister of Justice is a French Canadian or an English-speaking Canadian, procedures should have been taken, without any fear or hesitation. The Minister of Justice, as such, must prosecute any man who does something contrary to the laws of the country. His action should not be influenced simply because he happens to belong to the minority.

But I concur in the opinion of the Prime Minister that at this time we should not mix religious matters with political and economic questions. And it is because I agree with that view expressed by the Prime Minister, that I join him in asking the hon. member for Gaspé to withdraw his motion, now that he has been given an opportunity of speaking on the subjects contained in his subamendment. I suggest to him, as a French Canadian, as a citizen of the province of Quebec, and as a man as deeply interested as he is in having our race and our religion respected in Canada, to make that little concession, reserving his right to discuss fully the matter on a more appropriate occasion.

Hon. L. S. ST. LAURENT (Minister of Justice): Mr. Speaker, before the debate goes any further may I point out that evidently the hon. member for Richelieu-Verchères (Mr. Cardin) has overlooked a provision in the British North America Act which a minister of justice cannot overlook, namely, that the

administration of justice is not only the privilege but is the responsibility of the attorneys general of the provinces respectively. Whenever anything requires to be done by the Attorney General of Canada the hon. member for Richelieu-Verchères may be assured that so long as I am the Attorney General of Canada I will attempt to do it, no matter where it happens to be, no matter what race or creed may be affected, no matter what persons may be concerned.

But this matter, if it does constitute an offence constitutes such offence against the criminal law of the country, the administration of which is the responsibility of attorneys general of the provinces. It is not a war offence; it is not something contravening the regulations for the defence of Canada. If an offence has been committed along the lines suggested in the subamendment of the hon. member for Gaspé (Mr. Roy) it is an offence against peace-time law as much as it is against war-time law. And it possibly may be an offence, if in fact it does amount to sedition, under the common law of British countries. Sedition in British countries may consist of exciting ill-will between different classes of his majesty's subjects. But that raises a question of fact which must be determined by a court, according to the common law procedure of the country; and a prosecution can be brought about by anyone who will take the responsibility under oath of laying a complaint. Such complaint will be investigated, and if the investigating magistrate comes to the conclusion that a prima facie case has been made out, he will commit for trial. The case will then be the subject of a bill which, in due course, will be presented to his majesty's grand jury. If they in turn find a true bill the case will be brought before an ordinary court of justice. A jury will be empaneled and will determine the question whether the words or actions did amount to something which would excite ill-will between different classes of his majesty's subjects. That is as much a peace-time matter as a war-time matter, and as such is something which could be prosecuted by the attorney general of any province where the alleged offence was committed.

Mr. HOMUTH: Except the George Drew case.

Mr. ST. LAURENT: The hon. member is very desirous, I presume, of drawing a red herring across the trail.

Mr. HOMUTH: I might as well, because—

Mr. ST. LAURENT: The George Drew case arose out of an alleged offence against regulations for the defence of Canada. And this, if my hon. friend is susceptible of understanding the kind of language I use, would be an offence against the ordinary criminal law of this country.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I wish to say only a word, following the remarks we have just heard, remarks which have disturbed me rather greatly. I suppose none of us wants to see any controversey raised of a religious or racial nature, and I think everything should be done to prevent anything of the kind from being fomented in the country in which we live at this particular time.

I was, however, rather alarmed at the statement just made by the Attorney General of Canada, the Minister of Justice (Mr. St. Laurent). The wide interpretation he gave respecting the laws of sedition and slander is such that if the government of Canada followed the line he laid down, then a government could constitute itself the judge of what should be said and what should not be said.

Some hon. MEMBERS: No, no.

Mr. COLDWELL: Yes, yes. That was surely implied in the remarks made by the Minister of Justice.

This is a British parliament. It is a parliament which operates under the greatest possible freedom of thought and the greatest possible freedom of speech. In my opinion it is a dangerous thing to interfere with freedom of thought or freedom of speech at any possible time and under any possible circumstances. In my opinion, if you interfere with freedom of thought or freedom of speech on the part of a certain individual to-day, you interfere with freedom of thought and speech of another individual to-morrow. And you gradually narrow down the range of that freedom in the country in which we live. Ultimately you arrive at something in the nature of a dictatorship.

Yesterday we were debating the defence of Canada regulations. The party with which I am associated stood for a principle. We have no association with the communist party. We have no association with the Jehovah's Witnesses, but yesterday we stood resolutely for the principle that under the British constitution and under British laws these people have the right to freedom of thought and freedom of speech. The same thing applies to every other religious and political organization in the dominion. I hold no brief for Doctor Shields; indeed in my opinion the doctrine which he is preaching has led to a

dangerous feeling of disunity in this country. Every person ought to be aware of the danger that lies therein.

Let me say in passing that the party with which I am associated, although at times it has been subjected to religious condemnation, has never adopted similar tactics. We would never under any circumstances raise the issue of race or religion in this parliament or in this country. I appeal to my hon. friends on all sides of the house, of all races and of all religions, to accept as a principle in this parliament that we forgo any appeal to religious or racial prejudices. Let us live together in unity under the constitution and under the principles upon which this parliament has been founded, the principle of freedom of thought and the principle of freedom of speech, believing as we do that ultimately right and justice will prevail.

Mr. MACKENZIE KING: I think my hon. friend must have misunderstood what the Minister of Justice (Mr. St. Laurent) said. Would he tell the house what were the words or what was the effect of the words used by the Minister of Justice from which he drew the conclusion he has?

Mr. COLDWELL: The record to-morrow will show.

Some hon. MEMBERS: No.

Mr. COLDWELL: I am quite content to abide by the record. I did not take a note of what the Minister of Justice said, but I think the purport of his remarks was quite unmistakable.

Mr. ROY: If I may be permitted, I should like to answer the request made by the Prime Minister (Mr. Mackenzie King). Before doing that, I should like first to answer the request made by the hon. member for Richelieu-Verchères (Mr. Cardin).

Mr. SPEAKER: I must point out that the hon. member is speaking twice on the same question.

Some hon. MEMBERS: Go on.

Mr. ROY: I should like to answer the requests which were made to me on this amendment, and then perhaps I will make an agreement. If I can answer, we shall see what we can do.

Mr. SPEAKER: I understand that the hon. gentleman is rising to speak to the request made to him by the Prime Minister and also by the hon. member for Richelieu-Verchères. If that is so, I think it is the wish of the house that he should reply to that request.

Mr. ROY: Thank you, Mr. Speaker. The hon. member for Richelieu-Verchères asked me to withdraw part of my amendment. I was amazed to hear that request from him. I remember only a few days ago, and also once during the last session, the hon. member explained that for the welfare of the people of Quebec he had made all sorts of concessions to the government which had led to his dismissal or his running away from the cabinet.

Mr. SPEAKER: The hon. member must understand that a simple request was made to him and he should reply to that request in terms as simple as the request itself. He was asked whether he would consent to withdraw his amendment.

Mr. ROY: If I understand you, Mr. Speaker, you wish me to answer the request of the Prime Minister.

An hon. MEMBER: Yes or no.

Mr. ROY: If I am not allowed to do more than answer the Prime Minister, I will say "no". If I am allowed to answer him I shall try to make an agreement with him. That is what I offered the house.

The house divided on the amendment to the amendment (Mr. Roy) which was negatived on the following division:

YEAS

Messrs:

d'Anjou
Dorion
Gauthier
Lacombe
Lacroix (Beauce)
LaCroix (Quebec-Montmorency)
Pouliot
Roy—8.

NAYS

Messrs:

Abbott
Adamson
Anderson
Authier
Aylesworth
Bence
Bertrand (Laurier)
Bertrand (Prescott)
Bertrand (Terrebonne)
Black (Chateauguay-Huntingdon)
Black (Yukon)
Blackmore
Blair
Blanchette
Boucher
Bradette
Breithaupt
Bruce
Brunelle
Cardiff
Cardin
Casselman, Mrs. (Edmonton East)
Casselman (Grenville-Dundas)
Castleden
Chevrier
Church
Clark
Claxton
Cleaver
Coldwell
Corman
Coté
Crerar
Cruickshank
Dechene
Denis
Desmond
Diefenbaker
Donnelly
Douglas (Queens)
Douglas (Weyburn)
Dubuc
Dupuis
Durocher
Edwards
Emmerson
Eudes
Evans
Fair
Farquhar
Fauteux
Ferland
Ferron

Fontaine
Fournier (Hull)
Fournier (Maisonneuve-Rosemont)
Fraser (Northumberland, Ont.)
Fraser (Peterborough West)
Fulford
Furniss
Gardiner
Gershaw
Gibson
Gillis
Gingues
Gladstone
Golding
Goulet
Graham
Graydon
Green
Hanson (Skeena)
Harris (Danforth)
Healy
Henderson
Hill
Hlynka
Hoblitzell
Homuth
Howden
Howe
Hurtubise
Ilsley
Isnor
Jackman
Jean
Johnston (Bow River)
King, Mackenzie
Kinley
Knowles
Kuhl
Laflamme
LaFlèche
Lafontaine
Leader
Leduc
Leger
Little
Lizotte
Lockhart
McCann
McCuaig
McCubbin
McCulloch
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
Macdonald (Kingston City)
McDonald (Pontiac)
McGarry
McGeer
McGibbon
McGregor
McIlraith
MacInnis
McIvor
MacKenzie (Lambton-Kent)
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McKinnon (Kenora-Rainy River)
MacKinnon (Kootenay East)
McLarty
MacLean (Cape Breton North-Victoria)
McLean (Simcoe East)
Macmillan
McNevin (Victoria, Ont.)
McNiven (Regina City)
MacNicol
Marier
Marshall
Martin
Matthews
Maybank
Mayhew
Michaud
Mills
Mitchell
Moore
Mullins
Mulock
Mutch
Neill
Nicholson
Nixon
Noseworthy
O'Neill
Perley
Picard
Pinard
Poirier
Pottier
Power
Purdy
Quelch
Ralston
Reid
Rennie
Rhéaume
Rickard
Roebuck
Ross (Calgary East)
Ross (Hamilton East)
Ross (Middlesex East)
Ross (Moose Jaw)
Ross (St. Paul's)
Ross (Souris)
Rowe
Ryan
St. Laurent
Sanderson
Senn
Shaw
Sissons
Slaght
Soper
Stirling
Taylor
Telford
Thauvette
Tremblay
Tripp
Turgeon
Turner
Tustin
Veniot
Ward
Warren
Weir
White
Whitman
Winkler
Wood
Wright—194.

Mr. HOMUTH: Now that the religious question is settled, I think we should call it eleven o'clock.

Mr. ADAMSON moved the adjournment of the debate.

Some hon. MEMBERS: Question.

Mr. SPEAKER: The question is not finished, and the house has a right to stay until it is finished.

Mr. MACKENZIE KING: I understand there is an objection to the house sitting beyond eleven o'clock, on the part of some hon. members, and in that case I think we ought to adjourn. We will continue tomorrow with this debate, and if we conclude this debate we might take up the resolution in the name of the Minister of Pensions and National Health (Mr. Mackenzie) with respect to reconstruction and rehabilitation, and the one in the name of the Minister of National War Services (Mr. LaFleche) with respect to radio broadcasting, or the one in the name of the Minister of Transport (Mr. Michaud) for a select standing committee on railways and shipping. If there is any more time we might take the resolution respecting the city of Ottawa.

Motion (Mr. Adamson) agreed to and debate adjourned.

On motion of Mr. Mackenzie King the house adjourned at 11.05 p.m.

Wednesday, February 24, 1943

The house met at three o'clock.

MUNITIONS AND SUPPLY ACT

AMENDMENTS TO BRING ACT OF 1939 INTO CONFORMITY WITH PRESENT PRACTICES

Hon. C. D. HOWE (Minister of Munitions and Supply) moved for leave to introduce Bill No. 7, to amend the Department of Munitions and Supply Act.

Some hon. MEMBERS: Explain.

Mr. HOWE: The necessity for the amendment arises out of the fact that in creating the Department of Munitions and Supply, parliament placed a limitation of three years on the life of the department, with the result that its life will automatically expire early in April, if no action is taken. I should have no personal objection to that occurrence, but I think it would be rather disturbing to Canadian industry. While the necessary amendment is being made in that regard it is

intended also to bring the act into conformity with the present practices of the department.

Motion agreed to and bill read the first time.

CANADIAN WHEAT BOARD

INQUIRY AS TO REFERENCE TO AGRICULTURE COMMITTEE OF ANNUAL REPORT AND GRAIN MARKETING POLICY

On the orders of the day:

Mr. P. E. WRIGHT (Melfort): Is it the intention of the Minister of Trade and Commerce to refer the annual report of the wheat board to a committee of the house? If so, will he also refer to this committee the marketing policy for the 1943 crop, which he recently announced in the house?

Hon. J. A. MacKINNON (Minister of Trade and Commerce): The hon. member was good enough to give me notice of the questions he has just asked. The answer to the first question is that I am asking to have the annual report of the wheat board referred to the agriculture committee of the house. In answer to the second question, it is not the intention to submit to the committee the general marketing policy of the government in connection with grain, but as far as the marketing of wheat and coarse grains and kindred subjects are concerned, the widest possible latitude will be given to a discussion of these matters when the annual report of the wheat board is being considered.

CANADIAN ARMY OVERSEAS

INQUIRY AS TO PROMOTION OF LIEUTENANT-GENERAL MCNAUGHTON

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I should like to ask a question which is in the mind of every man in the army and every civilian in Canada. Why is it that Lieutenant-General McNaughton, the commander of the Canadian armed forces overseas, has not yet been promoted to the rank of full general?

Hon. J. L. RALSTON (Minister of National Defence): Mr. Speaker, the hon. member's question involves a matter of policy regarding which an announcement will be made when a decision has been reached in respect of such policy.

[Mr. Howe.]

MUNITIONS AND SUPPLY

PRIORITY FOR PURCHASES OF ELECTRICAL TRANSFORMERS FOR DAIRYING PURPOSES

On the orders of the day:

Mr. G. H. STOKES (Hastings South): Mr. Speaker, I should like to direct a question to the Minister of Munitions and Supply respecting a matter of serious concern to a considerable number of dairy farmers in the part of Ontario from which I come. I refer to the difficulties they are facing in connection with securing priorities for electrical transformers required by owners of milking machines. Will the minister take steps to see that consideration is given to providing relief for these producers of necessary food supplies?

Mr. SPEAKER: I believe that is a question which should be placed upon the order paper.

Mr. GRAYDON: Mr. Speaker, some of the questions that are being asked on the orders of the day are definitely urgent. The one now asked by the hon. member for Hastings South is one of considerable urgency. Just because it happens to affect agriculture does not necessarily mean that it is not of urgent importance. I happen to know that it is, and I suggest the minister should answer it.

Mr. SPEAKER: Listening to the question I did not gather that it was of such urgency, but if the minister wishes to reply he may do so.

Hon. C. D. HOWE (Minister of Munitions and Supply): The problem of transformers for farm equipment is one which has been under continuous review since early in the war. The difficulty is that these transformers use a large amount of highly strategic material required for war munitions. It has not been felt up to this time that material could be found for transformers in addition to that which is needed for war purposes. I shall be glad, however, to review the situation again and see whether at this time any exception can be made. I may add that the problem is not a new one. We have been under pressure for transformers during the past eighteen months.

Mr. GRAYDON: It is becoming more urgent, though.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, February 23, consideration of the motion of Mr. W. E.

Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon.

Mr. A. R. ADAMSON (York West): Mr. Speaker, the Conservative party—

An hon. MEMBER: Progressive Conservative.

Mr. ADAMSON: —and I use the word "Conservative" advisedly in this instance—has been accused in the house within the last few days of wishing to conscript every man and every boy off the farm and the factory into the Canadian army. This is the old political strategy we are always up against—that we are a party going around depleting the farms, denuding the factories of their labour, destroying home life by taking away the sole support of aged mothers. We are accused of being ogres. That has been the policy of the Liberal party for twenty-five years. Mr. Speaker, it does not work any more; the birds are coming home to roost. I was the first to advocate national selective service in the House of Commons. I took the responsibility for advocating it then, and I take the responsibility for advocating it now. But in order to keep the record straight I wish now to repeat what I said in advocating those measures when I spoke as far back as 1940, nearly three years ago. At page 162 of *Hansard* I am reported as follows:

> The training of military personnel must be so arranged as not to conflict with industry. A comprehensive plan must be prepared by all industries engaged in our war effort, indicating the present and future demands in regard to man-power. To-day we have approximately 50,000 employable unemployed in this country. It is estimated that by July of next year industry will require a further 500,000 technically trained men. These men are as vital to the defence of Canada at the present time as are the soldiers who enlist in our army. Therefore I suggest that the Minister of National War Services (Mr. Gardiner) should go to the registration list and call out for training in our munitions industries all available people between the ages of eighteen and fifty, in order to make up this apparent deficiency.

And a little further down:

> This is a total war. Each of us in Canada has a job to do. If we are employed in civilian occupations and the government needs us for war work, whether as a soldier or in making machine guns, we must be prepared to go and do the country's bidding. Therefore I suggest an immediate recapitulation of the national registration scheme, calling out all those who may become useful in our war industries.

Does that sound as if we wanted to get every man out of industry and into the army? Does that sound as if we wanted to take all the men from the farms? No; it was a plea for a balanced man-power effort, a balanced effort in industry and in the army, a balanced effort so that our farms would continue to be in production, so that our industries would not be short-handed, and our army would know how many men we would have.

I suggested then and I suggest to-day that it is the duty of every citizen to serve the state in a time of emergency. And it is the government's duty, one which it must not shirk, to tell the individual where he is to serve.

Again, Mr. Speaker, in the address last year I said this, as reported at page 297 of *Hansard*:

> The way to consider Canada's war effort is to see to it that every man will be called upon to do the job he is most capable of doing. Surely there is no disagreement with that statement.
>
> The unfairness of the present system is that men now doing one job and doing it well can and do alter their calling or occupation almost at will, frequently to the great disruption of industry.

I went on to give an example in respect of specially skilled men in the Bren gun factory, men who had taken months to train, and who had to have special qualifications as to eyesight to carry out a certain operation in connection with the manufacture of Bren guns. I mentioned that some such men had enlisted. Then I went on to say:

> Several of these men have enlisted in the Canadian armed forces, against the wishes of their employers, their reasons being those of any red-blooded young Canadian. I suggest that to use these men in the army is not in the best interests of the country's war effort at the present time.

Does that look as though I wished to denude the factories of their workers? Does that look as though the Progressive Conservative party wished to go round the country with a sword saying that we must have a big army to the exclusion of all other effort? No. We were the first to realize that we must have a balanced war effort. We were the first to suggest national selective service. Had our suggestions been carried out then, fearlessly and with the courage the government should have possessed, we would not have the man-power muddle that exists to-day.

Our soldiers must be prepared to fight and fight anywhere, otherwise they should not be in the army. Of course exceptions must be made for low category men, training personnel, those on vulnerable point duty and in internment operations. To have a home defence army only of fit young Canadians

is not in the best interests of Canada. Should the Canadian army go into battle overseas they should be available for the support of that army as reinforcements. We must support our soldiers overseas; we must provide them with reinforcements. Any country which fails to support its fighting sons does not deserve to exist.

There have been two or three isolationist amendments, and the supporters of these amendments must fall into one of two categories. Either they do not view with alarm the possibility of an axis victory and the consequences thereof to Canada, or they wish others to do their fighting for them. There is no other conclusion one can come to. We have opposed and will continue to oppose all amendments or motions of a like character, but it is absolutely wrong to think that because we do so we are expressing confidence in the government. We oppose these motions because they are acts of perfidy. It is for that reason that we oppose them and not to express confidence in the government.

Last night we had a debate in this house which ran all the way from voodooism to religious intolerance. During the course of that debate when discussing a fiery Baptist preacher in the city of Toronto the Prime Minister (Mr. Mackenzie King) said that we might have a secret session. If a Baptist preacher in the city of Toronto is worthy of a secret session, how much more worthy is the matter of the condition of our army overseas, an accurate recapitulation of our reinforcements, and an accurate statement as to the seriousness of the Atlantic war? How much more necessary it is for us to know the accurate and precise condition of our army which is shortly to fight for the people of this land?

To-day I received in the mail a copy of some German propaganda which had been dropped over our lines in the southeast of England shortly after the action at Dieppe. I did not know that any of this material had been sent to Canada, but the mere fact that it is here makes it important that hon. members of this house should be given in secret session a complete explanation of the Dieppe action. I was fortunate to be in the House of Commons in London shortly after General Auchinleck's army had been driven out of Libya and Cyrenaica into Egypt within a hundred miles of Alexandria. That debate in the mother of parliaments after the fall of Tobruk, was free, untrammelled and extensive, and I suggest that there is no reason why we should not have a discussion on the Dieppe action.

[Mr. Adamson.]

This debate, as must all debates in this house, hinges on one question only, that of man-power. Have we reinforcements? Have we workers? Are they properly allocated? Until the government satisfies the house and the country that it is tackling this problem fearlessly and without regard to geography, race or religion; I say to the Prime Minister that until the house and the country believe that, debates and discussions such as have been going on in this house during the past three days will continue. I ask the government, for the sake of Canadian unity, to bring down a man-power plan which every one of us can get behind and support to the fullest of our ability. If the government does that, we will go into the battle that is in front of us with our heads up and chests out, ready to make the sacrifices that must be made; we will go into it as a united people. But if the government fails there will be continual bickering, a continuous undercurrent of unrest which may sap the very vitals of our Canadian war effort.

Mr. MAURICE LALONDE (Labelle) (Translation): Mr. Speaker, I do not intend to speak at any great length on this matter. I feel that a few general considerations will enable me to explain my stand in this debate. Taking as a basic principle that one of the most important duties of the government is to preserve a high degree of morale in the nation, I believe it devolves upon a representative of the people to raise his voice, not for any purpose of destructive criticism, but in order to offer constructive suggestions to the government.

Several months ago the right hon. the Prime Minister (Mr. Mackenzie King) told us that Canada's war effort must be a "well-balanced war effort". The statement still holds true. It is intrinsically unalterable. Starting from this principle, I shall merely enter into three or four general considerations. First, as regards mobilization as carried out in my district. It is true that the general feeling among the members of this house, and I dare say the unanimous view of the members, is that too many farmers have been called. I do not find fault with the act itself but with the manner in which it has been administered. Especially since the recent changes made by Mr. MacNamara, deputy minister of labour, I consider that the act as it now stands gives ample authority to registrars to give decisions based on justice and equity. However, if my information is correct, nearly 50,000 farmers are now in Canadian military camps. Mr. Speaker, action will necessarily have to be

taken with a view to sending those men back to the farms. If the course so well outlined by the right hon. the Prime Minister when he said that Canada must make a well-balanced war effort is to be followed, if any consistency is to be shown, those agricultural workers will necessarily have to be sent back to the farms. The only method I can see of dealing with the matter is, in the first place, the granting of a general amnesty to defaulters. Many young men who did not respond are now sorry they did not. They did not respond because they were misdirected, because in fact they did not know of the exemption facilities provided by the act. I would appreciate it immensely if the Minister of Labour (Mr. Mitchell) would grant at once a general amnesty to all those who ignored the call, but on the very definite understanding that they must report at once to a special tribunal established in each military district.

Our registrars discharged their duties creditably. I might perhaps find some ground for minor complaints, but this is neither the time nor the place to do so, and I wonder whether it would not be advisable to constitute in each military district an appeal tribunal from decisions reached by registrars. Such an appeal tribunal would include a representative from agriculture, another from the armed forces and a third from industry.

Mr. HURTUBISE: It has been promised.

Mr. LALONDE: An hon. member states that it has been promised. I hope the promise is soon carried out for if those cases are left to the discretion of the registrars, we shall never have what we seek and our young people will be kept in training camps at a time when there is a shortage of labour at home on the farm. Thus in my own constituency—the situation is probably not unlike than in other constituencies—a man with 150 acres under cultivation had but one son, who was refused postponement. Why? Was it because the registrar refused to grant what he had authority to grant under the act? Not at all, Mr. Speaker, but merely because the farmer's son did not follow the proper procedure. He is still in training camp because he was not enough of a lawyer. Such cases deserve the government's consideration and sympathy. These men should be told to go back to the farm and that an appeal to this special tribunal will be well received.

And what applies to farming applies likewise to essential industries. The term essential industries seems to apply exclusively to munitions factories. Such is not the meaning I choose to give the act. To me, an essential industry is any particular industry capable of increasing our war effort. That is why, Mr. Speaker, I particularly urge the government to grant postponements to men engaged in cooperative farming for instance. Cooperative farming projects are being drained of workers. I plead for sawmill workers as well. I submit the case of this young Thomas, for instance, of Saint-Rémi d'Amherst, who was taken away from a lumber industry and sent to training camp, for the sole reason that this young farmer did not scrupulously follow proper legal procedure. The same applies to village blacksmiths whose services are quite indispensable if our farmers are to keep their farm implements in good operating condition. These are, at any rate, suggestions made in good faith; but I do not wish to encroach further upon the time of the house.

The government has been reproached, in certain quarters, with not tabling the orders in council under which draftees have been sent outside Canada. I refer to *Le Devoir*, of February 3, which criticized the government for failing to make those orders in council known to hon. members. Other hon. members expressed the same opinion. Indeed, those orders in council were adopted on September 14, November 3, December 8 and 16, 1942, but were not handed to hon. members until early February, 1943, by virtue of an order in council adopted January 19 of that same year. It is claimed that the mobilization act requires the government to distribute those orders in council among hon. members as soon as the orders receive cabinet approval. But the mobilization act provides that the orders need not be communicated to hon. members if it is against public interest to do so. And no one can deny that it is in the public interest to keep the enemy in the dark as to any of our troop movements. I am therefore forced to the conclusion that the government did not break the law in failing to distribute those orders in council immediately.

Moreover, the promise made by the Prime Minister that a certain order in council would not be enforced until it is discussed on the floor of the House of Commons does not apply to the order which would definitely proclaim conscription for overseas service. Now, the above orders in council do not provide for conscription of men for overseas service. Indeed, the above-mentioned orders show that this restriction is clearly expressed, namely, "for service and duty on the territory of Alaska," in P.C. 7995, or "to Newfoundland including Labrador," in P.C. 8347, dated December 14, 1942. And further, the order in council 10003 provides that recruits will

only be sent to United States territory, while order in council 11159 specifies that certain artillery units will be sent to Newfoundland and Labrador, and both order in council 11346, dated December 16, 1942, and order in council 362, dated January 19, 1943, apply only to the dispatch of recruits of medical units to Newfoundland and Labrador. Nowhere is it specified in those orders in council that our recruits will have to go and fight outside this continent.

It is stated at the end of each of those orders in council that these decisions are made under the Militia Act and those forces are placed under the jurisdiction of the act, "On active service beyond Canada, for the defence thereof," precisely because of the fact that Labrador, Alaska and Newfoundland are territories situated outside Canadian borders. The legal and judicial effect of those orders in council is limited by their preambles and the definition of their basic purpose. These official orders must be interpreted as a whole, in the light of their full and complete text. To dig up a short sentence here and there, a section or a subsection out of a contract in order to obtain a general meaning is a method which leads to conclusions most fantastic and unfair. We must come to the conclusion that the above-mentioned orders in council do not enforce conscription of men for overseas service, and this, Mr. Speaker, I do emphasize. Certain people are spreading the rumour throughout my province that conscription of men for overseas service is not being enforced. That is not true. And those people cannot name one man sent outside the continental borders without his consent. That is why the right honourable the Prime Minister did not submit these orders to the members. The promise he had made in the House of Commons is reported as follows on pages 4984 and 4985 of Vol. IV of *Hansard* for the 1942 session;

And I quote:

> I wish to make perfectly clear my reason for saying that I desire to come back to parliament and inform parliament of the decision which may be made and why I would seek an expression of confidence before undertaking to continue as head of a government that is to administer conscription for service overseas.
>
> . . . If I am persuaded that it is necessary and desirable to resort to conscription of men for overseas service, I am going to support that view, but the minute I support that view, if it is the view of the cabinet, I wish to be able to come to this House of Commons and say "The cabinet has reached this decision, the next step will be to enforce it. Before that next step is taken, I want this House of Commons to declare whether it has confidence in me as the head of the administration, that is to carry out this policy of conscription or whether hon. members prefer to have another government in the place of the administration now in office. That is my conception of carrying out my responsibility to parliament."

[Mr. Lalonde.]

Thus, the promises made by the Prime Minister merely refer to orders in council concerning conscription of men for service overseas and not for the defence of Labrador, Alaska and Newfoundland in cooperation with the United States.

I wish to call the attention of this house and especially those hon. members who harbour nationalistic feelings, to an article which appeared in the latter's official organ, *Le Devoir,* on December 12, 1942, and in which it is clearly stated that we must defend Alaska, Labrador and the adjoining territories. The article is signed by Mr. Georges Pelletier, who says that we must defend Newfoundland, Alaska and the area immediately adjoining Canada. We are in good company, Mr. Speaker.

Some hon. MEMBERS: No, no.

Mr. LALONDE: And I wonder why we should quarrel as to whether we must defend Canada, Newfoundland and Alaska. Let me ask, in conclusion, why should the government be assailed for not having tabled the orders in council which as a matter of fact give to parliament the power to defend those very territories.

Mr. Speaker, no mention was made of post-war planning. If I remember well, the hon. member for Richelieu-Verchères (Mr. Cardin) said that it was the height of temerity to restrain our imagination as regards post-war planning. Of course, I have not the gift of prophecy, but in the few minutes still left to me, I shall make but a few suggestions. May the dominion government come to an agreement with the provinces for the execution of a vigorous land settlement programme. Our demobilized soldiers, our men thrown out of employment will keep after the governments until they have been assured an opportunity of earning their daily bread. Why not start preparing immediately an intensive colonization plan for all the provinces? Why not stabilize the price of all agricultural products now? There exists a federal statute cited as The Agricultural Products Co-operative Marketing Act, 1939, 3 George VI, chapter 28. I believed at first that it would help farmers considerably in fixing the price of their products, but the learned law counsels of the departments have interpreted it in such a manner that I have found this to be utopian. The government guarantees only the first payment made by a cooperative society to its clients. That is not enough. Starting from this measure, why not adopt an act stabilizing farm prices, using

the average of the last three years as a basis? So that if we have another depression, farm products will be stabilized in keeping with the standard of the last three years.

When agriculture is stabilized, Mr. Speaker, I think we will have won an important part of peace.

I shall conclude in saying that I would approve the creation of a parliamentary or extraparliamentary committee which would indicate to the government the way that leads to unity, harmony and peace in Canada. We have the Atlantic Charter which was drawn by Churchill and Roosevelt. Why should we not have our Canadian charter? Would it not be possible for all groups which at the present time make up the Canadian nation to delegate authorized representatives to these meetings, which would be held as soon as possible, in order to decide what changes should be made to the Canadian charter? On account of the developments which are bound to take place after the war, Canada will have to modify its constitution if we are to solidly establish a firm, definite and sincere understanding between the groups that constitute our nation. Such a committee might include the provincial premiers, representatives of every religious denomination, representatives of all the races which are part of the Canadian nation, and together they could reach an agreement respecting the changes to be made.

I am of the opinion that our complaints are not without foundation and that perhaps we have not made enough complaints in the past. However, this is not the proper time for vain recrimination, but rather for thought on problems of reconstruction.

I submit these few suggestions, which I have endeavoured to curtail as much as possible, to the attention of hon. members and to yours, Mr. Speaker, hoping that within the next few months they will be favourably received by everyone. I have made them not for the sake of personal prestige, but in a sincere effort to cooperate with every broad-minded individual of our beloved country. The time will come when we shall suffer the consequences of this war. The future is uncertain. We do not know what it will bring us. We have a right to demand that the future be not laden with too many sufferings and too many sacrifices for our children. We wish to win the war. We shall win it, provided we carry out—and these are my final words—a "well balanced war effort", as the Prime Minister has said.

Mr. J. G. DIEFENBAKER (Lake Centre): Mr. Speaker, I do not participate in the debate at this time for the purpose of holding up the vote, but I did not have an opportunity earlier to speak in the debate and in my opinion some observations in connection with the man-power situation in Canada that have not so far been made might very well be made at this time. I am glad that the Minister of Labour (Mr. Mitchell) is in his seat, for there are some suggestions that I wish to make that I should like him to take under consideration. I am not one of those who condemn the Minister of Labour, as do some, for the present muddle in the man-power situation. He is the unfortunate heir to a legacy of muddling of this problem. But there are some suggestions that could be made at this time, as to changes that might be made in connection with the national resources mobilization regulations in order to ensure some improvement in the situation as far as industry and agriculture are concerned.

This opposition voted against a number of subamendments in the last few days, not because it had confidence in the government but on account of the fact that it had no confidence in the amendments suggested to meet the situation as it exists to-day. Far be it from me to take any part in connection with the argument that went on in this house as between the hon. member for Richelieu-Verchères (Mr. Cardin) and the Prime Minister (Mr. Mackenzie King). The admonitions which were given by the Prime Minister to the hon. member for Richelieu-Verchères seemed like the action of a schoolmaster who for twenty-two years had been teaching certain doctrines to the pupil and is now condemning the pupil for being so apt in carrying them into effect.

I shall not go back over the years to refer to statements made by the Prime Minister or any of his ministers that, to all intents and purposes, were very like unto the statements made the other day by the hon. member for Richelieu-Verchères. I shall not do that. Conditions are too serious to-day for anyone to indulge in partisanship or the type of tragi-comedy amendments that we have had during the last day or so. We have not yet won this war.

The attitude of the opposition is that we demand total war, and say that as far as this dominion is concerned, in spite of all the protestations, in spite of representations made each month in pamphlets issued by the departments, and particularly by the Department of National War Services, setting forth what Canada has done, we are yet a long way from total war. In the degree of our effort we are behind some of the other countries within the empire, and in that connec-

tion I think it is only fair to pay a tribute to New Zealand, in which one out of every six persons is in war services, and one out of every two males between sixteen and sixty is in the armed services.

Canada's record is good; I am not one that decries it. But it does not go far enough. There has been as yet no scientific approach to the man-power situation in this dominion. Some reference was made the other day to the effect that Canada's contribution, namely, the proportion of the national income which is being devoted to war purposes, is greater than that in any other of the united nations. I have before me the *United States News* of February 12, 1943, an authoritative magazine often quoted in the United States congress and recognized as most dependable and non-political in its viewpoint. It shows the expenditures of the different countries comprising the united nations, including the United Kingdom, Canada, New Zealand, Australia, South Africa, as well as the United States of America. It shows that the United Kingdom still leads the united nations in the proportion of the national income devoted to war purposes. It reveals that the United Kingdom during the current year has expended $18,000,000,000 or 69·2 per cent of the national income. Next comes New Zealand with an expenditure of $430,000,000—63·4 per cent of the national income. Then comes the United States with an expenditure of $78,000,000,000, or 61·9 per cent of the national income. Next comes Canada with an expenditure of $2,997,000,000, or 45·4 per cent of the national income. I want to be fair. That does not take into consideration the $850,000,000 voted by way of supplementaries the other day, but after making due allowance for that we find that the proportion of our national income expended was approximately 52 per cent. Therefore we have a long way still to go in Canada, in spite of our record to date, before we equal what has been done by some of the other united nations.

We of this opposition, as I have already said, believe in a total war effort. We believe in compulsory national selective service, and that all those selected to serve in the armed forces should be available for service wherever required. We believe in the effective total utilization and proper allocation for war, by compulsion where necessary, of all the resources of Canada including agriculture, industry and finance as well as man-power. We believe that our aim should be at all times to bring about, as far as human means can achieve it, an equality in sacrifice. We have achieved national unity in the national objective in that without regard to person or province, and irrespective of racial ancestry, we are all united in the thought that we must win the war. But there is something more to national unity than a desire and an aim. Without the determination of the people in all parts of Canada to bear an equal share, each province contributing in proportion to its population, we cannot have true unity within this dominion. We believe that by bringing into effect a national service such as set forth in our platform we shall be able to secure in Canada not only equality of sacrifice but equality of service and burden, without regard to territorial considerations.

In that connection let us look at the record. No one desires to raise matters that may cause cleavage, but here are the figures that are set forth in the latest issue of "Canada At War," issued by the Department of National War Services. It gives the location of the various military districts, which are as follows:

No. 1	London
No. 2	Toronto
No. 3	Kingston
No. 4	Montreal
No. 5	Quebec
No. 6	Halifax
No. 7	Saint John
No. 10	Winnipeg
No. 11	Victoria
No. 12	Regina
No. 13	Calgary

Then this is the record of enlistments in percentages of the male population of the ages generally liable for service:

Military district	Per cent
No. 1	30·1
No. 2	32·8
No. 3	35·7
No. 4	15·9
No. 5	9·6
No. 6	37·9
No. 7	35·3
No. 10	30·9
No. 11	34·8
No. 12	27·1
No. 13	31·7

An examination of these figures indicates that there is not equality of service in Canada in proportion to population, or anything like it. I believe, as a member of his majesty's opposition desirous of securing national unity in the true sense of the word, that the people of Canada have a right to insist that there shall be equality of service in all parts of this country. We have pointed out the danger of the man-power situation for several months, but what is the position to-day? No minister of the crown has yet risen in his

place to say whether the necessary reinforcements are available if the Canadian army overseas should go on the offensive. The Minister of Labour made a lengthy speech, but unfortunately he did not deal with the man-power situation. I know it was impossible for him to do so on that occasion on account of lack of time, but the opportunity has presented itself since then in connection with the various subamendments, when he could have placed the man-power position of Canada before this house. What the Canadian people want to know is this. Has Canada a plan yet? What is to be Canada's contribution? What changes have taken place in the government's man-power policy since last July? At that time I asked the following questions:

Has a survey been made by the government with a view to ascertaining how many men are still available for military service in each of the foregoing classes?

That had reference to the various age groups.

If so, who made the survey, and when was it made?

How many men were estimated to be still available for military services by provinces, military districts and/or administrative divisions in each of the said age groups?

Surely after more than three years of war a survey has been made. There have been all sorts of registrations. The list which appears at page 395 of *Hansard* of February 15 shows a great number of man-power registrations of all kinds, but there has never been an announcement of any plan in connection with what is going to be done after the registrations are made. Furthermore, as yet no one in Canada knows whether our main contribution is to be in the armed forces or whether it is to be in the production of munitions or of agricultural products. All we know is that we have been fumbling along from day to day until now man-power is so short on the farms and so difficult to obtain for the armed forces that the government must have arrived at the point where it must develop some adequate plan. Mr. Elliott Little in the November issue of *Canadian Business* indicates that there was no plan; at least that is the only conclusion that can be reached by reading his article.

Mr. MITCHELL: Somebody told it for him.

Mr. DIEFENBAKER: Somebody told it for him? Why, at the time he wrote the article he was an official in charge of man-power; and whether he told it or somebody told it for him, apparently he got the true information. He indicated that absenteeism was rampant, that employers, while waiting for contracts, were keeping employees in idleness; that there was no directed movement of workers from non-essential to essential service. That article is the greatest indictment of this government in connection with the man-power situation that was ever delivered, and that by a man who was in the service of the government at the time he made it. Has there ever been any denial that a blast furnace in Sudbury producing copper and nickel had to close down on account of lack of men? Was there ever any denial that coal mines are producing less to-day than the country is using? Was there ever any denial that in British Columbia the production of aeroplane spruce is below requirements? Was there ever any denial that base metals mines are producing copper to-day in reduced amounts because the mines are undermanned? Was there ever any denial that steel plants in the Niagara peninsula are to-day below potential production as a result of lack of man-power? That is an indictment made against this government by a man in a position to know. Not one minister has yet risen in his place and made answer—no, nor has any endeavour been made even in the slightest degree to contradict the statements contained in that article.

When the Prime Minister spoke in the house on March 24, 1942, he said that the three great aspects in connection with man-power were an estimate of the number of men and women required for the different kinds of war services, the increasing of the total number of man-power resources available for war purposes, and the directing of available men and women into the most useful forms of war services. He went on to say that the director of national war services had been given authority to obtain information from the government departments and empowered to secure from employers, by compulsion if necessary, full information regarding prospective labour requirements, existing labour forces, wages, production and working conditions. We have not heard anything more about it since then.

I therefore ask him this: What information was secured from employers regarding prospective labour requirements? How many men does labour require for the next six months? How many women does labour require for the next six months in order to meet potential needs? What is the estimate arrived at as a result of investigations respecting requirements of all types in industry and agriculture? What arrangements are being or have been made to replace men in industry who could be in the armed services?

What arrangements have been made to replace physically fit men in industry by men who are physically unfit, or by women, and to what extent have those replacements taken place? Furthermore, how many men have been reconditioned in order to fit them for military service, by remedial treatment and by arrangements between the Department of National Defence and the Department of Pensions and National Health? How do the government intend to secure the maximum number of men for the armed forces and at the same time maintain necessary production in industry? Supporters of the government often compare Canada's record in this war with that achieved in the last war, but fail to admit that Canada's population is forty-seven per cent higher now than it was then. They fail to admit that every nation among the united nations is spending three or four or five times the amount it spent during the last war. They claim that on account of the great volume of war expenditures our war effort is an all-out one. Much has been done, but more must be achieved before Canada is on a total-war footing.

Why is it that we in the House of Commons can get no information respecting the plan or blueprint of the government for the utilization and allocation of man-power, if it has one? We have tried to get that plan on more than one occasion.

Mr. ROWE: It has no plan.

Mr. DIEFENBAKER: I turn now to another phase—the administration of the National Resources Mobilization Act: Seventy-five thousand defaulters! Enforcement? Two hundred and fifty have been prosecuted; seventy-five thousand have not turned up, and yet some one said the other day that in one of the provinces there was an army endeavouring—apparently, not very successfully—to enforce the provisions of the act. Why has there not been a more complete enforcement of this act? One can find men who have returned from overseas, but who are receiving notices. A woman in my constituency gave her son; fifteen months after, notice was sent that he was called for service. Then there was a second and a third notice, and the statement that he would be prosecuted unless he reported.

Mr. ROWE: That is a plan!

Mr. DIEFENBAKER: I ask you, Mr. Speaker, where is the plan? And there is nothing before the people of Canada to-day more important than the question of man-power.

[Mr. Diefenbaker.]

I come now to another phase. I am one who, although possibly in a minority, from the commencement of the sittings of this parliament has opposed regulations other than administrative regulations. I am opposed to legislation being passed except by parliament. There is no finer example of that than we find in connection with the national selective service regulations, a copy of which I have before me.

The regulations give the boards in each of the provinces absolute power. There can be no appeal from the decisions of those boards. If in Saskatchewan—and I take my own province as an example—the national war services board decided to give postponement to everybody, regardless of entitlement under the provisions of the regulations, there is no way in which such a decision can be appealed. On the other hand, if the same board, contrary to the provisions of the regulations, called every farmer in Saskatchewan to the colours, again contrary to the provisions of the regulations, those called would have no legal right whatsoever to object.

Every right the crown has or might have to ensure that in every province there shall be equality of call to service has been done away—except for the right of the government to remove personnel on the board. On the other hand, the regulations are such that if in any province a sixteen-year-old boy were called and ordered to join the armed services, he would have no recourse at law and would have to answer the call.

Mr. MITCHELL: Does the hon. member make the suggestion that boys of sixteen are being called?

Mr. DIEFENBAKER: No; but every other provision, in so far as the right to postponement is concerned, has been flagrantly broken, not only in western Canada but throughout the dominion. Why take away the right to the issue of prerogative writs? If the federal government wishes to make sure that every province shall have the same administration, that there shall be equality of call-up, equality in administration, equality in interpretation of the regulations, why not have an appeal? There was an appeal to the Military Service Act at the time of the last war. It would not be an appeal as of right, but an appeal where regulations are being flouted. During the last war there was an appeal to a judge of the supreme court, such judge having the right to decide whether the crown or the applicant called to the colours was receiving justice in

accordance with the principles set forth in the law as it then stood. Why not embody all those regulations in a statute? The military service act contained the law instead of its being embodied in regulations.

Why deny the government the right of appeal from the board's decision in any province which is not administering the regulations properly, and has been granting too many postponements? Why not grant the crown the right to appeal against the decisions made by a board which is departing from the provisions of the law? On the other hand, can one think of anything more ridiculous than this? Provision is made in the regulations for postponements in respect of agricultural workers, labourers and employers, and definite rights are established; yet farmers and farm labourers are being called up for service every day. What is the government doing? The minister decided apparently that the proper course to take would be to send out a letter explaining the regulations to the boards. I do not think the regulations require any particular interpretation. They provide that every person who on March 23, 1942, was bona fide engaged in agriculture was entitled to postponement. I am not arguing the rightness or the wrongness of that; that is the law. But that law is not being carried out. The government admits that it is not being carried out, but says that it is the fault of the boards. The day before yesterday the Prime Minister did something he has never done before; he assumed responsibility on the part of the government for what the boards are doing when he said that when boards and administrative bodies are set up, the government must assume the responsibility for their acts. This is an excerpt from the letter which was sent out to interpret the circumstances under which postponement should be granted. It is dated February 3, 1942, and is entitled. "Mobilization Act interpretative letter No. 1." It says this:

> This is the first of such letters which will be issued by the labour department. As you will observe it is numbered. It is hoped that they will be helpful.

It goes on to say:

> After conferring with the man-power committee of the cabinet it has been decided that interpretative letters will be sent out from time to time indicating in some detail the policy in respect to the various phases of the national selective service mobilization regulations.

I ask the government at this session to bring down a statute regarding man-power; do not restore prerogative rights but restore the right of leave to appeal to a supreme court judge so that every one of the national selective service boards in the various provinces will administer the law on the same basis. The letter continues:

> The growing scarcity of agricultural labour makes it increasingly important that essential agricultural workers be encouraged to remain on farms.

And again:

> Farm workers who apply for postponement from military training are to be granted postponement until further notice.

And also:

> A person who may not have been employed in agriculture on March 23, 1942, but who has become engaged in agriculture since that time, and is shown to be essential to agriculture, may be considered for postponement on application if the merits of the case are established.

The regulations remain as they were before, that a man must have been engaged in agriculture before March 23, 1942, but they have opened the door a little wider by this letter to the boards charged with the administration of the regulations and directing that they take into consideration the granting of postponement to those who are not entitled to it under the regulations.

An hon. MEMBER: Is that legal?

Mr. DIEFENBAKER: Everything is legal when there is no right of appeal. Section 14 (1) of the regulations in connection with conscientious objectors reads in part:

> . . . the minister may prescribe to carry out alternative service and to continue to carry out alternative service for the duration of the war unless it be established to the satisfaction of the registrar that such person is not medically fit to perform such alternative service.

I contend that the regulations if subject to interpretation contrary to their meaning may be used for reasons of political expediency. Under the regulations a conscientious objector is required to serve in alternative service. It is only right that when a man is truly a conscientious objector his scruples should be considered. These men have been sent to the national parks and they have been building roads. Under the regulations they are required to serve for the duration of the war. When a man is called up in the army he is called up for service for the duration, and the regulations provide that conscientious objectors should do so, too.

Have these regulations been carried into effect? The first thing that happened was that promises were made to the Doukhobors during the election campaign of 1940 that they had nothing to worry about. On February 29, 1940, a letter in a return brought down in 1940 alleges that the Prime Minister had a conversation with the Doukhobors and assured them that the government would grant exemption certificates in the case of conscription or

compulsory service. Under the law the Doukhobors did not have a right to postponement or exemption with the exception of those who had come to Canada in 1898, but during the election campaign the Prime Minister told them that they had nothing to worry about.

Mr. POULIOT: I understand the hon. member lives in Prince Albert. Are there many Doukhobors in that constituency?

Mr. DIEFENBAKER: I am not dealing with this matter from the point of view of that constituency; I am trying to be entirely dispassionate. Strangely enough, after this house adjourned in 1940 and after the national resources mobilization regulations were passed, another order in council was issued which not only exempted Doukhobors who had entered Canada under the order in council of December 6, 1898, and the "descendants of such immigrants who have continued without interruption to be members of the aforesaid sect or denomination", but granted new rights to these people.

Surely citizenship in Canada means equality, and there can be no justification for extending the privilege granted to the original settlers who entered Canada under the order in council of 1898. Most of these people defied the government. They just said that they were not going to do anything, and they have pretty well carried out that threat. A few of them went up to parks for three or four months. I do not know what the total expenditures were, but a great deal of money was expended in the payment of wages to them during the time they were in the national parks.

During the calendar year expenditures at Prince Albert park amounted to $50,711; at Kootenay park, $17,000; at Riding Mountain park, $63,000; at Jasper park, $46,000, and so on. These men performed alternative service there for a short while. But the law says that they shall serve for the duration of the war. Mr. MacNamara, director of national selective service, sent out to the various service boards a letter, approved by the Minister of Labour, stating in effect that they were not to carry out the provisions of the regulations; that Doukhobors should not be directed to report for alternative service any more as long as they were employed in essential work in agriculture.

Just follow that through. It is a devious course but it explains why it is that the government refused to put these regulations into statute form. If such an amendment to the law had been brought before this parliament there is not a member of this house who will rise in his place and say that this house would have voted to exclude these men from alternative service for the duration of the war. Why was it done? Agriculture is asked to produce on an ever-expanding scale, and agriculture is willing to do that. There is no question that the farmers to-day are contributing a great deal. In Saskatchewan, in my constituency, there are few young men left to-day. I say to the government that it is building up the greatest resentment among the people of my province when it allows special rights to any group, and especially when those rights are extended contrary to the regulations which are supposed to be followed by the various boards throughout the dominion. I shall not deal further with that question, but I think I have covered it well enough to—

Mr. SPEAKER: The hon. member's time has expired, but he may finish his sentence.

Mr. DIEFENBAKER: Thank you, Mr. Speaker, for the courtesy extended to me. I was just going to conclude by saying this, that the man-power situation must be dealt with. We cannot avoid our responsibility to assure our men overseas that reinforcements will be forthcoming. We do not discharge our responsibility to ensure national unity during this war and after unless we insist upon equal interpretation and equal enforcement of the law in all parts of Canada. That can only be done, I submit, through restoring the provision in the Military Service Act for an appeal so that when the regulations are not followed rights will accrue, either to the crown or to the applicant.

Above all, Mr. Speaker, I protest against regulations being altered by letters such as the one to which I have referred, and this letter is just the first of a series of instructions to the national war service boards. What will the other letters contain?

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, my hon. friend the hon. member for Lake Centre (Mr. Diefenbaker) always makes a good speech, and he has said many things to-day with which I agree, although I cannot agree with all that he said.

I listened this afternoon to my hon. friend the member for Labelle (Mr. Lalonde) who made a plea for an amnesty for the sons of farmers. At a place called St. Modeste in my constituency—there is a place of that name only in my constituency—I made the very same suggestion in the course of last summer. In my humble view all those who are farmers and have not volunteered for the armed services should have been granted an amnesty

from October 15 to December 31, and a notice should have been published weekly in all the weeklies of Canada, and twice a week, in a prominent place in the paper, in each of the dailies throughout Canada, to inform the farmers and the farmers' sons that they were being granted an amnesty. And what kind of amnesty? The right to get in touch with their registrars without having to fear any punishment because they had not, for one reason or another, reported when called upon to do so. I met a high official of one of the departments and I was greatly surprised at his understanding of the Canadian feeling regarding a matter of this kind. Do you know, Mr. Speaker, what he told me? He said, "Oh! that would be the spark that would set the whole country on fire." I do not believe so, and I presume that the hon. member for Lake Centre thinks as I do about it. This is a matter that as members of the House of Commons we have not only a right but a duty to discuss freely without fear or favour in this house.

When, sir, I speak of an amnesty, I mean a real amnesty with a result in view, not merely an amnesty on a piece of paper that is sent out to the chairmen of the boards and that gives no security to any draftee or conscript. What I regret is the hypocrisy which has surrounded the calling of men for their training. Once I wrote an article on advice to trainees, or conscripts; the title was "Conseils aux Conscrits"—"Advice to Conscripts." What I was telling them was to observe the law and to take advantage of it to claim their right to stay on the land when their duty—their family duty and in most cases their national duty—was to be on the land. And do you know what was the suggested correction that was made to me? My advice was within the law; nothing was said about the advice given; the only thing I was blamed for was the use of the word "conscrits"—conscripts. Hypocrisy!

I have complained once about Mr. Claude Mélançon when he was on the wartime information board. I was justified in doing so because the propaganda board was no good. I could have made the same complaint about the other member, the English-speaking fellow who was denounced, and rightly so, by the hon. member for Broadview (Mr. Church). But I am not narrow-minded enough to withhold credit for the good things a man may do; and it is my personal opinion that the memorandum prepared by Mr. Claude Mélançon favouring an amnesty in respect of farmers is an excellent one, and I will ask either the Minister of Labour (Mr. Mitchell), or the Minister of National War Services (Mr. LaFlèche), who is here at the moment, kindly to table this report at the earliest possible date. I will tell you more than that, that I have also been informed that, if the trainees or conscripts—meaning probably the farmers and the farmers' sons—have not yet enjoyed that amnesty, the Department of Labour is not responsible; it is the Department of National War Services which has refused to give its assent to the proposal.

That being said, sir—and I know what I am talking about—I come to the amendment moved by the hon. member for Peel (Mr. Graydon), who is the leader of his party in the house and the acting leader of his party at large. The leader at large of his party, in every speech which he has delivered since his accession to these important functions, has never missed one occasion to complain about the bureaucracy that we have here in Ottawa, and it is a very great surprise to me that the amendment moved by my hon. friend the house leader of the opposition does not say a word about it. I cannot conceive why that is so. There is the leader, among crowds of people, complaining about the bureaucracy which we have here in Ottawa, yet on the first official occasion that the party, which gathers daily to discuss its own problems, had the opportunity to enunciate this view in the house, where laws are made and where the state of things which is so much deplored by their leader may be corrected, they do not take advantage of it.

It will not be untimely to remind the house of the logical consequence of the intervention of a member of parliament who, years ago, was the first one to denounce bureaucracy in this house. In the first place let us go back to the session of 1936, though we might go back before that. We might go back to the time when Mr. Bennett was the leader of the government and when questions were put on the order paper with the purpose of getting some information about the twelve thousand people whom he had imported to this city. The figures are of record; they are downstairs in the vaults of this house.

An hon. MEMBER: Carried.

Mr. POULIOT: I will ask the hon. member to keep peace.

And, sir, they cannot complain about me. I did my best for them. I remember that in 1936, the session which I have already mentioned, I gave them four lectures on parliamentary procedure, from ten o'clock to eleven; and to my great pride and satisfaction those addresses were attended by sixty members. I hope that one of those who

came to my lectures will remember that I never told them to act as the hon. member did while another member was speaking.

But now, sir, going back to those dark days when R. B. Bennett was the big boss in this house, I remember that there was one member who was standing alone against Mr. Bennett and all his social legislation—and against his own party—one.

The party policy at the time was to criticize Bennett behind closed doors, criticize him in the house and vote for him when the legislation came before the house, under the pretext that we were for the principle of it although it was said that it was just good propaganda prepared by brother-in-law Herridge. Therefore to be logical with myself, in 1936 I had the opportunity to see one of these pieces of legislation that had not been submitted to the supreme court for legal consideration, and I asked for its repeal. I remember very well when Sir George Perley, acting prime minister, was piloting that legislation in 1935, and I was interrupted by the late Mr. Lapointe. He told me it was useless to discuss that legislation. The next day the Ottawa papers had some little notes about my humble self: "'Pouliot silenced by Lapointe,' reads the headline. This ranks as the week's most notable performance."—the *Journal*. "Pouliot silenced, the sun extinguished, Niagara stopped."—the *Citizen*. Of course I did not pay much attention to that; I found it very funny. But after Bennett was overturned and after this party came to power I moved the repeal of that act, entitled, The Economic Council of Canada Act, 1935. Of course it was pretty difficult on account of the views expressed by our own leaders when Sir George Perley piloted it through this house, but, after a broadside in the morning, the bill was passed in five or ten minutes, second reading, committee, third reading and up to the senate.

Mr. Bennett's idea was to have a subgovernment composed of the deputy heads of some departments, to advise the government about what was to be done by the government. It was the first suggestion of government by remote control. Those individuals were to meet together to draft policies that afterwards were to be adopted by the government and then given to us to swallow. I objected to that. And now, sir, hon. members will find that statute, which is a very short one, repealing Bennett's economic council of Canada. It is 1 Edward VIII, chapter 5. It was a symbol of what had to be done with regard to bureaucracy in this country, killing in the egg the idea of an economic council, a brain trust. That was the idea.

[Mr. Pouliot.]

Now, sir, we have gone pretty far. Why? Precisely because the men Bennett put at the control are precisely those who are at the controls to-day, especially in the Department of Finance.

After that it was not long before I had the honour to preside over the parliamentary committee on the civil service. You also, sir, were a distinguished member of that committee. I can tell all the hon. members who belonged to it that that committee, with one exception, that is myself, was the cream of the House of Commons. But, sir, you know as well as my hon. friend the Minister of Public Works (Mr. Fournier) and my hon. friend the Postmaster General (Mr. Mulock) how assiduous was our work, how difficult it was. You know the trouble that we had to secure files transferred from the civil service commission to the House of Commons and the trouble we had to quote before the committee what was in those files. I was not believed when I told the government, and not only the government, but when I told the Liberal party fifteen days ahead, that we would have a unanimous report. But we had that unanimous report, owing to the sense of duty of the members of that committee, who understood that that report could not be perfect in the view of each one, but should represent an average view of parliament on the matter of the civil service.

That report, sir, is still on the shelf covered with dust. Nothing was done. The civil service commission has contended that the recommendations of the report have been acted upon, and I see my friend the hon. member for Huron-Perth (Mr. Golding) who was also a distinguished member of that committee—I have not time to mention them all. It was just a smoke screen.

Afterwards when the Prime Minister asked me to sit again as chairman of the committee I said to him: Provided the unanimous report is acted upon, all right, sir, I shall be happy to do that, although it takes much of my time. And, Mr. Speaker, you know what happened. It was suggested that we proceed without any other base, that the matter should be considered again without the first report being adopted. Then the committee brought in a second report, a unanimous report, the same as the first. That was in 1939, and nothing was done since.

It was not surprising that bureaucrats jeered at parliament. When we considered together with the other members of the committee the question of the civil service it was the first time in the history of parliament that the question of the civil service was considered from the point of view of the service that

each civil servant can render to the state. The same thing was done under the chairmanship of my hon. friend the Minister of Public Works. We achieved the same result. But our work was in vain. It served no purpose except to give those bureaucrats an opportunity to glorify themselves once more.

I do not wish to take too much time, but there is something else I must mention. Once there was a meeting of an organization called the professional institute, composed of civil servants who receive fat salaries and who are sure that they are all experts. They took the opportunity to criticize parliament, and I got in touch with the ministers of the departments in which they were employed. I was able to get satisfactory replies from the late Hon. Mr. Rinfret, who was then Secretary of State, from the present Minister of Mines and Resources (Mr. Crerar) and the present Minister of Agriculture (Mr. Gardiner). On November 9, 1938, I wrote one other minister a letter in which among other things I said:

> During last session at several sittings of the civil service committee I brought the attention of the members of the committee to the fact that the civil servants must always respect our parliamentary institutions. Personally I pay no attention at all to what may be said about my own self, but on the other hand I cannot remain indifferent to the remark passed by one of your employees—
>
> I mentioned the name.
>
> —president-elect of the institute, who spoke about the proportion of high-minded members of the committee on that occasion. I enclose a list of the members of the committee. Will you please tell Mr. So-and-so to be more precise and indicate those who according to his views are high-minded gentlemen and those who are not.

I thought it very improper for any civil servant, whether belonging to the professional institute or not, to make a distinction, between high-minded and low-minded members of parliament. The minister to whom that letter was addressed is not in the house now, otherwise I would name him. He has an inferiority complex with regard to bureaucrats; he thought every time a civil servant said or did something it was perfect, and that members of parliament should bow to them. Of course we bow on the street but not in this house.

Then, sir, I did something else in an attempt to clean up the statute books. Of course the act repealing the measure creating the economic council did not cost the state anything, since there was no litigation, but it was different in connection with the other legislation. Those other acts were submitted to the courts for a decision. In order to deal with this point I have to go back to the dark times of Bennett. Mr. Bennett was the lord of this country before he entered the House of Lords. It was impossible to make him change his mind in connection with the draft legislation prepared by Mr. Herridge. The only recourse, when Mr. Bennett had the power in his hands, was to move that his legislation should be submitted to the Supreme Court of Canada for a decision as to its validity. I did suggest that this action be taken, and later it was taken by the leader of the Liberal party, who was then leader of the opposition. At the time, however, his motion was voted down. After the Liberal party was returned to power, however, in spite of the fact that every Liberal candidate throughout the country had decried that legislation as being only blah-blah, as being political expediency and political propaganda, the government decided to submit the legislation to the courts, with the exception of the measure to which I have referred, which put the government in the position of agreeing with the principles of the legislation, though they had said it was merely political expediency.

These matters were submitted to the courts, and at no small cost. If the government had acted in connection with all the so-called legislation of Bennett as it acted in connection with the economic council measure, a great deal of money would have been saved. I have before me the details as to the cost of that litigation before the Supreme Court of Canada and the privy council. I am not going to mention any names, but this may be surprising to you, Mr. Speaker, though you are a prominent counsel. One gentleman received $23,928.92, which is pretty good. That was in connection with the litigation before both our supreme court and the privy council. In connection with the supreme court litigation only, Mr. Justice Rowell's account amounted to $13,267.35, while Mr. Justice Robertson's account in connection with the appeal to the privy council was $12,219.03. There were other lawyers as well. The fourth charged $6,742.52; the fifth, $3,122.99 and the sixth, $2,844.02. Then there was something for the stenographer, something more for printing and so on, making a total of $66,042.64 which was spent to have the supreme court and the privy council decide that Bennett's so-called social legislation was just a fake. This was money that should have been given to the unemployed, because it was spent at precisely the time the government refused to give the provinces any assistance in connection with unemployment relief.

That is not all, sir. The very day I heard that these so-called social acts had been de-

clared ultra vires by the privy council in London, I placed several bills on the order paper. If hon. members would like to check what I am saying I would refer them to the evening sitting of March 2, 1937, when I moved five bills to repeal five acts that were on the statute books and that had been declared ultra vires.

I remember that same afternoon I met a minister. He was trembling and shaking, and he said, "What will happen if you go on with this? Mr. Cahan will surely speak." Nobody ever understood anything he said. I moved the second reading of each bill. The debate was adjourned, and hon. members may see in *Hansard* that the debate on each bill was adjourned by the Prime Minister. Of course that debate was never resumed. My idea was to make a clean-up in the statute books, and to get rid of legislation that was no good. That was so much the condition that when it was decided to pass unemployment insurance legislation we had to go to London to get permission, because otherwise our legislation would have been ultra vires. That is an extraordinary thing. When the new unemployment insurance measure was passed the old one was repealed by the same statute. And, even more peculiar, it was the old act which was rejuvenated in a new one exactly the same as the old one. The four others are still on the statute book.

What is the use of legislating? Certainly some very strange things happen. In view of the possibility of future debates on the point I bring to the attention of the house a letter I wrote the Prime Minister (Mr. Mackenzie King) on March 13, 1939. I shall not read it again, because it is already reported at page 4599 of *Hansard* for 1939. Since the beginning of the session the hon. member for Richelieu-Verchères (Mr. Cardin) has told many truths. But in order to enjoy to the full our parliamentary rights members of parliament must be in a position to say what they have to say about any civil servant or any high official. They are paid from moneys voted by us, and it is essential to have a check upon them. We are here for that purpose, and to prevent any abuse of authority on the part of those operating under the government and parliament. Otherwise we would have no order here or in the country.

It is most difficult for a private member to sponsor legislation of a public nature. I know of course that it is very easy to sponsor divorce bills. In these days however we do not have the same privileges in connection with public legislation. In view of that condition I would ask the government, and particularly the Minister of Justice (Mr. St. Laurent) to see to it that members of parliament are not called here merely to vote taxation, but that they are called to do some legislating for the welfare of the Canadian people at large.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I should like first to refer to a principle laid down in the amendment of the official opposition. It contains what might be called three C's. I support that policy, but I think the amendment left out many more letters of the alphabet. After all is said and done we are meeting as a House of Commons to do the best we can in the greatest emergency which has confronted the world. The war is our first and most important topic.

A few days ago when I asked the Prime Minister (Mr. Mackenzie King) for one day to debate a question respecting social security, and some other matters in connection with human resources, he said that an opportunity would not be given. However I believe if it had been given it would have shortened this debate on the address in reply. The country, the House of Commons, and the mother country would have known where Canada stands on the war at the present time.

The speeches which have been delivered in the house during the last two or three days have cleared up an idea I had all along, from the beginning of the war to the present day, as to what has kept us back in our war effort. The first part of the amendment deals with human resources—man-power and woman-power. Does the conscription of man-power and woman-power cover what the government has been doing? Young people of seventeen, eighteen and nineteen years have enlisted to fight for what? They enlisted to fight to save the world from slavery, to fight for ideals, to fight for the right to live. They did not enlist voluntarily to shovel snow. No; they enlisted to fight Hitler. They did not enlist and give up their jobs voluntarily to go out and shovel snow for the benefit of the Canadian National Railways or others. Why could not some of Mr. Donald Gordon's celebrated homeside fusiliers have been drafted for that work? Why not have used some of the stay-at-home army also for that work? There is no such thing as home defence. The battle is being decided overseas in Africa, and in other theatres of war.

Despite the money the country is spending for uniforms, 5,376 air force officials never wore uniforms in their lives. Yesterday Mr. Beurling, a young flying officer, was in Toronto. Yet in many places throughout Canada some of those 5,376 who never wore uniforms got commissions as squadron leaders, although they know nothing about the air. I doubt if some

of them would know how to fire a fire-cracker, a pin-wheel, a sky-rocket, or anything of that kind. The people of this country are not getting value in their investments for home defence and a home army vote is largely wasted—and that applies to the navy and the army as well. My good friend the Minister of National Defence for Air (Mr. Power) is a very popular man in Toronto, and I should not like to say anything not correct about his department. I sympathize with the three defence ministers in the work they are doing. We rejoice in the way the whole history of courage and heroism is being rewritten on land, on the sea and in the air, by our soldiers in this war. But after what was said yesterday, to-day and last Friday I wonder how Canada has made as good a showing as it has up to the present time, so far as human resources and production are concerned. We must remember the noble courage and patriotism of the men who are actually doing the work in the three forces overseas—not the large standing army of intellectuals in control in the seats of government here in Ottawa and throughout Canada. The real men are doing the fighting at the front, while these intellectuals stay at home and talk pacifism and planning. If they have their way we shall have another war. I was in Toronto the other day, and I had brought to my attention some of the work done by the women's army. They are doing splendid work now. There were about twenty-five or thirty of them on the train. One of them came up to me and asked if I was Mr. Church. I said, "Do you think I am? Do I look like him?" Then they began to doubt it. I asked some of them where they came from and they said they came from the farm. I am sorry the hon. member for Parkdale (Mr. Bruce) is not at the moment in his place, and perhaps I should not mention the question of labour battalions. That is all we have in the mother country since the war started—labour battalions. New Zealand and Australia were sending troops to north Africa long before we were.

Canada was the first in the diamond jubilee procession in 1897, but the last of all the colonies to send a contingent to South Africa in 1899. It was said that to do that would be against the British North America Act and the constitution. The loyal people of Canada, not all in one party then, compelled the government of that day to send a contingent to South Africa, and from that day forward it was an example of policy that when Britain is at war, Canada is also at war.

We hear a lot about the newspapers. They have done good work; yet the president of the Canadian Press Association criticized this House of Commons last December when he said that the load on the press is very heavy these days as we have a very weak parliamentary opposition; a strong opposition is a spur to any government and also acts as a check on their power.

If that is so why do they blindfold the people and not give them the actual facts of what is going on here? We might as well meet in secret for all the information given out by some members of the press as to what is going on in this house. Yet this is the only forum where the average man on the street can have his grievance remedied. When the opposition and the private member cease to function, parliamentary government is at an end.

I disagree with the statement made the other day by the Prime Minister that on a motion to go into supply an hon. member can bring up any matter covered by a private member's resolution. Nearly three-quarters of the time of this house last year was devoted to talking about a referendum, Bill No. 80, to amend the mobilization act, and the many phases of the on-again, off-again conscription of human resources. No time was given last session to a discussion of some of the ideas put forward by private members.

I do not believe in this idea of having labour battalions. I do not believe in conscripting young men and putting them to shovelling snow and labour on farms when they have enlisted to fight Hitler. I see these young men on the train and they want to know what is the matter with the House of Commons. They want to know what has come over this parliament when we carry on a debate like the one we have had during the last two or three days. It is bad advertising of this country in New Zealand and Australia, especially when we have done as little as we have in north Africa. The people of this country are in a very critical mood at the present time.

Reference has been made to farm labour. I saw some of the ladies of the women's army on the train the other day, and I asked them where they had come from. They told me they used to be on farms, that they used to be helping their parents running market gardens, but they thought they would come in and join the army because there was more money in it and it was kind of fun to be wearing a uniform. I am not one of those who believe in a youth movement with a capital "Y" along the lines suggested some years ago by the hon. member for Peel (Mr. Graydon). The youth movement which has been talked about in and out of this house is not the movement that

appeals to the young people serving in the three armed forces to-day, when youth is in the forces.

Reference has been made to the scarcity of farm labour. Young people from the high schools and the public schools of Toronto go out to work on the farm yearly, and start this year on April 1. No government has ever had a real agricultural policy. If we formed labour battalions, what use would the representatives of the three armed forces in the cabinet be? What use would I be on a farm? I doubt if some members know how many pounds there are in a bushel of buckwheat, barley or timothy seed. But I am just as much a farmer as is the leader of the opposition, or the Minister of Agriculture (Mr. Gardiner), or the acting head of the government (Mr. Crerar) whom I see over there and who used to sit on this side of the house some years ago as a Progressive.

I am a Conservative and I have never been anything else. They can put all kinds of prefixes in front of that name, but I am still a Conservative. I told my constituents that when I was elected for the present parliament I am a Conservative and nothing else. I agree with that part of the amendment which refers to the contribution to agriculture, but without proper housing, health aid, direct current and proper education there can be no real health and happiness on the farm.

We hear a great deal of talk about planning, but neither victory nor any kind of planning can bring about the millennium. No kind of planning will ever abolish the law of supply and demand. I do not believe in many of the utopian speeches that have been made all over the country about planning. These men of ours who have been fighting Hitler have been referred to by the author Strube, who immortalized them as the little men who saved England in this war. When the soldiers come back they will know how to take care of reconstruction and planning and all that sort of thing—these men who beat the axis dictators as well.

I believe in the incentive of free enterprise subject to reasonable state control. The right to possess private property is derived from nature and not from man. The state has no right to abolish that, but it can regulate its use. The principles of the Conservative party are work for our own workmen, markets for our own products and labour for our own workers. Trade barriers and nations will always exist and no one will ever be able to change them. I do not believe in this policy of planning from the cradle to the grave, of total regimentation. There can be no liberty in a regimented state. Everybody will be working for the state. Freedom from want means freedom for a job and from unemployment.

Some of the planners made a very poor job before the war of foreseeing this conflict. I remember before the war when rearmament received little or no support in this house. In 1936, 1937 and 1938 it was said that I was a war-monger. It was said that there would be no war when a bill in connection with this same question of human resources was introduced by the former member for Selkirk on March 31, 1939. It was said in that bill that if war came Canada would be neutral and parliament would decide. When this war started I recalled to the pacifists in the house the words of Jeremiah: "Where are now your prophets which prophesied unto you, saying, the King of Babylon shall not come against you, nor against this land?"

We have reached the gravest hour of the war. This is the wrong time for a discussion such as we have had in this house during the last few days. The people of the mother country are wondering what is the matter with Canada just at a time when Great Britain and her allies are going to take the offensive. At such a time we hear all this criticism about home defence and the appointment of committees on man-power and other matters mentioned in the text of one of the amendments. We do not know who is going to win the battle of the Atlantic. What is the use of talking about labour and the problems of labour, agriculture and industry when the ships we build and the food they carry are being sunk before they reach their destination, when we lose both the ships and their cargoes in the Atlantic. Mr. Lyttelton, British minister of production, said in New York on November 11, that the great armada to North Africa, to Morocco and Algiers, consisted of 500 merchant ships and 350 warships. That would mean armed ships, but they had 120 of an escort fleet.

That magnificent armada is the backbone of the north Atlantic fleet, and the 120 escort boats can never get back into the north Atlantic service. We have reached the most grievous hour in the battle of the Atlantic, and I would ask my fellow-members from Quebec who have spoken of the man-power requirements on the farm and in industry to read the report that was published by the Polish government in London last December, giving an account of the way in which the Germans are exterminating the Jewish population in Poland—and then read the handwriting on the wall. Members of the British House

of Commons on Thursday, December 17 last, in an unforgettable moment of emotion stood in silence for a minute after hearing Mr. Eden's protest against German savagery against the Jews. Over one million human beings have been exterminated in Poland by the Germans or taken to abattoirs to die there. Think what might happen to Quebec if the axis powers got up the St. Lawrence river and invaded this country! As I said in 1937, can we afford to wait until the enemy on land, sea and in the air has come up the St. Lawrence and blown up the citadel? I plead with my fellow-members from Quebec province to think of what has happened to Poland, where a million people have been taken by the Germans like a lot of cattle and sent to abattoirs where they have been butchered. It is the most brutal crime the world has ever seen. I ask, Mr. Speaker, that a copy of the report of the Polish government in London on German atrocities in Poland be laid on the table and that Canada should pass a vote of protest against this atrocity. Canada would soon have been next and Quebec and central Canada would have had the gestapo police, the whip, the concentration camps, forced labour, and would have been taken to Germany for slaughter.

I have always been a consistent supporter of the principles which I have enunciated to-day. I believe that we should do our duty to the mother country, and I will not support any party in or out of this house that fails to do its duty to the mother country both in this war and after the war. It is the mother country that has saved our shores from a slavery worse than death. We have been a party with two principles. We have had the principles of Sir John A. Macdonald, which yet have a large following in Canada to-day. But we are no longer living in the past. We want a policy that has been brought up to date to meet such a war and conditions after it. The only real socialism that I have seen in Ontario has come through the efforts of the Conservative party, which introduced wise labour legislation in the province and gave us the eight-hour day. It was the city of Toronto and the province of Ontario that first gave women the right to vote, and took over the water powers of the province so that the farmer and the city man could get direct current at cost under the system of public ownership where there are no huge dividends to pay to stockholders.

The mother country cannot live without her export and import trade. She must import twenty-five out of twenty-seven vital raw materials. She has coal and half the iron and steel she requires, but she must import all the other important raw materials. She cannot live without her import and export trade and without her empire, and we should deal fairly with her by seeing that she gets the raw materials of the empire she needs. I do not want to see the mother country left after this war starved and without an empire she has spent a fortune to develop. I have respect for our great ally and for the great President of the United States, but after the war I think the United States will become isolationist again and the mother country will need the raw materials of this country and of the British empire. She cannot exist without the dominions, for an import and an export trade is vital to her. Otherwise, Great Britain will become a second Denmark, a second-class power, just an outpost on the edge of Europe for the United States of America.

I am a supporter of the Conservative party. I have never been anything else. I was unfortunately unable to go to the convention at Winnipeg. I did not attend the previous convention in 1938 at Ottawa. I am not much good at attending conventions. I was never much good at organizing political matters of that description. But I have a great respect for those who attended the convention, and I believe they did the best they could. I will support them in and out of the house because I am a Conservative.

In conclusion, may I express the hope that our side will not forget the duty which it owes to the mother country, which we have always supported, and which by holding off the axis powers has saved our shores from a slavery which would have meant that in Canada we would have the gestapo, the endless tramp of marching feet, the execution squad and all that kind of thing—a system under which tens of thousands of the people of Quebec and Ontario would be moved over to Germany to be slaughtered in the abattoirs just like the people of Poland have been.

Mr. C. E. FERLAND: Mr. Speaker, the Conservative party, through its leader, is asking us to adopt an amendment to the address in reply to the speech from the throne. This amendment, which is very indefinite and might appeal to various shades of public opinion, is full of promises of exemption from military service.

I will nevertheless vote against this amendment because, fundamentally, it is a motion of want of confidence in the present government. Besides, the promises made by the Conservative party are seldom worth very much. I am afraid that the promises contained in the amendment moved by the Conservatives is not worth the paper on which they are written. When I was called to the bar of my province in 1917, I have had the occasion for a certain period,

in 1917, and especially in 1918, prior to the end of the war, to appear before military tribunals on behalf of a great many farmers. I successfully defended eight or nine hundred of them, and we believed then, as well as we do now, that farmers would help to win the war and would serve their country better by remaining on the land.

Now, in the conscription act of 1917, the Conservatives had promised exemption to the farmers. They even were to organize tribunals. There were local tribunals which heard all cases in the province of Quebec under the chairmanship of two officers. There was besides an appeal tribunal presided over, in each district, by a judge of the superior court. After the tribunals had granted a great many exemptions to farmers, the Conservative government which was then in power, passed an order in council cancelling all decisions given by such tribunals which had been sitting under that act to exempt farmers. And to-day the same Conservative party, after twenty odd years, is asking us to withdraw our confidence from the Liberal party, and to place it in them, because they will exempt farmers, and will grant all kinds of exemptions, and their war effort will be much more satisfactory than that of the Liberal party.

However, Mr. Speaker, to those who find that our war effort is too great, I would say that the Conservative party asserted its position on Friday afternoon through its leader who stated that if the present Conservative amendment is adopted, it will lead to an increased war effort. Many people believe at this time that our war effort cannot be increased and that we have reached the ultimate limit of our ability to share in this war.

Mr. Speaker, under our constitution and our parliamentary law, the speech from the throne is not subject to amendment. It is impossible to amend a motion for adoption of the address. All that can be done is to oppose government policy, to move a vote of want of confidence for the purpose of condemning the whole government policy and, if such a motion of want of confidence or if such amendment by the opposition carries, the government is defeated. That is why I shall vote against the present Conservative amendment.

That is also why I cannot support the other amendments and I have voted against the amendment moved yesterday by the hon. member for Gaspé (Mr. Roy) who had thought that, because a pastor who seems utterly devoid of discretion and but poorly endowed with common sense, has written and published abusive articles against the Roman Catholic church and against our spiritual leaders it constitutes a valid grounds for the hon. member to propose a motion of want of confidence. He asked us to defeat the government because that pastor had insulted our church. What a genius! What a sum of intelligence was required to ask for the defeat of the government on a question of religion! However, I know full well why the amendment was moved. It was because our hon. friend from Gaspé expected to embarrass us. He knew the government would not be defeated on the amendment but he probably expected that his friends in the province of Quebec would later say of him: "See how staunch a Catholic our member is!"

Mr ROY: Mr. Speaker, I rise to a point of order. The hon. member has just said that, in moving my amendment last night I had the intention of going into Quebec later on and saying that such-and-such an hon. member had voted so-and-so. I do not think that according to the rules he has a right to impute to me any intentions, and I ask him to withdraw those words.

An hon. MEMBER: Just deny them now.

Mr. FERLAND: I accept the word of the hon. member for Gaspé (Mr. Roy). I have nothing else to say on that question. He can rest assured that I do not wish to impute to him any motives.

Mr. Speaker, there is perhaps some confusion in certain sections of the country following the many amendments that have been moved, especially in these difficult times. For that reason, I have deemed it advisable to explain why I intend to support the government. In 1940, I received a mandate from my electors; it was a formal mandate to support the Liberal government, subject, however, to my opposing conscription of men for overseas service. Last year, in February I think, the government brought down the famous plebiscite act. Prior to the vote which took place on April 27, 1942, I addressed a message to my electors of Joliette-l'Assomption-Montcalm, explaining why I had supported the government on the plebiscite act; I told them I had done so because the amendment moved was a motion of want of confidence and that the government would have been defeated and replaced by another government if it had not received the support of the Quebec members. But I told my electors that I still had confidence in our leader the Prime Minister of Canada and that whatever government might be in power, I would vote against them if they ever attempted to pass conscription for overseas service.

Mr. Speaker, I have kept my word. In June, 1942, I think, the government had the bill of conscription for service overseas passed, and I not only protested against it in this house, but I broke with my party and my leader and I voted against the government. Fifty-three other French Canadian members gave a similar vote and broke with the Liberal party by voting against conscription. I had no reason to walk across the house and to desert my party, even though that conscription bill was incorporated in the statutes of Canada, because at the time, before the vote was taken on that amendment to the Mobilization Act, the Prime Minister of Canada repeated once more that conscription of men for overseas service had never been, was not and probably would never be necessary.

But the Prime Minister, in a speech delivered in the House of Commons, gave us his word of honour and a verbal guarantee when he solemnly declared that if it ever became necessary to enforce that conscription measure for service overseas by order in council, he would not put conscription into force without previously consulting parliament, and without being authorized by parliament through a vote of its members. We have continued ever since to fight and to contribute to the war effort. I must say, Mr. Speaker, that in spite of all the difficulties we had to face, in spite of certain errors that we have pointed out for correction in this house where free speech is recognized, in party caucus, in the newspapers and elsewhere, I have confidence in the Prime Minister of Canada and I say there is not in the whole country a man who enjoys the confidence of the electors to a higher degree.

Mr. Speaker, I notice that it is near six o'clock and I want to conclude my remarks in order to give the house a chance to vote on the amendment now before us and on the main motion.

I shall vote against the Conservative amendment and I shall support the government on the main motion.

Mr. NORMAN J. M. LOCKHART (Lincoln): Mr. Speaker, it was not my intention to participate in this debate, but within the past few days certain incidents have taken place on which I think I should say something.

I am satisfied to continue for the next five or six minutes if you wish, but I shall probably take half an hour. Therefore I respectfully move the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Fournier (Hull) the house adjourned at 5.55 p.m.

Thursday, February 25, 1943

The house met at three o'clock.

LABOUR CONDITIONS

GOVERNMENT PROGRAMME RESPECTING SHORTAGE OF FARM LABOUR

On the orders of the day:

Mr. L. E. CARDIFF (Huron North): I should like to ask a question of the Minister of Labour, of which I have given notice. When does he expect to be in a position to make an announcement on government policy respecting a programme designed to meet the shortage of farm labour throughout Canada? In the course of the next few weeks spring seeding will commence, and agricultural sections of Canada should be informed as soon as possible as to the government's programme for providing necessary farm help.

Hon. HUMPHREY MITCHELL (Minister of Labour): An announcement will be made at an appropriate time.

Mr. HANSON (York-Sunbury): Well, that is hardly good enough.

ROYAL CANADIAN NAVY

REFERENCE TO STATEMENT OF NAVAL OFFICER AS TO ENEMY SUBMARINE OPERATIONS

On the orders of the day:

Hon. GROTE STIRLING (Yale): Mr. Speaker, may I ask the Minister of National Defence for Naval Services whether the statement made by Rear-Admiral Brodeur at Quebec a few days ago was made with his consent and, if not, whether it represents the opinion of the government?

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): As to the first question, the statement attributed to Rear-Admiral Brodeur in the newspapers yesterday afternoon was not made with my knowledge or consent. I believe the second question is answered by the answer I have already given.

The statement purports to represent the opinion of that officer, although he qualifies it somewhat by saying it may be, or it is possible, that the Germans might have a certain number of submarines. However until I have a more definite record of what the rear-admiral did say, I should like to refrain from any further comment upon it.

Mr. T. L. CHURCH (Broadview): In view of Mr. Churchill's statement in the House of Commons that the number of sinkings should not be given out, why should an officer stationed at Washington interfere?

I would ask for a board of inquiry in connection with this matter. There should be an admiralty board; the rear-admiral should be dismissed from the service and not sent back to Washington. It is the most mischievous statement ever made and invites invasion. They never had five hundred submarines in the Atlantic at any time.

Mr. MACDONALD (Kingston City): Perhaps I should say a word on that point. The gentleman in question is a rear-admiral of the Royal Canadian Navy, and the fact that he happens to be stationed at Washington at the moment does not take away from his standing as an officer of the Royal Canadian Navy.

As to the making of statements respecting numbers I would point out that numbers of enemy ships have been conjectured from time to time by men in Great Britain, in Canada and in the United States, some of whom were and others were not in the services. I should prefer that such conjectures be not made. But, as I say, until I see what the rear-admiral really did say, from his own notes, I believe I should refrain from any further comment.

Mr. HANSON (York-Sunbury): Does not the minister think he should make a statement in regard to that?

Mr. CHURCH: The minister told me, I think it was a year ago yesterday, that there were no submarines lurking around St. Pierre and Miquelon or the St. Lawrence.

TRANSPORTATION

RESTRICTIONS ON TRAVEL BY RAIL—APPLICATION TO ARMED FORCES

On the orders of the day:

Mr. G. S. WHITE (Hastings-Peterborough): I should like to direct a question to the Minister of National Defence (Mr. Ralston), and as he is not here perhaps it can stand as a notice. It refers to an article in the Ottawa *Citizen* of yesterday which states that restrictions on travel by rail are to be continued. One paragraph reads:

> However, a military representative said that there was a probability that rail travel for soldiers, sailors and airmen except those on compassionate or embarkation leave would be definitely curtailed.

The present temporary restriction has caused many complaints among members of the armed forces and I should like to know if the correct interpretation of this order is that the only leave that will be granted to members of the armed forces will be on compassionate grounds or embarkation leave.

Hon. C. G. POWER (Associate Minister of National Defence): I shall draw the hon. member's question to the attention of the Minister of National Defence.

LIBEL AND SLANDER

JURISDICTION OF PROVINCIAL ATTORNEYS GENERAL IN ENFORCEMENT OF FEDERAL LAW

On the orders of the day:

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I rise to point out that while *Hansard* of Tuesday, page 657, is perfectly correct, in reporting the proceedings the Canadian Press said that I had said that "old religious controversies had been forgotten by many and they wondered why they should be continued." Those words are ascribed to me. They were not mine but were those of Reverend Mr. Toplady, writer of "Rock of Ages." The words of the Prime Minister (Mr. Mackenzie King), as reported on page 664 of *Hansard,* are perfectly correct. I have been told four times by predecessors of the Minister of Justice, who is also Attorney General of Canada, that an attorney general should not be asked to give a legal opinion to the house. The law quoted by the Prime Minister in connection with libel and slander is correct, except for the qualification that I make, namely that the enforcement of all federal law is for the provincial attorneys general. This is the first time during the many years I have been in the house that I have known an attorney general to give a legal opinion, especially on religion. I do not ask the minister to reply to-day; he can look up the page of *Hansard* of last year when on his estimates, we were discussing the newspaper bill I had introduced also in 1936, 1937 and 1938. At that time I asked the former minister, Mr. Lapointe, if an attorney general could give a legal opinion, and he said I was correct; that the rule was he should not. He asked me if I knew the reason and I said that I did. The reason is that should an attorney general appear in court as a litigant it might be said, as was said in England, that he should not give a legal opinion because when he appears before a judge, the judge might consider that the case was being prejudged and there might be a mistrial. I ask the attorney general to look up what his predecessors said. No legal opinion should be given to the house by the present minister and I ask him to look up the statement.

Hon. L. S. ST. LAURENT (Minister of Justice): I am sorry, but I have not understood what the hon. member said.

Mr. CHURCH: I ask the minister for a reply. The only trouble is that it is sometimes convenient, as it was last Tuesday, to give a legal opinion for propaganda purposes.

GOVERNOR GENERAL'S SPEECH

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Wednesday, February 24, consideration of the motion of Mr. W. E. Harris (Grey-Bruce) for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Graydon.

Mr. NORMAN J. M. LOCKHART (Lincoln): Mr. Speaker, when the house adjourned last night I gave notice that there were some observations I desired to make arising out of certain events of more recent days. I desire to associate myself with the remarks of the hon. member for Lake Centre (Mr. Dienfenbaker), particularly his criticism of the explanatory letter which has been sent out by the director of selective service and attested to by the Minister of Labour (Mr. Mitchell). I feel definitely that equality of service has not been achieved and I think the crux of the whole situation is that we lack a co-ordinated war effort in this country.

As I say, events of the last few days necessitate my making a few comments in this house. I want to remind hon. members again of the statement made about a year ago by the Prime Minister (Mr. Mackenzie King) which indicated definitely that all farm labour would be frozen, I think it was as of March 23, 1942. I should like to outline as briefly as I can what has happened since that time. The regional office of the national selective service referred to by the hon. member for Cape Breton South (Mr. Gillis) is located in my district, and I commend him for the remarks he has made in this connection because I know something about this particular office.

The Prime Minister's statement with respect to farm help was expected to provide some relief for the general situation. But that was a year ago. Farmers' sons are still being called. I received three letters to-day asking me for an explanation of what the Prime Minister's words meant, the statement that he made a year ago. Our farmers have been asked by the Minister of Agriculture (Mr. Gardiner) to increase their production programme. Is it any wonder therefore that they are upset about the labour situation which affects the increased production of foodstuffs for which the minister has asked? The urgency has become so great that I am prompted to ask the Minister of National Defence (Mr. Ralston) a question, and I shall include also the Minister of Labour. If these men are as important as was indicated twelve months ago by the Prime Minister, and as is indicated now by the Minister of Labour, can the Minister of National Defence state that they are not being accepted at the present time when they go to enlist? When this type of man presents himself for enlistment, is he told to go back where he belongs? I know that he is not.

I have visited some of these lavishly constructed recruiting offices—incidentally I think the Minister of Finance (Mr. Ilsley) had better check on the cost of some of these recruiting centres—and I find that they grab any young man they can possibly get their hands on. The recruiting office in Ottawa has been closed up for some time, but in the last day or two the trumpets have been blaring forth again. I ask the Minister of National Defence to check up on that so that the people of this country will know that the urgent need for food is actually being recognized.

Before the Minister of Finance launches his next budget of five billion dollars, which is the amount mentioned in the press I should like to bring to his attention the fact that it is generally felt by the people of this country that there is wasteful expenditure going on under many government departments. Somebody said not very long ago that we have strange men at Ottawa. Perhaps some will say that includes some in this chamber, but it is not to them I refer. According to the press of February 20 last a gentleman who until recently held a high place at Ottawa in the timber control administration, and is reputed to be one of the greatest authorities on timber and lumber in Canada, addressing the Ontario Retail Lumber Dealers association in the Royal York hotel, Toronto, is reported to have used these words:

> Don't depend upon Ottawa to lead the course in Canada's lumber programme; those in the industry itself must map out the timber policy and vigorously present this to the federal authorities.

Mr. A. S. Nicholson then went on to make reference to his sudden resignation. The report continues:

> Prior to Mr. Nicholson's address, a resolution was unanimously passed expressing the continued opposition of the lumbermen toward the efforts that have been made, and are being made, by Wartime Housing Limited to encroach upon the field of permanent dwelling houses. It was claimed that Wartime Housing Limited was building great numbers of permanent dwellings valued at from $4,000 to $6,000 and that "this monopoly" was bankrupting legitimate builders.

He warned the retail lumber men of certain dangers in the second-hand lumber situation,

and I shall refer to this a little later. There is one other paragraph in the press report which I should like to quote:

One very high official told me I tried to run the timber board too economically and that I worked too hard.

I wish anyone who has lived in Ottawa for a part of each year during the past few years would tell this house where economy is being practised in any government department in this city.

For a year and more everybody who is engaged in the production or distribution of foodstuffs in this country has been trying to convince the government that the man-power situation is in a muddle, that things are in a state of chaos which must inevitably lead to a situation that will become absolutely beyond control. Members in every part of this house have reechoed these sentiments. One hon. member suggested taking men out of the army temporarily and putting them where there was essential work to do. I think every hon. member has had brought to his attention the plight of farmers who have been deprived of help which was vitally needed, and I think everyone realizes how difficult it is to get a man released from the army once he falls into the clutches of the military authorities. But the Minister of Agriculture (Mr. Gardiner) has asked for increased production of foodstuffs. Last year the hon. member for Glengarry (Mr. MacDiarmid) made an urgent appeal to the government that help be provided for the farmers. By a strange coincidence I was informed only yesterday of three or four farms in his county, large tracts of the best land in that splendid agricultural district where the farmer has been left with no help at all. These are farms which formerly carried from twenty-five to forty or fifty head of cattle and other stock in proportion, yet to-day only the farmer and his wife are left to carry on the work, and the consequence is that the stock must be reduced and implements are lying idle. I can understand, therefore, the urgency of the appeal made a year ago by the hon. member for Glengarry, but I cannot understand why it fell on deaf ears, particularly since he is on the government side of the house. In my own county the same conditions prevail in many districts; good buildings and splendid machinery are not being utilized. Some way must be found in which the minister and the Department of Agriculture can put their increased food production programme into effect.

Somebody may say: It is easy enough to criticize but how is the situation to be corrected? That is a fair question. In reply I should like to put on *Hansard* the opinion of a body of men who understand present-day conditions. The Minister of Agriculture may already have seen this resolution, but if not I shall be glad to furnish him with a copy.

Mr. MACDONALD (Brantford City): He can read it in *Hansard*.

Mr. LOCKHART: I would thank the hon. gentleman not to interrupt, because I intend to read this whether he likes it or not. Before doing so, may I pause to remind the house of the number of members of the cabinet who have been to Britain during the past year or two. I am not criticizing them for going, and if I am wrong in any comments I make I ask that I be corrected.

First let me say that I am informed on good authority that many hundreds of thousands of acres—in fact, I was told by one source that it was nearly three million acres—of good tillable soil in Great Britain has been taken over for defence purposes. We will put the amount at three millions in round figures. I am also informed on good authority from over there that an equivalent amount of land, or more, is now under cultivation in Britain in excess of what was under cultivation when the war broke out. It is not important for my purposes whether the figure is three millions or three and a half millions; certainly great areas of land have been put under cultivation. This result, I am told, has been accomplished through the appointing of committees of responsible men in every county or borough, vested with powers to deal with this situation. Over there they do not want irresponsible controllers who are not accountable to parliament. Their committees in the several counties and boroughs have authority to this extent, that if a particular farmer—say, for example, my friend the hon. member for Glengarry—is in need of help, the local board can go to industry—yes, and to the armed forces—and obtain the men necessary to keep production at the peak in that particular area. If the statements I have made are correct, I wonder why the Minister of Agriculture and the Minister of Labour have not developed a similar system here in view of the fact that the production of so many farms in this country has been seriously depleted.

I have here a resolution presented by my own county council, to which I will ask hon. members to listen, and to which I shall briefly refer. Though I have had no contact with my county council, I know the resolution was presented by two ex-wardens whom I know to be outstanding men. As for their politics, so far as I know they are of opposite political views. However, that makes no difference;

they are excellent farmers. Here is the resolution—I will send a copy to the Minister of Agriculture:

Whereas the shortage of man-power is the biggest obstacle in the way of Canadian farmers reaching this years' food production goals, and

Whereas there is no source from which this labour may be secured except by securing the assistance of urban people and by cooperating with each other,

Therefore be it resolved:

1. That the council of the county of Lincoln recommend to the federal government that a qualified man be appointed for approximately each 20,000 of rural population, which in the county of Lincoln would mean the appointment of two qualified men.

2. That the clerical work be done in the offices of the provincial agricultural representatives.

May I pause at this point to tell the Minister of Agriculture that I have it on good authority, regarding the operation of the agricultural offices in Great Britain, that there is no increase, or practically none, in staff, and that the work is done out in the field by competent men who have authority to act in this connection.

3. That the duties of the men so appointed shall be to see that the various phases of agriculture are organized and that these organizations cooperate one with the other for the achievement of the one aim which is the production of more food.

4. That to aid in the attainment of this goal of production of more food the following suggestions be recommended for consideration of the federal government.

(a) That city and all urban residents be encouraged to devote some time to farm work by supplying them with extra gasoline to provide transportation to and from the farm, and that the men appointed to carry out the field work, of this war production programme, be given the power, to issue these coupons, when he investigates, and finds that these urban and city people are working on the farm, and driving their own car back and forth to the farm.

(b) That small groups of farmers cooperate to save much food.

(c) That sows, gilts, cows and heifers be kept in production instead of being butchered.

(d) That an increase be encouraged on some farms of extra sows, cows, extra acres of grain, potatoes, tomatoes and other fruits and vegetables and also soy beans.

(e) That the planting of victory gardens be encouraged and stimulated on farms.

(f) That we are quite agreed with the present government policy of price control but would suggest that a floor be put under the price of all agricultural products in order to ensure the maintenance of the present production of foodstuffs and further encourage others to do their utmost.

Having received yesterday the resolution which I have read, and having gleaned a good deal of information from the old land as to how these matters are being handled there, I am moved to ask why some of these most effective methods, of which ministers surely must have knowledge, are not put into effect in Canada.

I want to say a word about egg production, since there is quite a number of small producers in my area. The Minister of Agriculture tells us he wants more eggs. You cannot have eggs unless you have baby chicks. I do not know why this subject was ever referred to the Minister of National Revenue (Mr. Gibson), whom I see in his seat. I understand that he heard much about baby chicks when he was in the city of Hamilton—as did the hon. member for Hamilton East (Mr. Ross). Apparently this industry, not only in Hamilton but in other places of which I have heard, is completely robbed of the experienced help which is necessary properly to produce these chicks. Perhaps the Minister of Labour would be good enough to get out another letter and explain the situation; it would be very helpful under the present circumstances.

Small producers in my riding tell me that they have difficulty in getting as much as twenty-eight cents for their present production of eggs, and that distribution facilities are such that it is almost impossible to find any medium whereby they can dispose of their production. In a letter I have here they urge me to find out whether there is any medium by which they can get rid of their surplus eggs, and they ask definitely that a bottom price be put on eggs so that they can get at least the cost of production and a little something to pay them for their labours. I would remind the Minister of Labour that if we do not have chicks we will not have eggs and we will not have hens, and the minister will not get his quota of eggs unless he does something to encourage these people by providing them with experienced help. This applies also to pork and beef, and I could deal further with the situation as it affects many other commodities. It all comes back to the muddled man-power policy we have had for the past three or more years.

I want to say a word to the Minister of Finance in regard to his budget of five billion dollars, which must be raised by taxation and other means during the coming year. I am going to voice the sentiments of a great many people in my own community who are asking one question. The Prime Minister has said that we need a reallocation of man-power and woman-power. The Minister of Labour has attempted to carry out this reallocation by regulation, which regulation has been further explained and clarified. This being so, why is it necessary to keep on adding factory extensions all over the coun-

try? This is being done in my own district, and I suppose in other districts as well. I know of one large addition in my own city which has been begun just recently. Then we have contracts for hostels and other buildings. I do urge upon the Minister of Finance that he bring pressure to bear upon the proper authorities to let us have in this house a real picture of the money that is being spent on hostels, staff houses and so on, many of which are not half filled. I have personal knowledge as to that. People are beginning to wonder why this reckless expenditure should continue. I urge upon the minister that he see to it that proper and adequate information is given this house so that when the people are asked to raise five billion dollars next year they may know the money will be properly spent. I am told that a hostel to take care of five hundred persons costs more than a quarter of a million dollars. That is a lot of hard-earned money which must be raised by a good many people, and it is about time we knew how this money is to be spent.

I should like now to refer to the construction of permanent housing units by Wartime Housing Limited, to which reference was made by Mr. Nicholson in his address in Toronto. Is it any wonder that the building contractors and all the various trades associated with the construction of houses, one of the greatest industries in this country, are organizing to protest against the way this is being carried on? I suggest to the Prime Minister that if he is not careful he may have another political group with which to contend. These men are sincere; they have made representations to the government, and I can tell the Prime Minister now that he will not have heard the last from them if he continues to allow Wartime Housing Limited to interfere further with private enterprise in the construction of permanent houses.

While I am on the question of the construction of houses, let me say that before we are asked to vote a five billion dollar budget we should be supplied with full information as to the amount of money that has been spent on war-time housing up to the present. I ask particularly that the expenditures in the city of Hull be laid before this house. A year or so ago we were told that the cost then had reached $3,800 per unit. I have been over there; I have looked into the situation, and I know a little about the construction of houses. We have seven or eight hundred of these war-time houses in my own city, and it is high time we knew where the money is going that is being spent in the housing programme in Hull. That goes also for war-time housing all over the country. I am not questioning the need for a certain amount of this type of construction. No doubt the Minister of Munitions and Supply (Mr. Howe) had a problem on his hands, but surely it is time we knew what money has been spent on this kind of thing and what has been the cost per unit, not only in Hull but all over the dominion. It might be interesting if someone would page the mayor of Hamilton in connection with this "permanent" construction, because I know he has some very strong ideas in connection with it. Perhaps the Minister of National Revenue will see him in that regard, because we were told that a programme was to be developed in Hamilton, though I believe there has been a delay of some kind. I am asking, however, that the fullest possible information be given this house in connection with Wartime Housing Limited, if not before the budget comes down at least a reasonable time before the people have to raise this huge amount of money.

I want to say a word about fuel. Back in the middle of December, 1942, I believe it was the Minister of Finance who told us we were short eight million tons of fuel. What has been done during the present heating season to relieve that situation? Hon. members on the opposite side have told us no provision was made for labour to bring wood out to the highways in order that it might be brought to the people. I remember reading a news item not very long ago stating that the town of Lindsay, in the Haliburton area, had no fuel. Surely if a coordinated plan of any kind is being developed for this season there should be no shortage of wood for fuel in the town of Lindsay or the Haliburton district. What is being done? It would be very helpful to hon. members and to the thousands of people living in war-time houses in areas where they cannot get wood, because of transportation difficulties, if they were told they need have no fear of not being able to heat their homes next winter; for I know many are suffering this year. This house and these people should be told whether there is a definite programme to relieve the situation. It must be remembered that these war-time houses have only a little fuel box at the back door holding only half a ton of coal. They must depend upon the distributors of fuel to supply them every ten days or two weeks, and the labour situation is such that I know of one firm which is printing signs saying that it has plenty of fuel but that people must get it in their own wheelbarrows. Thus the man-power situation affects our whole economy. Some controller

not long ago conceived the bright idea of spreading the news that there was bituminous coal in abundance in certain areas, and urging people to burn it. Surely the Minister of Munitions and Supply, knowing the equipment used by these people, must know that they cannot burn that soft, mine-run bituminous coal. A few days afterwards someone got a brain wave—to tell this to the people; and in their desperation they used it. I think it was in a Toronto paper we read that three or four people had died from coal gas poisoning. Within a week after this flood of literature about burning soft coal went over the country these people, who are munition workers—they cannot get a house unless they are—were putting soft coal into small firepots twelve inches in diameter. The result was that away went the lid and the door, and they woke up in the morning to find the place full of coal gas.

The supply of anthracite coal must be distributed where it is needed. Into the northern areas, where there is wood in abundance, no anthracite should go. What we need is a man-power policy to see that wood is got out in proper time so that there shall be no fear of lack of fuel for the winter of 1943-44.

Our man-power muddle is terrible. Here is one thing I wish to call to the attention of the Minister of National Defence. Yesterday morning a young man, a skilled toolmaker and machinist who has been working in an industry in this city for three and a half years, said to me, "I am disgusted." I am not going to tell the whole story, but he told me about production in the plant. He said, "I am going to see if I can enlist." I wonder if it is possible for a young man deliberately to leave an industry after three and a half years' special training, in order to enlist.

It is high time someone told us where we have to go and what we have to do. I have felt this for some time. I ask the government to give us some lead in this respect. From the press all across the country as well as in this House of Commons comes the call for a balanced man-power plan. Surely the Prime Minister and his advisers must be alive to the situation; surely they see that the man- and woman-power of this country must be reallocated at once. In my opinion there is only one solution and it is the enactment of national compulsory selective service legislation covering every part of this country and for every war service. This is the only thing I can see that will give us an all-out total war effort in Canada. Our first job is to win the war.

The house divided on the amendment (Mr. Graydon) which was negatived on the following division:

YEAS

Messrs:

Adamson
Anderson
Aylesworth
Bence
Black (Yukon)
Blackmore
Boucher
Bruce
Cardiff
Casselman (Grenville-Dundas)
Castleden
Church
Coldwell
Diefenbaker
Fraser (Peterborough West)
Gillis
Graydon
Green
Hanson (York-Sunbury)
Harris (Danforth)
Hazen
Hlynka
Homuth
Jackman
Jaques
Johnston (Bow River)
Knowles
Kuhl
Lockhart
McGregor
MacInnis
MacKinnon (Kootenay East)
MacNicol
Nicholson
Noseworthy
Perley
Quelch
Ross (St. Paul's)
Ross (Souris)
Senn
Shaw
Stirling
Stokes
White
Wright—45.

NAYS

Messrs:

Abbott
Authier
Bertrand (Laurier)
Bertrand (Prescott)
Black (Chateauguay-Huntingdon)
Blair
Bonnier
Bradette
Breithaupt
Brunelle
Cardin
Casselman, Mrs. (Edmonton East)
Chevrier
Claxton
Cleaver
Cloutier
Corman
Coté
Crerar
Crète
Cruickshank
d'Anjou
Dechene
Denis
Donnelly
Dorion
Douglas (Queens)
Dubois
Dubuc
Dupuis
Durocher
Edwards
Emmerson
Eudes
Evans
Fauteux
Ferland
Ferron
Fontaine
Fournier (Hull)
Fournier (Maisonneuve-Rosemont)
Fraser (Northumberland, Ont.)
Fulford
Furniss
Gardiner
Gauthier
Gershaw
Gibson
Gladstone
Golding
Goulet
Graham
Gregory
Hanson (Skeena)
Healy
Henderson
Hill
Hoblitzell
Howden
Howe
Hurtubise
Ilsley
Isnor
King, Mackenzie
Kinley
Lacroix (Beauce)
LaCroix (Quebec-Montmorency)
Laflamme
LaFleche
Lafontaine
Lalonde
Leader
Leclerc

Leduc	Mitchell
Leger	Mulock
Little	Neill
Lizotte	Nixon
McCann	O'Neill
McCuaig	Picard
McCubbin	Pinard
McCulloch	Poirier
MacDiarmid	Pottier
Macdonald (Brantford City)	Pouliot
Macdonald (Halifax)	Power
Macdonald (Kingston City)	Purdy
McDonald (Pontiac)	Ralston
McGarry	Reid
McGibbon	Rennie
McIlraith	Rhéaume
McIvor	Roebuck
MacKenzie (Lambton-Kent)	Ross (Calgary East)
MacKenzie (Neepawa)	Ross (Hamilton East)
Mackenzie (Vancouver Centre)	Ross (Middlesex East)
MacKinnon (Edmonton West)	Ross (Moose Jaw)
McKinnon (Kenora-Rainy River)	Roy
McLarty	Ryan
MacLean (Cape Breton North-Victoria)	St. Laurent
McLean (Simcoe East)	Sanderson
Macmillan	Sissons
McNevin (Victoria, Ont.)	Slaght
McNiven (Regina City)	Soper
Marier	Taylor
Martin	Telford
Matthews	Thauvette
Mayhew	Tomlinson
Michaud	Tremblay
Mills	Tripp
	Turgeon
	Turner
	Veniot
	Ward
	Warren
	Weir
	Whitman
	Winkler
	Wood—150.

PAIRS

(The list of pairs is furnished by the chief whips.)

Farquhar	Rowe
Maybank	Hatfield
Gingues	Douglas (Weyburn)
Rickard	Fair
Clark	O'Brien
Kirk	Tustin
Mullins	Marshall
Jean	Esling
Blanchette	Hansell

Mr. DOUGLAS (Weyburn): I was paired with the hon. member for Sherbrooke (Mr. Gingues). Had I voted, I would have voted for the amendment.

Mr. MARSHALL: I was paired with the hon. member for Richmond-Wolfe (Mr. Mullins). Had I voted, I would have voted for the amendment.

Mr. BLANCHETTE: I was paired with the hon. member for Macleod (Mr. Hansell). Had I voted I would have voted against the amendment.

Mr. FAIR: I was paired with the hon. member for Durham (Mr. Rickard). Had I voted I would have voted for the amendment.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I have explained my position on the address and I shall not be long in making the remarks I wish to make now. I am always brief in addressing the Chair and I shall follow that tradition to-day.

I have been a member of this house since 1924. In the period from 1924 to 1930 I fought for the party. In the period from 1930 to 1935 I fought for my electors and also for the party which understood the work I was doing. Since 1935 I have been fighting for my constituents and also for the party which does not understand that I am working for them. In 1931 I tried to get some information about butter, because butter had been one of the controversial subjects raised by the Conservative party during the election. I got some data about butter and other dairy products. We also had a fight over the Rivière du Loup station and unemployment. In 1932 it was mostly railways, the Post Office Department and unemployment relief. In 1932-33 it was the Ottawa trade agreements. Long speeches were made on those, and we also took up statistics, radio, the Post Office Department, the redistribution bill and unemployment relief.

On page 1949 of *Hansard* of February 9, 1933, are to be found fifty questions which I put to the leader of the Cooperative Commonwealth Federation and which have never been answered. It took a long time to draft them, but I undertook that work in order to give an opportunity to the Cooperative Commonwealth Federation group to give us some explanation of their policy. The former member for Humboldt was a dear friend of mine and he wrote me last year to ask for a copy of these questions.

In 1934 there was Mr. Sauvé's trip to Egypt to attend the Cairo postal congress, the fight on the bureau of translation bill, trade statistics, unemployment and farm relief, and redistribution. At that time the member for Témiscouata prepared a book which was furnished to the house but the Clerk of the House informs me that it has never been used by hon. members. However, it is still kept in the vaults of parliament. This book contains the story of redistribution in the province of Quebec from 1853 to 1933 and it shows how each county was affected by each redistribution. It is there if anyone wants to refer to it. It shows what has happened to the geography of each constituency in the province of Quebec over a long period of time. If it has not been used by any hon. member of parliament since it was tabled, it may be because the redistribution bill has not come

before us. However, it was used by the former minister of justice and the former minister of public works when they discussed this matter with two members of the Bennett government, Mr. Duranleau and Sir George Perley.

The point I want to make is that I was not a member of the committee. The one who represented the province of Quebec was a gentleman who made a speech about the Ottawa agreements in which he quoted four pages of a speech which had been made by Mr. Bennett, then prime minister, and four pages of a speech which had been delivered by the chief of the Liberal party—eight pages, really, four on each side—and that was the member's speech. It was so bad that it was struck off the record. He was the one who represented the province of Quebec on the committee, and since he did not do his work, I had to do it. The Liberal federation was paid to do this work. The representative of the province of Quebec on the committee did nothing. I had to do his work myself. Once when I was working on it, a member of the federation came to my office and spoke to me. I said to him, "Give me a chance to do your work. Don't disturb me when I am doing your work." I was doing it to help the members and to prevent the Bennett government from destroying the former constituency.

In 1935 what was discussed mostly was unemployment, external trade, and taxation. At the close of the session I was asked to prepare a tabulation of all taxation which had been imposed by Bennett each year. Not a single one of those taxes was removed by the party, although that tabulation was used as propaganda in the election of 1935, being issued as a leaflet. We complained of the sugar tax, but it was left where it was. I made a tabulation of all the taxes, and it served hon. members during that election. We also spoke during that session of tax-free bonds.

Besides that, another thing was done—the preparation of a report on unemployment. That report was carefully made and was well received by the press. A minister, who was not then a member of the house, wrote me a letter dated June 19, 1935, in which he said:

> It is the most able analysis of the situation I have seen and will be exceedingly useful to me.

This was done to show that Mr. Bennett's unemployment policy was no good, and that the unemployment problem deserved careful consideration. I was successful in distributing copies to every member of the House of Commons in 1935. In the following year Hon. Mr. Rogers, who was then minister of labour, had a second edition made of that report and sent to each member of parliament, especially to the new members who had not had an opportunity of securing it before. I was often told by the late Mr. Gordon, when he was minister of labour in the Bennett cabinet, that it was impossible to secure data on the unemployed in Canada. About that time a congress of municipalities was meeting at the Chateau Laurier, and I asked the mayors who were in convention there if they could not supply me with some information on the unemployed. Their first answer was no, but finally I got some information from them. It took a long time. I did that at no cost to the country except for paper and printing, which does not amount to much. I sent telegrams out at my own expense. I made a report which gave a true picture of unemployment, and it showed that Mr. Bennett was not true in the words he put into the mouth of his excellency in each of the speeches from the throne at the opening and closing of the sessions. I had the great honour of hearing Hon. Mr. Rogers, minister of labour at that time, state in the house that that report was the basis of the unemployment policy of the government.

Then I asked for a complete report on the unemployed in my constituency. It was prepared by two very able men: Mr. Lafortune, a former controller of the city of Ottawa council and a very well-known man, and Mr. Begin, who was one of the appointees of the Minister of National Defence for Air (Mr. Power). These men lived in my county for several months and took the trouble to go into 1,200 homes of unemployed settlers, many of whom had no cattle and no horses, some of whom had six animals (six chickens), another only one animal and it was a dog; while some had an ox or a horse. Some had a cow which was used in place of a horse or ox and also used to provide milk for the children, but the milk was not very good coming from a cow that was used as a beast of burden.

After the session of 1935 the Ottawa *Journal* wrote an editorial about the member for Temiscouata, from which I read this last paragraph:

> So, let's not be too shocked over Mr. Pouliot, Hypocrites that we are, must of us will probably say out loud that the man is an impossible partisan but that will only be because we like to have other people say of us that we're fair and reasonable. Secretly, we have to admit that Jean-Francois has merely had the courage—or

perhaps folly—to speak out what most of us think; that he's expressed what most of us are slaves to.

And the thing isn't as bad as it seems. The story of our whole party system, which hasn't worked too badly, tells us that.

Mr. Lafortune and Mr. Begin made their report. It was a thick and very comprehensive report, well got up and showing everything. After the report was made, an agreement was signed by the dominion government with the provincial governments that it would not pay any unemployment relief. Therefore the report was of no use. But I gave it to one of my provincial colleagues, who got in touch with Mr. Godbout and it was one of the reasons why the provincial government of Quebec has been doing much along this line.

In the session of 1936 there was the loan by Mr. Bennett, without consulting his colleagues, of $60,000,000 to the Canadian Pacific Railway Company.

Then I had some little difficulty with the Speaker. Although he forgot what was the procedure and practice of the house by asking me to withdraw certain things I had said, although they were innocent words I had used I withdrew them just to show my good will and to save him trouble.

Then there was unemployment and social insurance, which I fought and bitterly complained about. Then there was a piece of legislation to repeal the economic council.

You know, sir, I believe that when a policy is enunciated by the party, it binds us for a very long time until it is proved that the party has been wrong in submitting it. There was a fight in 1930 about the British tariff. In my humble view the policy of the government was good. At the time the only decrease in our trade was in shipments of grain. The purpose of the new trade agreements was to give a kind of premium or prize to our British customers, and therefore I supported the agreements. When the party came back into power in 1936, as we had been fighting the Ottawa agreements, with the exception of two for which our leaders voted, I thought it proper to ask for the repeal of chapter 2, of 23-24 George V, 1933, and to substitute therefor chapter 13 of 20-21, George V, 1930, the effect of which would have been to replace the Bennett trade agreements with our own. I was very much surprised when the Minister of Finance of the day, Mr. Dunning, rose to a point of order; he contended that my motion was not in order. That was on March 10, 1936. On April 6 following I asked for the ruling of His Honour, the Speaker, but no ruling had been given at the end of the session, not even when we heard the boom of the gun that announced the prorogation speech.

[Mr. Pouliot.]

In 1937 it was the Canadian National Railways, unemployment, and national defence. At the time, I voted against some estimates of the Department of National Defence because I wanted some order in the department, and I wanted the bureaucracy which was supreme in the department to be curbed. One reason I took this action was that I was invited to a private reception given by a top "brass hat". By the way, when that "brass hat" was in a theatre of war he was weeping all the time; that was the way he served his country during that war. I do not know whether the glasses were full of tears or of liquor, but the liquor was very good. There was a distribution of champagne at that reception. Oh, it was fine and there was plenty of it. But I wondered whether there was something wrong there at the time.

In 1938 we fought the divorce courts and divorce bills. In that session there was also a civil service committee, to which I referred yesterday, and an unemployment relief bill. At that time I sent to the Liberal party a memorandum on the situation in the province of Quebec, with particular reference to the padlock law.

In 1939 there was the question of the library of parliament. We fought the central mortgage bank bill, and the bill was dropped; those who were to act under the bill were appointed but they were not given the power to act. The thing was stopped. Therefore we were right on that. We opposed the national defence board, the transfer of the purchasing branch of the Department of National Defence to the Minister of National Defence; and on that also we were right. It was a service to the party, in order that the party should have less trouble. Also we complained about the deputy minister of finance and the governor of the Bank of Canada, because what they were doing was being done behind the back of the House of Commons, with the assistance of the intelligentsia of this country.

At the special session of 1930, when the Right Hon. R. B. Bennett rose in his full glory to state that such unemployment as existed would be cured by high tariffs, the member for Temiscouta, who was sitting on a back bench, was the only one who rose to call for a division. The fact is not reported in the papers of the house but it was recorded by the parliamentary correspondent of *Le Devoir*, in Montreal.

These are a few things which I wanted to tell the house.

Since the war began I have done my best to do two things—to help the soldiers, and

to have a fair application of the man-power regulations. How far we have succeeded will no doubt be known in due course. It is very difficult at times to do what we want to do for the soldiers and for the civilian population. The work here is hard. There are only twenty-four hours to a day and every available minute is occupied. Sometimes we are sorry the days are not longer, because we have so much to do.

There are other things we have done—things which have been done in the interests of the party. My contention is that our actions should be in agreement with what is being said in public. Sometimes we are exposed to disagreement and to controversy with this or that hon. member. For instance, I had a controversy with the hon. member for Parkdale (Mr. Bruce), because he had insinuated that the Prime Minister was not well qualified to be the head of the government in war time. I was, I admit, unpleasant to the hon. member for Parkdale. I have nothing against him; he is an eminent member of the medical profession and a prominent citizen of Ontario; but I had to fight him on this issue in order to defend the head of the Liberal party.

More than that, on February 21, 1941, I used strong language with regard to some ministers, but it was because of certain intrigues which were then going on. What I have never said is that, in the forenoon preceding that speech, I telephoned to most of the English-speaking ministers outside the province of Quebec to tell them that there was an intrigue being made for the formation of a union government and that if it was successful they would be thrown overboard. One of the ministers, whom naturally I will not mention, told me that those who were against him were also those who were against me. What touched me very deeply—for I had not expected it, and had not telephoned to the Right Hon. Mr. Lapointe about it, although I had spoken here on the Friday afternoon—was that, while I was at home the following Monday, I heard over the radio that Mr. Lapointe had spoken in the house on exactly the same lines on that Monday, which showed that we saw eye to eye on this matter and that we both were defending the Prime Minister against all intrigues directed against him.

You know, sir, the story of the St. Bernard dog which barked very loudly and tugged at his master's clothes to get him out into the storm. He was kicked, but he was insistent. He was so persistent that finally the master put on his winter clothes, went out, and found one of his men who had been hurt in a fall on the rocks during the storm. So that sometimes, though we do things which are very unpleasant, they are for a good purpose. It is always easier to listen to those who are close to us, but there are some who, though close to us for a time, leave us afterwards.

I have in mind the case of Mr. Victor Sifton. I remember that one day during the summer, about the end of July, I was going down the plaza here. I saw a long car approaching, and someone put his head out of the window and shouted, "Victor! Victor!" It was the Minister of National Defence who wanted to see Mr. Sifton again before he went back to Winnipeg. There was no harm in that; but since he has been in Winnipeg, Mr. Sifton, who knows more about the Department of National Defence than any other civilian, has complained bitterly about the bad influence of the brass hats.

There is something else which I regret very much; it is based upon information appearing in the press, which I presume is correct. When the bombing crew who dropped bombs on Germany one morning and came to Canada the same day were here in Ottawa, they were photographed with various members of the cabinet. For some reason or other the Minister of National Defence was not at hand, and the Prime Minister said, "Where is Ralston? I want him to be photographed with me." I suppose that is natural, because the Prime Minister relies upon the Minister of National Defence and wants to share his glory with him; but the gentleman who told me about the incident was surprised that the Prime Minister should be so insistent upon having his picture taken with the Minister of National Defence. These are minor things, but centuries ago Plutarch said that it is by small things we judge great men. I do not desire to play the role of Cassandra; speaking about ambitions, I have none. However, it is perfectly legitimate for the leader of any party to expect to be able to rely upon his close supporters.

At the time of the vote on the plebiscite I was in Montreal, where I met a prominent citizen of Quebec, who asked how things were going here in Ottawa. I told him how they were going, and he said, "The Prime Minister will go, and he will be replaced by so and so," naming one of his colleagues. A little later I was here in Ottawa, and in one of the corridors of the building I saw another colleague of the Prime Minister who looked like a conspirator. Sometimes it is interesting to watch what is going on. Let me tell the Prime Minister that he can rely upon his humblest friends, even though at times they may differ with him on certain points. It is most difficult to terminate associations we have had for a very long time with colleagues with whom we have been working with a common aim.

We have come to know each other; we have tried to help each other, and we have managed to get along pretty well.

There is one further thing I desire to say. I have never said anything against any member of parliament, and I have appreciated the kindness and courtesy of the members of this house. I have been here a long time. The hon. member for Richelieu-Verchères (Mr. Cardin) is the dean of the house in point of years; the Prime Minister is next in line, and I am one of the older members. I appreciate very much the relations I have enjoyed not only with members on this side of the house but with those on the other side as well. But may I say that in my opinion it is wrong for the government to take the opposite view on every suggestion made by a member of parliament. It is always surprising to us when we are told "it is impossible" before we have an opportunity to say what we want done. Sometimes it would be a good thing for them to listen.

I could say many other things; I will say only one. It is that in my humble view the position of Minister of National Defence is a full-time job; I presume you will agree with me on that. He is even supposed to have a parliamentary secretary within a short time. Therefore I cannot conceive how at the same time the Minister of National Defence can be the perpetual acting Minister of Finance, as the Minister of Finance himself stated last year.

Nine years ago, sir, at Windsor, Ontario, the member for Témiscouata delivered a lecture on the anniversary of the death of Sir Wilfrid Laurier. At that time I quoted a few words that Sir Wilfrid Laurier had uttered in concluding a speech before a group of young men at London, Ontario, as follows:

Banish doubt and hate from your life. Let your souls be ever open to the promptings of faith and the gentle influence of brotherly love. Be adamant against the haughty; be gentle and kind to the weak. Let your aim and purpose, in good report or ill, in victory or defeat, be so to live, so to strive, so to serve as to do your part to ever raise higher the standard of life and living.

In those few words there is a programme for every man in public life. It should not be the programme of the Liberal party only; it should be also the programme of all those who have a desire to see the greatest possible number of their fellow citizens happy and contented, living like brothers. I need not mention the numerous campaigns that have been carried on during general elections and by-elections, the articles that have been written, the editorials that have been published in Liberal newspapers or other articles that have been mimeographed and sent to the members for distribution during several electoral campaigns. But I have always tried to see all citizens who think alike grouped together for the welfare of this country. I have supported the Prime Minister for a long time; I hope I shall be in a position to do so in the future. I do not know what the future will bring. Everything will depend upon the legislation that will come before us. But now, sir, my concluding word will be this, that this time I shall show good will by abstaining from voting on the address.

Mr. SPEAKER: Is it the pleasure of the house to adopt the motion?

Some hon. MEMBERS: Carried.

Mr. GRAYDON: On division.

Mr. MACKENZIE KING: Carried on division.

Mr. SPEAKER: I declare the motion carried.

Mr. ROY: Five of us are standing, Mr. Speaker, to call for a recorded vote.

Mr. SPEAKER: Only four members were on their feet when the motion was declared carried.

Main motion (Mr. Harris—Grey-Bruce) agreed to on division.

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the address be engrossed and presented to His Excellency the Governor General by such members of this house as are of the honourable the privy council.

Motion agreed to.

SUPPLY

APPOINTMENT OF COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister): Under standing order 57 the immediate business of the house, after the address has been agreed to, is to appoint the two committees of the whole house, the committee of supply, which controls the public expenditure, and the committee of ways and means, which provides the public income by way of taxation.

I therefore move:

That this house will to-day resolve itself into a committee to consider of a supply to be granted to His Majesty.

Motion agreed to.

WAYS AND MEANS

APPOINTMENT OF COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That this house will to-day resolve itself into a committee to consider of the ways and means for raising the supply to be granted to His Majesty.

Motion agreed to.

THE DEPUTY SPEAKER

ELECTION OF MR. JOSEPH ARTHUR BRADETTE, MEMBER FOR COCHRANE

Right Hon. W. L. MACKENZIE KING (Prime Minister): The house will have observed that during the period of the long adjournment of the last session the then Deputy Speaker of the house, the Hon. Thomas Vien, was appointed to the senate, and that Colonel Vien has since been appointed Speaker of that chamber. Colonel Vien's resignation has created a vacancy in the position of Deputy Speaker of this house. I should like to read to the house the rule which governs in respect of the appointment of Deputy Speaker or Chairman of Committees when the house meets at its first session of a new parliament or when a vacancy subsequently occurs. Standing order 56 reads:

(1) A Chairman of Committees of the house, who shall also be Deputy Speaker of the house shall be elected . . . as soon as an address has been agreed on in answer to His Excellency's speech; and the member so elected shall, if in his place in the house, take the chair of all committees of the whole, including the committees of supply and ways and means, in accordance with the rules and usages which regulate the duties of a similar officer, generally designated the chairman of the committees of ways and means, in the House of Commons of the United Kingdom of Great Britain and Northern Ireland.

(2) The member elected to serve as Deputy Speaker and Chairman of Committees shall be required to possess the full and practical knowledge of the language which is not that of the Speaker for the time being.

(3) The member so elected Deputy Speaker and Chairman of Committees shall continue to act in that capacity until the end of the parliament for which he is elected, and in the case of a vacancy by death, resignation or otherwise, the house shall proceed forthwith to elect a successor.

Hon. members will see from the reading of the order that the office of Chairman of Committees and Deputy Speaker of the house is a very high and honourable office, and requires, in the one to fill it, a member possessing many attainments and qualities, attainments and qualities very similar to those expected of His Honour the Speaker. The hon. member chosen for the position, inasmuch as he has to preside over the committees of the whole house and at times fill the chair of the Speaker, has to be a member who is familiar with the procedure of the house, possessed of a full knowledge of the rules, of judicial temperment, conciliatory and yet firm, one who has qualities of discernment, judgment and quick decision, also one who, because of his courtesy and fairness, is, as nearly as it is possible to find such a one, generally acceptable to hon. members of the house as a whole. He is required in addition to possess a knowledge of the language other than that which His Honour the Speaker himself possesses. His Honour the Speaker being English—

Some hon. MEMBERS: Scotch.

Mr. MACKENZIE KING: —Scotch, which is even better, it is necessary that the choice should fall upon one who is possessed of a knowledge of the French language.

I am happy to say that on our side of the house we have had little difficulty in discovering a gentleman who I believe all members of the house will be prepared to agree is not only a master of the French language but has mastered the English language as well—with a shade of a Scotch accent.

I would affirm, Mr. Speaker, that we have in the person of Mr. Joseph Arthur Bradette, member of parliament for Cochrane, a gentleman who, from the reception just given the mention of his name, certainly is most acceptable to members on both sides of the house. Mr. Bradette has been a member of this House of Commons for seventeen years—or rather is now in his seventeenth year as a member—having been elected to parliament in 1926, and returned at each subsequent general election. I doubt if any other member of parliament in that period of time has been more faithful in his attendance on the proceedings of the house. During the time he has been a member he has frequently been called upon to preside over the committees of the house and has also at different times filled the chair of His Honour the Speaker. We know that at all times he performed these duties in a most creditable manner, a manner which has met with general acceptance on the part of all members of the house.

The hon. member was born in Quebec, and lived in that province for some time. Subsequently he moved to northern Ontario, where he has since resided. He has been an example to all of us in that during his period of residence in Ontario he has so completely mastered the English language that to-day he is able to speak in both French and English with a degree of fluency which few other hon. members in the house possess.

I have to add only that at an earlier stage of our discussions an hon. member belonging to the party sitting immediately opposite stated that when the government was called upon to make a choice of Deputy Speaker he hoped we might select the hon. member for Cochrane. I was pleased to learn in advance that the choice of the hon. member who had already been decided upon for the position of Deputy Speaker would be so acceptable to the opposition. I believe the choice will be as acceptable to the other groups in the house as it is to all hon. members on this side.

It is therefore with great pleasure, Mr. Speaker, that I move, seconded by my colleague the Minister of Mines and Resources (Mr. Crerar):

That Joseph Arthur Bradette, Esquire, member for the electoral district of Cochrane, be appointed chairman of committees of the whole house.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I am sure we have listened with more than the usual degree of interest to the selection just announced by the Prime Minister (Mr. Mackenzie King) for the important position of Deputy Speaker and Chairman of Committees of the Whole.

One point which strikes me at once, in connection with the recipient of this very important honour, is that he is one of our Canadian citizens who has come up the hard way of life. It is my belief that if we are going to pay tribute to men in public life we ought not to lose sight of the fact that a great many of our citizens have perhaps commenced their lives under circumstances such as those which surrounded the present recipient of this honour, and we should pay special tribute to those men who have come up the hard way, like the hon. member for Cochrane (Mr. Bradette), and have made a success of their lives.

I believe those of us who did not have the advantage of being born with silver spoons in our mouths appreciate more keenly the honour now conferred upon a member who has made his way up by dint of hard work, by industry, by integrity, by honesty, and by a close application to the objectives he had in mind. Not only has the hon. member for Cochrane had a number of occupations but, in addition to that, within the last few years I believe he has been called to the bar in Ontario. That perhaps, in the estimation of many hon. members, is the only thing that could be said against him.

There was a time before I entered the house when the leader who sat opposite my present seat was unmarried. At the same time there was a leader of the opposition who found himself in much the same plight, and also a leader of one of the third parties who was in that unfortunate position. At the beginning of this session the Prime Minister was good enough to make some reference to the growth of certain customs and practices which he hoped would not continue. I am hopeful that his choice of this bachelor member from Cochrane will not prove to be the beginning of the growth of a custom of which the Prime Minister himself is a devoted follower.

In paying this tribute this afternoon may I congratulate the Prime Minister upon having accepted, when making this appointment, the suggestion of a member in His Majesty's Loyal Opposition. I believe it is the first time since the beginning of the session that he has not made a decision based entirely upon something brought up at the Winnipeg convention. Whether from His Honour the Speaker or from the Deputy Speaker, hon. members in His Majesty's Loyal Opposition ask only for justice, fairness and a square deal. If in a public way in his new post the hon. member for Cochrane carries on in the same way as he has while a private member in the chamber, we have reason to believe that we shall have nothing to fear from this appointment.

I congratulate the hon. member, and also the Prime Minister upon having accepted our selection upon this occasion. I hope this will not be the last occasion upon which he may be prompted to follow that procedure.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, there is not much left to be said. I congratulate the hon. member for Cochrane (Mr. Bradette), and would add that we, too, are pleased with the appointment made this afternoon. Those of us who have been associated in various ways with the hon. member for Cochrane have grown to like him and to admire his many qualities. I am sure we shall have in our Chairman of Committees one who will follow your own example, if I may say so, and be fair at all times to all members of the house, wherever they may sit. I say to the hon. member that he has our good wishes and our heartiest congratulations.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, our group is well pleased with the selection which the Prime Minister (Mr. Mackenzie King) has made. Since first entering the house I have been impressed by the sincerity of the hon. member for Cochrane (Mr. Bradette). I have been impressed, too, by his earnestness, his industry and his desire to be fair. In the new position to which he has been appointed I believe he will show all of those qualities. I congratulate him, and

extend to him from this group a hearty welcome, as he assumes the new responsibility placed upon him.

Mr. FREDERIC DORION (Charlevoix-Saguenay): (Translation) Mr. Speaker, I am happy to join the hon. members who have congratulated the hon. member for Cochrane (Mr. Bradette) on his appointment as Deputy Speaker of this house. My satisfaction is enhanced by the fact that I represent here the native constituency of the hon. member for Cochrane, for I believe he was born in St. Urbain, county of Charlevoix.

Motion agreed to.

BUSINESS OF THE HOUSE

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the Minister of Finance (Mr. Ilsley) has with him the estimates for the ensuing fiscal year. Although no item appears on the order paper under which their reference to the committee might be made, if the house is agreeable the minister is prepared to table the estimates now and to have them immediately referred to the committee of supply which has just been constituted.

MAIN ESTIMATES, 1943-44

A message from His Excellency the Governor General transmitting estimates for the fiscal year ending March 31, 1944, was presented by Hon. J. L. Ilsley (Minister of Finance), and read by Mr. Speaker to the house.

Mr. ILSLEY moved that the message of His Excellency, together with the estimates presented this day, be referred to the committee of supply.

Mr. GRAYDON: What is the total of the estimates this year?

Mr. ILSLEY: I do not know the answer at the moment. They are not at all comparable with those of last year on account of the addition of large sums for interest and payments to the provinces. I think the total is approximately $610,000,000.

Mr. GRAYDON: Is there any specific increase apart from those two or three items?

Mr. ILSLEY: Oh, no; decreases.

Motion agreed to.

POST-WAR RECONSTRUCTION

APPOINTMENT OF SPECIAL COMMITTEE ON RECONSTRUCTION AND REESTABLISHMENT

Hon. IAN MACKENZIE (Minister of Pensions and National Health) moved:

That a select committee of the house be appointed to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war, and all questions pertaining thereto; with power to such select committee to appoint, from among the members of the committee, such subcommittees as may be deemed advisable or necessary, to deal with specific phases of the problems aforementioned, with power to said select committee and to such subcommittees as may be formed therefrom, to call for persons, papers and records, to examine witnesses under oath, and for such select committee to report from time to time to the house; and that the said committee shall consist of the following members: Messrs. Authier, Bertrand (Prescott), Black (Cumberland), Brunelle, Castleden, Dupuis, Eudes, Ferron, Fraser (Northumberland), Gershaw, Gillis, Gray, Harris (Danforth), Hill, Jean, Mackenzie (Vancouver Centre), MacNicol, McDonald (Pontiac), McKinnon (Kenora-Rainy River), McNiven, Marshall, Martin, Matthews, Maybank, Mitchell, Nielsen (Mrs.), Poirier, Purdy, Quelch, Ross (Middlesex East), Sanderson, Stirling, Turgeon, Tustin, White, and that the provisions of standing order 65, limiting the number of members on special committees, be suspended in relation thereto.

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, in my opinion, outside matters having to do with the carrying on of the war, the appointment of this committee is the most important matter that can come before us at this session of parliament. The business of providing for the war effort itself and the work of preparing plans for the post-war period are simply two parts of the same problem. The committee which sat last year has not, as far as I can learn, made any recommendations to parliament. I believe that was a disappointment to the people throughout the country because they expected that the committee would bring in important recommendations which would help us to plan our economic and social life when this war is over. They were looking for something better than we had between the end of the last war and the beginning of this one.

My purpose in speaking this afternoon is not to criticize the minister under whose auspices this motion is made and this work comes; rather it is, if I can, to assist him by impressing upon the members of this house the importance of the work indicated in the motion before us. There are people who believe that all plannings of this kind should be left until the war is over; indeed there are two schools of thought in the country in regard to it.

One school is composed of those who say, "Let us get on with the war; let us defeat Hitler; nothing matters now but victory." I have no doubt that many such people have tried to get the ear of the Minister of Pensions and National Health (Mr. Mackenzie). Members of parliament are receiving booklets

and pronouncements along this line from many sources. However, there is as I say another school of thought which believes that the preparation of comprehensive plans for post-war problems now would be a help rather than a hindrance to our war effort. Such plans are bound to improve the morale of our people. On the other hand, the absence of such plans is certain to be a damper on the morale of our people. This second school also believes that there are other things besides victory that matter; that is, that a military victory is not enough.

The first school is not large but it is influential. It is composed of those in comfortable positions, those to whom the present system has been kind. Such people look backward, not forward. They are in deathly fear of any change because they believe that any change can be only detrimental to them. They are in mortal fear of social changes, and in a large measure it was this fear of social change that led us unwittingly into the present war. This school is satisfied with things as they are. They think that the proper thing to do when the war is over is to go back to the pre-war status quo as quickly as possible.

The second school of thought includes all forward-looking people, people who realize that the pre-war status quo does not exist, that it would be quite impossible to go back to it even if we wished. They are the people who see in this war something more than a war; they see it as a world-wide social revolution. I believe that in this group can be included the Prime Minister (Mr. Mackenzie King), if I heard aright the statement he made during his speech on the address. In the same group we can include the President of the United States, who is insistent that the consideration and preparation of post-war plans should be a part of our work to-day. In his address at the opening of congress this year, President Roosevelt said:

> I have been told this is no time to speak of a better America after the war. I am told it is a great error on my part. I dissent. If this becomes a matter of national debate the people will know where I stand.

Nothing, I think, could show clearer than this statement where President Roosevelt stands on post-war planning.

As I said, people who believe that we should start planning now are the people who recognize that a military victory is not enough. They remember that we had a military victory in 1918. They also remember the few years of ruthless exploitation and world-wide speculation that followed the last war, and they also remember the years of hunger, of misery and

of want. They do not want at the end of the present war to find us as unprepared as we were at the end of the last war. As a matter of fact, they are convinced, as I am convinced, that all that the common people got out of the last war is this war.

I want to tell the minister and hon. members that a great psychological change has taken place in the minds of our people since this war began. I may be asked what has caused that change. I think I can state the reasons as they appear to me very briefly.

First, the people see that money in abundance can be found for war, and they are asking, if money can be found for war, for destruction, why cannot money be found just as easily for the creation of wealth and the creation of health and comfort?

Second, they see that to-day, although we have in the armed forces approximately 700,000 men and women who are not producing at all, and in war industries some 900,000 who are producing but are not producing consumers' goods, not producing wealth, nevertheless the people of Canada are at the present time better fed and better clothed than they were at any time between 1929 and 1939. They are asking why this should be. They are asking why it is that we are fearful of what may happen when peace comes, when to-day, with 1,600,000 men and women taken out of active production, our people are enjoying a better standard of living than perhaps they ever enjoyed before.

Third, the people of Canada have been tremendously impressed, as have the people of the whole world, by the military achievements of the Soviet Union. They had been told by all of the best people that a planned economy could not work. Yet they have seen a practical demonstration of the fact that a planned economy does work. They may not see all its implications, any more than you or I, Mr. Speaker, can see them all; nevertheless the fact remains that a planned economy does work, and our men and women will demand that they do not come back to the anarchy in production that they left when they went into the armed forces. The men and women in the armed forces expect that Canada will have a new deal ready for them when they come back. And not only do the men and women in the armed forces expect that. The workers in our war industries, the workers in our forests, the workers in our mines, the workers in our fisheries, the workers on our farms, expect that Canada will have a new deal, a new plan ready for them when this war is over.

If we do not begin now to prepare those plans, if we do not show the people that we

are doing something now; if we do not give them tangible evidence of our sincerity in the matter, then there can be only one result. They will grow hopeless; they will become cynical; they will become defeatists; and when people get into that state, their minds become a fertile soil for every sort of screwball idea that may be offered to them.

A few days ago it was said in this chamber that the fall of France was caused by the multiplicity of the political parties which had grown up in that country. But that is a very superficial view of the situation in France in 1940. What caused the multiplicity of political parties? France fell so easily as a result of the greed of a few at the top, and the hopelessness and cynicism, and lack of faith of the masses of the people in their own ability to do anything. What the government of this country must do is not just to prepare plans but to take the people of Canada into its confidence and with their cooperation begin to make plans for the manifold problems which will confront us when this war is over. I suggest to the Minister of Pensions and National Health that he hurry the preparation of such plans with all possible speed.

I quote a short paragraph from a speech made by a great statesman, General Jan Christian Smuts, on June 28, 1919, at the signing of the treaty of Versailles.

> Our allied peoples must remember that God gave them overwhelming victory, victory far beyond their greatest dreams, not for small, selfish ends, not for financial or economic advantages, but for the attainment of the great human ideals for which our heroes gave their lives, and which are the real factors in this war of ideals.

We should begin now to prepare plans which will indicate to the men and women in our armed forces that we appreciate the ideals for which they are prepared to give their lives, and that we shall not allow the victory which they will win for us on the military front to be debased to selfish ends.

As I mentioned before, the servants of privilege are already busy planning. Anything which the government of Canada will do will be done openly; everybody will know that we are doing it. But the plans of big business are generally formulated in secret. I have in my hands a page from the *Financial Post* of December 26, 1942. In it is an article by Horace T. Hunter, President of the Maclean Publishing Company Limited. In regard to post-war planning he has this to say:

> The war has given private enterprise what may be its last chance to prove itself.
>
> If private enterprise fails when the crisis comes—and that will be after the war—it will be replaced.

Replaced by what? Nobody knows. Bureaucracy, governmental control and ownership, confusion and chaos seem likely answers.

Horace T. Hunter of course assumes that private enterprise has not already failed. If private enterprise did not fail between 1929 and 1939, what was it that failed? He goes on:

> Realization that this crisis lies ahead is driving the leading businesses of the United States into a brand new field of economics—post-war planning.
>
> So important do these corporations regard the field of post-war planning that some of them are assigning vice-presidents and other officials to research on this task as a full-time job.
>
> The researchers are faced with stupendous problems. They must get business away from its too individualistic past. They must prepare to assume leadership and coordination of effort on major questions. They must see to it that private enterprise has a broader conception of its duty to the community. They know that they cannot dream of returning to the thirty or forty per cent production which pertained in the 1930's.

Mr. Hunter did not tell us why thirty to forty per cent production obtained in the 'thirties. He stated a fact without giving reasons, but the same reasons will apply in the 'forties, if we are lucky enough to finish the war during that period; it will apply at any time under the present system. Thirty and forty per cent production was inevitable because private enterprise, if you want to call it that—it is not that to-day; it is corporate enterprise—is not interested in industry as the means of producing the largest possible quantity of consumers' goods; it is interested in profit; and production was limited to thirty and forty per cent in order to reduce the amount of goods available and to maintain prices.

An hon. member undertook to tell the house the other day why Roosevelt's new deal policies failed. He said it was because the President, not satisfied with promoting public works and that sort of thing, went into various kinds of private business. But the hon. gentleman who told us that did not tell us that Roosevelt did not take office until March, 1933. He did not tell us that between 1929 and 1933 the whole economy of the United States had come to a standstill and business men were praying for someone to come along and start the wheels of industry going. Oh, yes, if you interfere with business you will destroy confidence! In one October day in 1929 on the New York stock exchange fourteen billion dollars, it is said, were lost. What destroyed confidence then? Private business never had such a free hand. But that is the inevitable result of anarchy.

I want to bring the house a little nearer home. There came into my hands a few days ago the report of the Canadian Pacific Air Lines on business in the first year of operation. This report appeared in the Montreal *Gazette* of January 2, and is by L. B. Unwin, President of Canadian Pacific Air Lines. He mentions that in 1942, the first year of operation, Canadian Pacific Air Lines flew approximately six million scheduled aeroplane miles. Air cargo reached, he says, the record total of close to ten million pounds, and consisted largely of military and air defence shipments; in fact, ninety per cent of the total traffic handled by Canadian Pacific Air Lines was in connection with the war effort. Then he says:

In addition to its transport operations the company is the largest single civilian organization connected with the British commonwealth air training plan and operates, on a non-profit basis, six of a total of nine air observer schools, and one elementary flying training school.

This is significant, because for a year or more after the beginning of the war Canadian Pacific Air Lines was not in the air travel business at all and was not operating any schools, either observer or flying schools. He goes on.

It also manages five engine overhaul and aircraft repair plants under contract to the Department of Munitions and Supply for the overhaul and repair of R.C.A.F. equipment. These establishments are spread across Canada and combined with the air transport services, are providing the nation with indispensable air facilities so necessary for the prosecution of a successful war effort.

I will now read the last paragraph of this significant report:

While the airplane to-day is an integral part of our war-time mechanism, it should not be overlooked that commercial aviation is destined to play a major role in reshaping a post-war world. In this regard the Canadian Pacific, as a long-established world-wide transport system, will undoubtedly through the extension of its air operations take its natural place in the development of world trade and travel routes to meet the almost unpredictable demands of the coming air age.

Here is a private company that has obtained control of a business that developed solely out of the country's war effort; and after the war we shall have this additional vested interest in our transport system with which to deal, just as we had another vested interest that prevented a solution of our transportation problems previously.

I want to say a few words in regard to this "private enterprise" about which we hear so much. No doubt those people who are so much afraid of government interference will approach the minister and, as I said before, try to get him to go slow with anything in the way of national planning by the federal government. I would advise him not to listen to any blandishments of that kind. If he will read the speech delivered by his leader, Canada's Prime Minister (Mr. Mackenzie King), to the American Federation of Labor on October 9, 1941, I think he will find plenty of justification for going ahead with preparations of plans that will prevent chaos at the end of the war. I should like to quote two or three short paragraphs from the Prime Minister's speech. If hon. gentlemen opposite have not read it, I would suggest that they do so. If they have read it already, I would suggest that they read it again. The right hon. gentleman said:

I believe the war is teaching us that the obstacles to full employment were not real obstacles; that a partnership of management, of workers and of the community can make useful work available, in time of peace no less than in time of war, for all who need or want to work.

I should like to call attention to the words, " not real obstacles," and to the statement that the obstacles to full employment were not real. If they were not real obstacles they were phoney obstacles, and by his own words the Prime Minister has convicted himself of allowing phoney obstacles to stand in the way of full employment in this country at least from 1936 up to the beginning of the war. Then he went on:

But the work of repairing and restoring the ravages of war will not be enough. Fortunately, we are also learning that the only limit to our productive capacity is the limit of our resources, and our will and skill to use them to satisfy human need instead of human greed.

I should like to ask hon. members opposite if they think private enterprise, operating to make profits for shareholders, will have in mind "that the only limit to productive capacity is the limit of our resources, and our skill and will to use them to satisfy human need instead of human greed?" If you are going to leave the economy of this country on the old basis, which do you think will come first—human need or private greed? There is no doubt at all about the answer to that question. The answer has always been the same and will continue to be the same.

I have just one other quotation from the Prime Minister's speech. I am going to all this trouble because I am not sure that my hon. friends opposite have read it:

The war has shown us that the way of monopoly, of unrestricted power, is a way that leads to destruction, desolation and death. The only path of prosperity and of peace is, I believe, the path of equality, of cooperation, and of human brotherhood.

Well, do you think you can get equality, cooperation and human brotherhood from the

people who are using the newspapers so freely to advertise differences between themselves and their employees; from people who vilify persons and groups who attempt to organize the workers; from people who under no circumstances will allow their employees a voice, not in the management of the industry, but even in determining the conditions under which they will sell their labour?

I want to quote a few short paragraphs from one of the most widely reviewed books on economics that has come to my notice for a long time. The book is entitled, "Conditions of Peace," and the author is Edward Hallett Carr, professor of international politics in the university college of Wales. I understand he is also an editorial writer on the London *Times*. In the two or three quotations that I am going to give he deals with the question of individualism and collectivism. He shows clearly that if ever there was any such thing as private enterprise it no longer exists. On page 71 he says:

> The classical economists presupposed a society of independent, fully enlightened and completely mobile individuals, each acting for himself, possessed of equal bargaining power, and equally interested in the economic system as producers and consumers. This hypothesis was never even approximately realized.

He continues:

> The hypothesis of a vast society of equal, independent and mobile individuals was falsified to an ever-increasing extent. The individual counted less and less. The forces which dominated production and distribution and exercised a preponderant influence in the economic "society" were a few highly organized interest-groups, growing ever larger and more powerful. What is commonly referred to "individual enterprise" has been destroyed not, as its advocates sometimes pretend, by "socialism" or by the interference of grandmotherly governments but by the innate trend of competitive capitalism towards monopoly.

What have the advocates of private enterprise to say to that? One more quotation:

> The issue miscalled individualism v. collectivism is not really the question whether economic enterprise should be controlled by the federal government or by men like Mr. Ford, but whether it should be controlled by a corporation responsible to the federal government or by some other equally collective, but not responsible, organization such as General Motors, Bethlehem Steel or Southern Utilities. "The choice . . . is not between competition and monopoly, but between a monopoly which is irresponsible and private and a monopoly which is responsible and public."

That is the alternative, not only for this government but for every government in every democratic country in the world. So-called private enterprise no longer exists. We have corporate enterprise, which is an altogether different thing, controlling ever larger and larger aggregates of capital, so that ultimately they control governments. With these facts before us may we not at this time go ahead in earnest to prepare the plans that are necessary to meet those problems which will confront us after the war?

Before taking my seat I should like to quote one more short paragraph from this book. Mr. Carr ends his book with this:

> The old world is dead. The future lies with those who can resolutely turn their back on it and face the new world with understanding, courage and imagination.

Now, just a last word to the minister and to those who will be with him on the committee. When this war is over either we shall be ready with a plan, some sort of a planned economy, or we shall have turmoil, planned and unplanned.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. J. R. MacNICOL (Davenport): Mr. Speaker, it is not my intention to follow in the vein of the hon. member (Mr. MacInnis) who preceded me. During all the days of my working manhood I was associated with that devoted portion of our population known as the working class. I was glad to belong to them. I am happy indeed that after perhaps twenty years as a worker in industry I can say I never in that time came in contact with the type of employer to which the hon. member referred. The men with whom I came in contact were Christian gentlemen who spent their lives in trying to build up this country. I knew many of them who, year in and year out, did not receive a dollar on the investments they had; and I knew many more who delighted beyond measure in foregoing their profits, so that the companies with which they were associated could increase their size and thereby give more jobs. All my working life I have been one of those who have been firmly devoted to doing what I could to provide men with employment. I am one who believes that God intended that men and women born to this life should, in the days in which they were able to work, have an opportunity to do so, and that they should have that opportunity at a remuneration sufficient not only to take care of themselves and their families but to provide a competence for their older days. I am convinced of that.

So that to-night, while I rise to support the motion of the minister, what I have to say will be in reference to giving jobs. The reso-

lution goes some distance in that direction, but whether or not it is all-embracing is not for me to say. I am convinced it is the minister's intention to have it all-embracing, and I am convinced the minister intends that when the war is over, soldiers not remaining in the army, and munitions workers released from their employment shall have jobs.

Being convinced of that, I am going to try briefly—because it is not my intention to speak at length—to state why I believe jobs can be given. What will be the problems with which the government will be faced? Almost overnight—because I was through it, and I know—the first problem will develop. I saw it in 1918, and I must say I cannot see any picture when this war closes different from that which followed in 1918, as far as industrial plants are concerned.

First, let us consider the government's own huge plants. Does anyone in the house think for a moment that the gun plants will continue to make guns; that the shell plants will continue to make shells; that the shell factories in which the shells are filled with powder will continue in operation? I do not think so; I cannot see why they should. But I can see why those employed in the plants should be given some other place to go.

The same applies to the soldiers. They will not all come home at once. I remember very well that in the winter following the armistice of 1918, and during the following spring, troops were coming home to Toronto. They are not all going to be dismissed immediately. Some of them may be kept overseas to maintain order in countries where there may be possibilities of disturbances.

But the problem of the soldier is not as immediate as that of the munition worker and other industrialists. Those in any way associated with industry, or the provision of products used in industry, will be the first to require being taken care of. After that will come the heroes, when they arrive home. That is the problem.

How will that problem be met? I have heard people say that we cannot lift ourselves by our boot-straps. I have heard others say the government cannot provide jobs. I shall not say anything about lifting ourselves by our boot-straps, but I do say the government can and should provide jobs to take up the slack, until normalcy returns. I do not mean by that that men should be set at digging post-holes into which posts will never be placed, or moving sand piles from this side of the road to the other side. I do not believe in anything like that. No; I believe in a sound, economic employment, and I am sure there is ample and full opportunity for all in Canada.

[Mr. MacNicol.]

I shall touch on only a few—a very few—of what I believe are sound economic jobs. In last night's *Evening Telegram,* published in Toronto, I find pictures depicting the overflow of the Etobicoke river, which flows through the riding of my house leader, the hon. member for Peel (Mr. Graydon). That overflow developed from melted snow and ice. I have seen severe floods on that little river, but it has never had a real flood yet. However the time is coming when not only the Etobicoke but every other river in Canada subject to flood may have a real flood.

We do not know much about floods in Canada, although I believe in Quebec, along the Chaudière, there has been some loss of life and property, and that may have occurred along some other rivers in that province. There may have been some loss, too, in Ontario and in western Canada. But no place in Canada as yet has had a flood such as that which is likely to come. I have in mind one flood that almost wiped out the city of Dayton, Ohio, a beautiful city known to many hon. members. There had been floods on the Miami river in Ohio all through the years, from the time of the earliest settlers. In 1905 they had a severe flood, but the loss of life was insignificant and property damage amounted to only a million or two of dollars. They had further floods prior to 1913. God gave them ample warning that there might come a time when they would have real floods. That time came, and they had a frightful flood in 1913.

What happened? Four hundred and sixteen people were drowned in the city of Dayton, Ohio, and property to the value of $100,000,000 was destroyed. When one is told that in that city water thirty feet deep was running down the main street it makes him stop to think what can happen. The watershed of the Miami is not a great deal larger than that of the Thames in Ontario. But everything synchronized in 1913. They had a fall of rain over the whole watershed which lasted for four days, the greatest rainfall in their history, and a total of from five to six inches of rain fell. The Miami river valley was never intended to carry off a flood like that; it could not and did not. The result was that it carried 416 people to their graves and did, as I say, $100,000,000 damage. This woke up the state of Ohio and the government of the United States and they flood-proofed the Miami river. Since that time there has been no flood on that river to cause any damage, although there have been two or three occasions when the rainfall was just as heavy as it was at

the time of the great 1913 flood. While it cost $30,000,000, in my judgment that was a self-liquidating project. Look at what they have saved since then. They have saved probably half a billion dollars in possible damages and perhaps a thousand lives.

So that I say to the minister that any programme of flood-proofing our rivers should be proceeded with without any hesitancy because such jobs liquidate themselves. They cost nothing. They have had other floods in the United States. They had a great flood on the Muskingum river in Ohio. I have been all over these rivers and have surveyed the flood control works. Tremendous damage was done at Zanesville, Ohio, and I believe nearly 1,000 lives were lost. But there cannot be a repetition of that damage to-day on the Muskingum river. There have been many great rains since that time, but no damage has occurred because the river is flood-proofed. In other words, they have more than saved the cost of doing this work, not to mention the saving in human life.

The pictures in the Toronto *Telegram* are of a small river in Ontario, but small rivers can rise to tremendous heights in a short time and cause considerable damage. I visited Fond du Lac, at the south end of lake Winnebago in Wisconsin. The watershed of the little river running through the town into the lake covers only 210 square miles. The people in the community did not accept the warning that God sent them that the day would come when there would be a real flood. Fond du Lac itself covers a little less than seven square miles; I think about 6·7 square miles. A cloudburst occurred; there were great rains for several days and the whole watershed was covered with water to the extent of 2·75 inches. Hon. members can compute the number of cubic feet this would mean. The result was that that little town had to provide an outlet into the lake for 1,342,000,000 cubic feet of water. Of course, there was no place for the water to go, and the result was the town was submerged to the extent of seven feet. They got busy and prepared plans, but I have not been there since to see how those plans have been carried out. I understand the cost of the works would be about $300,000, but it would be money well spent; it would be a self-liquidating project.

I do not want to take up too much time on this matter because it is not necessary. The government has in its possession the figures on the cost of flood-proofing rivers because it was a party to the flood-proofing of the Grand river in western Ontario. In fact I brought up that matter in this house long before it was brought up anywhere else. I never looked for any credit for doing that. I was invited to the opening of the dam but I did not go. I like to assist in having a thing done, but I look for no glory. There is no glory in this world worth going after, but while we are here we should try to do our best to make this a better place for others to live in. As I say, the government has the figures on the flood-proofing of the Grand river.

I believe this government paid 37½ per cent of the cost of the Shand dam, a magnificent structure located a few miles north of the town of Fergus. I noticed yesterday that they had let the water out of that dam in preparation for any possible flooding that might occur. If one dam will flood-proof that whole area, the Shand dam should do it. Then the Ontario government also paid 37½ per cent of the cost, and the municipalities paid the remaining 25 per cent. I think that is a fair division, although it is not the division they used in the United States. I have not the figures before me for the Ohio project, but I understand that the federal government paid 63 per cent while the municipalities paid 11 per cent of the cost, and the state government and the utility companies, such as the telephone, electric light and railway companies, paid the remainder.

This country has had a warning of what may happen on the Thames river. I have made an exhaustive survey of this river on more than one occasion. There are some fine towns on its different branches. There are Woodstock, Ingersoll and other communities on the south branch. On the north branches there are Stratford and St. Mary's. In 1937 a number of these communities were almost wiped out. The hon. member for Perth (Mr. Sanderson) will remember what happened in Stratford when the beautiful park was almost wiped off the map and everything sent down the river. I do not know whether any lives were lost at that time, but I believe there were some lost at Ingersoll where a train was taken off the tracks, lock, stock and barrel, wheels, caboose and everything else, and thrown in the river. I have forgotten how many lives were lost but I believe there were a number. That should not be permitted to occur in these days, particularly when we are trying to find means whereby men can be put to work immediately after the war. This could be done at really no cost at all to the country, because the expenditure that was made would be saved by the prevention of losses in further floods.

The Thames river has risen to colossal heights west of London. It has overflowed its banks to a height of forty feet. It has flowed

all over adjacent land in the county of Kent and right up on to the main streets of Chatham and Thamesville. That occurred in 1937. But mark you, Mr. Speaker, in the flood of 1937 the crests of the floods on the north and south branches of the river did not synchronize. The south branch of the river rose to the colossal flow of 43·03 cubic feet per second per square mile of watershed, and it overflowed the whole course of that branch of the river. Had the crest on the north branch of the river synchronized with the crest on the south branch, the whole of south London might have been wiped out. As it was, the whole of south London was under several feet of water. I do know how many people, if any, were drowned in that flood; but I do know that every farm, every village and every hamlet west of London along the river suffered grievously. Had the crests of the floods on the two branches of the river synchronized, it would have made a flood of 47·033 cubic feet per second flowing through south London, and space is not there to take care of that volume of water. Why should the minister not have his engineers commence making surveys at once and a programme outlined for flood-proofing the Thames river which flows through a very rich and thickly settled country? That is one project which I recommend. Whether the committee will be able to recommend specific projects I do not know. I hope the minister will see that the committee is given the power to make specific concrete recommendations of projects at which men can be put to work. The Thames flood-proofing could be done at a cost of $1,600,000 and would provide four months work for three thousand men. That would be a very nice start at least, and would help to take up the slack. That is only one river. There are many others where flood-proofing and improvement work could be done.

I will mention one other little river, the Ganaraska river, in the county of Durham. It has a pretty small watershed of ninety square miles, but a tremendous amount of water can flow over that area. I have seen the Ganaraska overflow right up to the St. Lawrence hotel on the main street in the town of Port Hope, and that is quite a distance. It flowed over the whole lower end of the town of Port Hope and caused a vast amount of damage. The same with the Etobicoke in the riding of my hon. friend the member for Peel (Mr. Graydon). In his riding is the substantial town of Brampton, than which there is no more beautiful town in the whole province. But that fine town stands in jeopardy every day of the spring through the possible overflowing of the Etobicoke river. I have seen that river, as my hon. friend has, flow down the main street of Brampton. The overflowing hitherto has been caused by the melting of snow and ice. They have never yet had a cloudburst there. If they had one the damage would be colossal. The watershed north of Brampton has an area of twenty-five square miles that could produce over 160,000,000 cubic feet of water in a flood like that which took place at Fond du Lac, and there is no place in the river bed at Brampton for that volume of water to pass through.

I will leave with the minister for his consideration the suggestions I have made for a programme of flood-proofing the rivers that flow through our fine towns and cities. It would be a means of providing a large amount of employment, and it would be self-liquidating work. All the figures with respect to the Grand river, for instance, could be readily obtained by the minister through the responsible department, and they could tell at once how many men were employed in improving the Grand watershed.

I want to make another suggestion. I was away up on the Slave river, and at Fort Fitzgerald we were invited to get out of the boat and make a portage of eighteen miles to Fort Smith. Canada has possessed that area ever since 1870. What have we done for it since 1870? As far as I can see, not a single, solitary mortal thing as to improved navigation. There is quite a considerable amount of traffic down that river, up to 50,000 tons during the summer months, and if the river were cleaned out and the traffic speeded up, there is no reason why the tonnage would not increase materially. That is one place where we could build a marine railway. The same applies to the Peace river at Vermilion chutes. The hon. member for Peace River (Mr. Sissons) goes there every summer to see his constituents and he is well aware of what I am speaking. From Hudson Hope on the Peace river to Vermilion chutes is about 600 miles, and from there to where the river flows into the Slave river is another 300 miles. There are 900 miles of a magnificent river flowing through the riding of the hon. member for Cariboo (Mr. Turgeon), the riding of the hon. member for Peace River and on to the Slave. The only obstruction in that whole distance of 900 miles is that little bit of obstruction at Vermilion chutes, which is not over four miles long, counting in the falls and the rapids. Why could men not be sent to canal around that obstruction? It is a job that has waited ever since 1870. If this work were done and a canal on the Slave were constructed, boats could sail from Hudson Hope right down to

Aklavik, a distance of nearly 3000 miles. Here is a chance to do something which in the end would cost this country nothing, because it would open up that great country which is filled to overflowing with incomparable resources the like of which is to be found nowhere else in the world.

One further thought and I will close. I said a moment ago that I have been through the riding of my hon. friend the member for Cariboo. I went as far west last summer as Hudson Hope and a little bit further. I hope that he will urge as strongly as he can, and I will support him, that a roadway be built on the north side of the Peace river right through his riding so that traffic can pass on the north side of the Peace river all the way through to connect with the roadway to Prince Rupert. That would require the opening of a road from Fort St. John to Hudson Hope, to Bullhead mountain, where the great coal mine is, and past Goldbar to Manson Creek. I hope the chairman of the committee will be able to persuade the committee to recommend the construction of these and similar projects which will provide work for quite a large number of men and will not cost the country anything because they will be self-liquidating projects. That is only one road.

I do not want to prolong my remarks. But flood proofing, the building of roads, and, perhaps, assistance to navigation can all be done as government works, and all, in my judgment, are self-liquidating. All would require a great deal of labour and would employ men with various kinds of training—engineers, concrete mixers, builders, carpenters, drivers, truck drivers, those who make cement, those who make the steel which enters into construction, etcetera. The ramifications are almost endless. That in my judgment would be a plan to follow.

I have tried to lift the debate a little by presenting something concrete. I am here for only one purpose, to try to help this country, and for nothing else. There is nothing in it for me personally. But while I am here I want to lift my voice at all times on behalf of projects which will provide jobs for the multitude to whom I belong, the working class. Consideration for them comes first with me, because I have been with them, worked with them, and know them. I have shared their joys and their sorrows; and there are no finer people in the world.

I offer these few thoughts as suggestions to the minister. If he views them favourably I should appreciate it very much if he would instruct the chairman of the committee—and we have a good chairman—to bring in concrete, definite proposals. That is the only thing in the resolution which I am not sure has been made clear, and if there is any doubt I should like to have it clarified. I want definite directions to the chairman to bring in concrete proposals, so that when the war ceases, plans will be ready to send five hundred men here, a thousand men there, and to notify this contractor and that producer to have this and that ready.

Mr. VICTOR QUELCH (Acadia): I am glad that the committee on reconstruction and reestablishment has been appointed in the early days of the session, because I am of opinion that our plans for post-war reconstruction should be pushed at this time with the utmost vigour. If the united nations can convince the peoples of occupied Europe of our sincerity as regards a new order and a new world, this may help materially to shorten the war. Our reason for pushing forward plans at this time should be two-fold: first, to reassure the people of Europe that we are sincere when we talk of a new world; and, second, that we may be ready at the end of the war to move from a war-time to a peace-time economy as smoothly as possible.

I hope that it may be possible at this session for the committee on reconstruction and reestablishment to come to grips with the real problems which confront us. In the past this committee has dealt with a number of very interesting points. We dealt, for instance, with the question of nutrition, and we were told by Dr. Thomson of McGill university that if the people of this country were given a balanced diet it would be possible greatly to increase the consumption of agricultural products; I think he said we could double the consumption of many of them. An interesting point in that regard is that we were perfectly well aware in the years from 1935 to 1939 that if the Canadian people were to have a balanced diet it would be necessary to increase their consumption of agricultural products. We have the agricultural products, but we did not take steps at that time to make that balanced diet available to the people; and in the committee we did not discuss ways and means by which that balanced diet might be made available, whereby it might be possible for the people of Canada to secure those products. For it is not merely the unemployed who are in that position; there are great numbers of people in this country in the low income brackets who are suffering from a low standard of living.

We also discussed at some length the development of the resources of this country:

it was a very interesting subject. To me the main point of interest is, what will you do with your increased production resulting from the increased development of your resources? How will you market the increased production from the increased development of those resources? That has been the problem of the past and that, undoubtedly, will be the main problem of the future.

We knew in the past—we knew in the depression years—that Canada possesses great resources which could be developed. We had the unemployed available, but we did not develop those resources. Why? Because we knew very well that, if we did, we would not be able to sell the resulting production.

In my opinion it is nonsense to talk about full employment unless at the same time ways and means are found to market the increased production resulting from that increased employment. No industry can continue to expand its production unless at the same time it can expand its markets. That has been the problem of the past. That was the main problem of all industrialized nations up to the beginning of this war. It was especially the problem of Canada from the last war up to the beginning of the present one, especially from 1930 to 1939. During that period we had industries running at only a small percentage of their capacity. There were hundreds of thousands of unemployed; yet industry could not sell its limited production. At the same time over a million people were on relief, and in that million we had a great potential market. They represented a physical demand, but a physical demand cannot absorb goods unless it is backed up by money. In other words, that demand was not an effective demand and therefore industry was not in a position to expand its production.

That problem, I think everyone will agree, was national and internal. Unfortunately the government refused to recognize it as such and tried to internationalize it by dumping it on the doorstep of other nations. I say that for this reason. From 1935 to 1939 this country maintained on an average a favourable balance of payments amounting to $218,000,000 annually, the idea being no doubt that the money paid out in the production of that wealth which was exported abroad and for which we accepted no imports in return would help to maintain an effective demand against the production of the country which was left, internally.

My greatest condemnation of a policy of this kind is that there can be no justification for exporting more wealth out of the country than you import at the same time that you have hundreds of thousands of people in your country in a state of destitution, as we had from 1935 to 1939, when a million were on relief.

I should like to quote from a statement made by the London chamber of commerce in this regard. I have here a copy of the report put out by the chamber on "General Principles of a Post-War Economy." It is dated May 12, 1942. The London chamber of commerce has a direct membership of nine thousand firms and an approximate affiliated membership of fifty thousand; it is probably the greatest organization of its kind to be found anywhere in the world. This is what they have to say regarding the practice of maintaining a favourable balance of trade in payments. I want to quote sections 19 to 21, which read:

> 19. If some nations have "favourable" balances it necessarily follows that others have "unfavourable" ones. The successful nations get others into unpayable debt. The reward of success being power over other nations, and the penalty for failure economic servitude, the struggle for a "favourable" balance has largely obscured, in the eyes of the nations, the real purpose of international trade. It has accordingly degenerated into a desperate financial war.
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> 20. It is an obvious absurdity that nations should regard it as necessary to export their real wealth, not for the purpose of paying for imports, but in order to solve their domestic unemployment problem by passing it on to other countries. Exports with this end in view are nothing more nor less than an excuse for distributing wages to people who otherwise would be unemployed. This purpose would be equally well served if the goods were to be thrown into the sea or if the people were to be employed to dig holes and to fill them up again.
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> 21. When, however, it is remembered that even wealthy nations have a large percentage of their population under-fed, ill-clothed and ill-housed, it is clear that these would be the best recipients of this alleged surplus wealth. What is necessary is to improve the technique for the internal provision of money, so as to convert this human demand into effective demand.

That used to be England's policy prior to the last great war, and it was Canada's policy prior to the present war. In the foreword to this report it is interesting to note that consideration that was given to the framework within which the work of reconstruction should be carried on. I think the committee of this house might very well take this matter into consideration also. The foreword reads:

> A special committee was appointed by the council of the London chamber of commerce, on the 10th March, 1942, to consider and report on post-war reconstruction. That special committee took the view that it could not usefully consider the many secondary problems which would arise, both in the period of transition from war to peace and in the subsequent period, without first ascertaining the view of the council

upon the framework within which the future economic system should be built. The special committee therefore submitted the enclosed preliminary report dealing with these questions of major policy.

The report was received and adopted by the council at its meeting on the 12th May, 1942, and the special committee was congratulated and requested to make a further report on the assumption that the detailed problems which will face the nation at the end of hostilities will call for solution within the framework here envisaged.

Just what is the framework within which our committee will work? For instance, does anyone really believe that this new social order can be built on the foundation of a debt-creating capitalistic system? If anyone believes there is any possible chance of building a new world on that basis I think it might be well for him to remember the words of the general manager of the bank of Montreal back in 1938. This is what Mr. Spinney said at that time:

Canada's debt burden is gradually lowering the general standard of living.

Since the beginning of the war the rate of growth of our debt has been greatly accelerated, and by the end of the war our debt will be very much greater than it was at the time Mr. Spinney made that statement. The burden of the debt in 1938 was such as to lower the standard of living of the Canadian people. How much greater will be the danger of our debt lowering the standard of living after the war, when our debt will have reached a far greater figure. The danger will be that at the end of the war expenditures will be restricted to meet debt charges, at the very time when expenditures should be made in order to meet the needs of post-war reconstruction. I was very much interested in a dispatch which appeared in the press to-day concerning a discussion that took place in the House of Lords, where the Beveridge report was being discussed. One of the lords, a former Canadian, opposed the Beveridge report on the ground that at the end of this war England's debt in all probability will have reached the sum of one hundred billion dollars, and that the first charge against the wealth of England would be the interest charged on that debt. That is something which we might well keep in mind in this country, because there will be plenty of people, even right in this house, who will talk about the sacredness of the written contract and will suggest that the first charge against our production at the end of the war must be the interest charged on the debt we are accumulating to-day.

Therefore, Mr. Speaker, I say that if we are going to build a new world order it must be upon a firmer foundation than a debt-creating system such as we have had in the past, which is putting us under a burden of unpayable debt, which in turn will bring forth retorts such as the one I have just mentioned. Consequently I believe, as the London chamber of commerce states, that before you can sit down and give any serious consideration to a problem like post-war reconstruction, you must know the framework within which you are operating. That is why several times in the committee last year I said I felt that we were floundering, that we were travelling a road which went we knew not where, and that we did not know how we were going to travel it. In my opinion, first of all we should decide upon our objective; then we should decide upon the main obstacles to achieving that objective, and finally we should decide upon the ways and means of removing those obstacles. That was the way in which we always dealt with problems in the army in the last war, and I suppose that is the way in which problems are dealt with in the army in this war, but no doubt that is altogether too direct an approach for this government to take.

What is our objective? Many people say that our objective to-day is full employment; yet the same people will disagree as to the purpose of that full employment. I see the hon. member for Brant (Mr. Wood) is in his seat. I do not doubt for one moment that he would say the purpose of full employment is to put everyone at work and guarantee them a subsistence allowance. Supposing we had a steam shovel, requiring six men to operate it, and in the same vicinity we had another twenty men who were idle. I do not doubt that the hon. member for Brant would advocate that we should set the steam shovel to one side and put the twenty-six men at work with picks and shovels and wheelbarrows in order to give them employment, and pay them a subsistence allowance. I say I do not doubt the hon. member for Brant would agree to that, because that was the attitude he adopted toward the agricultural problem two years ago. He criticized the farmers for operating tractors and said they should go back to horses. We could put everyone at work if we scrapped modern machinery; if they did too much work with shovels we could give them teaspoons instead, and certainly then we could put everyone to work. But I say that is a nonsensical approach and one which must be entirely discredited. Any time you start to put aside the advances of science in the form of great machines, you begin to lower the standard of living of the people. We want to use all the machines we have and all our man-power to run those machines, for the express purpose of giving

everyone an optimum standard of living. Therefore I would say that full employment must be for the purpose of providing an optimum standard of living for the people. If our objective is optimum production rather than full employment then we shall have to use modern machines, and not do as we did during the depression. On many occasions I saw from twenty to forty men cutting down hillsides when steam shovels were available in the vicinity. I have seen men put at digging ditches just in order to put the men to work when a digging machine was there to do the work. That is why I am so bitterly opposed to anyone saying that our objective is to put everyone to work. That is not our objective at all; the objective is to provide everyone in the country with the highest possible standard of living.

What are the main obstacles in the way of achieving that objective? On account of certain practices inherent in the capitalistic system industry does not and cannot maintain an effective demand for its own production, except in times of abnormal capital goods construction such as in war time, such as we have to-day. In proof of that, although I need not give any proof, I quote from a national survey of potential production of the United States, 1934-35, under the Hoover administration, under the chairmanship of Doctor Harold Loeb. He wrote a book entitled "A Chart of Plenty", dealing with this report. At page 71 there appears this statement:

> The total national monetary income in 1929 did not equal the total price asked for the goods which could have been produced by the plant then existing. But instead of dropping prices until monetary income was able to command full production (which is the classical answer to this situation), prices were maintained and production was restricted. Consequently, national monetary income did not in 1929, nor does it to-day, command the full production of our industrial plant. Which is another way of saying that the national income was not what it should have been. In fact, since 1929, the national monetary income has been commanding an ever-decreasing volume of consumer goods and the *actual* national income has become but a fraction of the *possible* national income.

Then on page 78 he says:

> The whole problem really comes down to the first proposal—in other words, to buying power. At present, production is curtailed to meet a grossly inadequate buying-power. An efficiently managed society would consciously and scientifically adjust its economic mechanisms so that buying power would always command full desirable production.

I do not want to spend much time in dealing with the cause of that situation. In passing, I might say it is quite obvious that since the machine has displaced men the wages that used to be paid to the men are now being paid to the owners of the machine, and the incomes of the machine owners have become so great that they cannot spend their total incomes. Also the practice of charging profits into prices without distributing the wherewithal to pay it and the practice of paying old debts out of current income—all these things cause lack of purchasing power. I do not want to take time to go into those matters in detail. But I say that as a result of that there has not been maintained in this country or in any of the capitalistic nations an effective demand against the production of the country; and unless you have an effective demand against the production you are bound to curtail production.

I wish to discuss for a few minutes ways and means by which that obstacle can be overcome. If we are prepared to admit that our main objective is optimum production, and that the main obstacle to achieving that objective is lack of effective demand, then obviously the solution is in equating demand to supply instead of, as in the past, trying to reduce supply to demand. Doctor Loeb puts it quite simply on page 161 of his report when he states:

> It would seem that a simple and obvious way out, that of giving buying power adequate to procure desired goods and services to the limit of our ability to produce them might well be tried. It is simple in principle but has not been attempted.

The London chamber of commerce in the report to which I have already referred also deals with this problem in sections 24 and 25:

> 24. After the last war there was more skilled labour in the world, more capital equipment, and more developed sources of raw material than at the beginning. The world was therefore potentially richer. Instead, however, of equating effective demand with supply—even using it to stimulate supply—capital equipment was scrapped, the output of raw material limited or destroyed, and millions of men were prevented from producing; in some cases they were paid not to produce.
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> 25. Instead of trying to equate supply with effective demand, the chamber advocates that, in future, effective demand should be equated with supply. There can be no such thing as general over-production, of which complaint was made after the last war, although of course there can be over-production of a particular commodity in relation to others. The real trouble is under-consumption.

With a view to preparing plans for the post-war period a conference was held at Edmonton last December. At that conference the following resolution was passed dealing with the subject to which I have just referred.

Mr. MARTIN: A conference of what?

Mr. QUELCH: On post-war reconstruction.

Mr. MARTIN: But who were they?

Mr. QUELCH: A general meeting was called, everyone being invited to it; people from different classes, farmer and labour organizations etcetera were invited. This is a resolution passed at that conference:

1. That a complete survey should be made forthwith to ascertain the nature and volume of the products of industry which will be required by the Canadian people following the war to rehabilitate themselves, and to raise their standard of living to the level which our natural resources can consistently maintain.

2. That a complete survey of Canadian war industries be made to determine the adaptability of each to the production of those peace-time requirements, and to plan and prepare the steps necessary to bring about that conversion in each case at the end of the war.

3. That a survey be made of the possible foreign markets which may be available at the end of the war, and the part which Canadian industry should play in the rehabilitation of those countries whose industries have been destroyed or disorganized as a result of the war.

I suggest that surveys of that kind should be conducted in a very similar way to the way in which the national survey of the potential product capacity of the United States was conducted under the Hoover administration. Because that survey disclosed two things; it showed not only what the production of the country could be, but also what the consumption of the country would in all probability be if the needs of the people were satisfied. Let me read the reference in that regard. On page 11 it is stated:

By such working back and forth we finally arrive at a close approximation of the quantity of goods and services (the budget) which the people of the United States might expect if production were directed towards the satisfaction of their needs and reasonable desires, and if production were limited only by physical factors and the "product capacity" of the existing plant.

But also, surprising as it may seem, the budget lists with fair accuracy the goods and services which the American people *would consume if their desires were satisfied!* In other words, the budget is not only an estimate of *possible production* but also of *possible consumption*—excluding the assumption of a radical alteration in habits, such as would result if the practice of aeroplane joy-riding became general or if television sets came into popular use.

Accordingly I am of opinion that before we can handle this question of post-war reconstruction in a really intelligent manner we should have surveys of that kind, and have that information made available to us.

The United States in dealing with this took into consideration only physical factors. They did not take into consideration any form of financial restriction. One might say that has been the proclaimed policy of this government during this war, namely, that no financial restriction shall be allowed to impede our war effort.

I think the committee on post-war reconstruction should also receive a declaration from the government as to what its financial policy is in regard to peace. Is the Prime Minister (Mr. Mackenzie King) prepared to say that no financial restriction of any kind shall be allowed to impede our peace effort? When this survey was made in the United States, that was taken for granted. They took into consideration only physical obstacles, and did not take into account any monetary ones. This is what the committee found could be done in the United States:

After almost a year of research by sixty technicians financed by the federal government, the national survey of potential product capacity has released its findings. The results are briefly stated. If the existing plant and man-power in the United States were fully employed in the production of honest goods and services for the consumer the total output, valued in 1929 dollars would not be less than $135,000,000,000 or an average per family of approximately $4,400.

That was in 1935. Since that time the productive plant of the United States has been considerably increased. Therefore if it was possible in 1935 to provide for a family in the United States a standard of living of $4,400, how much greater could the standing of living be after this war? Consequently I would say that at the end of the war our first problem will be to expand production of consumer goods as rapidly as possible, to satisfy the needs of the people, and then after that a definite relationship will have to be maintained between production of capital goods and production of consumer goods, so that the money paid out in capital goods industries is sufficient to make up any deficiency which may occur as between the total prices of the consumer goods and the effective demand against them.

When I refer to capital goods industries I use the expression in its widest term, so as to include various national projects. To-day during the war we have an abnormal expansion of capital goods and, of course, the result is inflationary. From 1930 to 1939 the production of capital goods in Canada was away down below normal and, as we know, during that period we had a deflationary condition. Therefore it is necessary for the government to assume full responsibility at all times for maintaining the correct relationship between the production of capital goods and the production of consumer goods.

In my opinion one of the most essential projects after the war will be a large-scale housing scheme. I do not mean a housing

scheme such as we have had in the past, because under such schemes the people who were most in need of houses were unable to afford them. I should like to see a nation-wide housing scheme which would make possible to people in the lowest income brackets the acquisition of decent housing. A scheme of that kind would have to be financed by the Bank of Canada and, in so far as interest is concerned, it should be at the actual cost of servicing the accounts. Money should be repaid only at the rate of depreciation of the houses. That is to say, if a loan were made to a man to build a house estimated to last thirty years, such loan should be repaid in thirty annual instalments, so that when the house had completely depreciated the loan would be paid off. In this way a person would be able to build a house for much less than he could rent one, because the interest, apart from the actual cost of handling the accounts, would be cut off.

I believe this would be especially desirable at the end of the war. Soldiers needing houses will be returning. Workers will be moving from the cities to the more decentralized portions of the country, and they, too, will be needing houses. Generally speaking, those people will not be in a position to afford houses under housing schemes such as we have had in the past.

Before concluding my remarks I should like to refer to one or two other aspects of post-war reconstruction. For instance, there is the vexed problem of international trade. So long as we maintain an effective demand against our production, international trade will be simply an exchange of goods as between nations. There will be no incentive to maintain a favourable balance of trade, as we have in the past because, as the London chamber of commerce has pointed out, that has been brought about by a lack of effective demand within the country.

So far as our share of helping to take care of the blitzed areas is concerned, I believe Canada must be prepared to make her contribution along with other nations, and to make that contribution in the form of a gift. Of course to that extent the standard of living of the people would be reduced. But as soon as the nations of the world become rehabilitated and are able to stand on their own feet we must be prepared to trade with them on an even basis, exchanging goods for goods.

I believe the suggestion put forward by the London chamber of commerce with respect to foreign trade is a good one. We should be willing to exchange our goods for the goods of other countries on an even basis; and if any nation refuses to accept goods in payment of its exports, then over a period of time its credit should be cancelled. All a debtor nation can do is to offer its goods in payment for its imports. If the creditor nation will not accept those goods, then the only thing to do is to cancel the debt, rather than to allow the debtor nation to be forced into unpayable debts. Such a programme of course would entail definite control of industry, and in my opinion would necessitate the nationalization of the whole banking system.

On the other hand, of course, if the government is going to insist upon carrying on under the financial policy it has followed before, then I believe that the work of the committee to a great extent will be in vain.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, the committee to be appointed will have before it a great task, and I wish the government of the day and those hon. members on the committee every success in their work. In the first place, the war is still far from being won. We are at the darkest hour. The allies—they are called the united nations; one seldom hears the name of Britain any more, although she is one of the pioneer nations—are now called the united nations, and they have just begun to take the initiative in Africa. Mr. Churchill says we are at the end of the beginning.

The whole of Europe is still dark. No one knows how long the war will last. Reconstruction and planning are international, national and domestic in scope. It is also linked with the war. The whole matter is inter-related. The first and second resolutions on the order paper are complementary, and might have been dealt with together. As a matter of fact they were considered together in the British House of Commons. Sir William Jowitt, paymaster-general, who has charge of this particular branch of legislation in the British government, presented legislation causing a twelve-day debate on the address in the British House of Commons, before the committee was appointed. They considered the war aspect, the international aspect, the empire and domestic sides of the question and empire trade. And what did they show? Well, I am sorry the Prime Minister did not accept my suggestion offered a few days ago, namely, that we should have a separate debate of one day at least to chart out a similar course, because if we had I believe these two resolutions might have been taken together, and we might have saved time.

In the British House of Commons men took part who were home from the front. In the

list were admirals, airmen, generals in the army, and men who had a great deal to do with the last war, and now serve at the front in this one. They attempted to chart the course which they thought should be followed. There was a debate in the British House of Commons on reconstruction, rehabilitation and social security. The result was that when the Beveridge report was considered it was found to be a little too utopian for the mother country and I doubt if it ever will be adopted over there. It is not a practical report for this country because we have a different system. Our municipalities constitute a branch of government; there are the provincial governments constituting a duplicate municipal system, and there is also the federal government. Under our constitution the Beveridge report could not be adopted.

One of the main things is to win the war. We can plan until doomsday, but we must first win the war. I think I had probably as much to do with reconstruction after the last war as any hon. member. There were a million and a quarter people in our district, and we provided for reconstruction with little or no aid from the federal government and little or no aid from the provincial authorities. The municipality of Toronto had to handle this work. A total of 58,000 soldiers returned to the district, and for a while the situation was intolerable. However, matters were straightened out through the activities of the local municipality.

The old city of Toronto extended from the waterfront as far as St. Clair avenue. A private company owned the street railway franchise, but the city took that over. They also bought all the radial railways entering the city and in 1921 started the Toronto transportation commission system, and under the so-called clean-up deal which entailed an expenditure of $33,000,000 for the companies power and transportation facilities were provided and power in the clean-up deal from the Niagara district. The harbour improvements and the work along the waterfront were carried out, a new station and viaduct started, and the new city had to be provided with schools, sewers, roadways and municipal institutions of all kinds. The result was that the provision of this reconstruction work aided in preventing a great unemployment disaster from occurring to that city.

There is bound to be a period of dislocation after every war. Neither victory nor any kind of planning can bring about the millenium. The same thing happened in the days of the Roman empire and the old Grecian empire. A description of those days will be found in Gibbon's "Decline and Fall of the Roman Empire". Great things were to be done for the Roman soldiers, almost similar to what is proposed to-day. But after those wars all they had were circuses and doles and all that kind of thing, and the empire was almost destroyed.

We had the Napoleonic wars, the Crimean war, the South African war, the great war, and then this particular war. In spite of all the planning that was done after the last war this country did not become a land fit for heroes to live in. After the last war the soldiers were forgotten three months after they came home. Apart from the city I have mentioned, notwithstanding all the planning that was done, the soldiers received little or no consideration. The result is that to-day many from the last war are suffering untold hardships.

As Mr. Churchill said about this war, we have just reached the end of the beginning. No one knows how long it is going to last and we do not know to whom the country will belong. The Germans still control the whole of Europe. We have not got inside their defences, and with the exception of part of Russia they are in full control of that continent. I do not object to this planning; I wish the committee good luck, but I think we are putting the cart before the horse. We should first chart out the course we are going to pursue.

For example, what are we going to do about empire trade and about the mother country? I think the government should lay down its policy in this regard. The mother country has been our best customer and she has spent a fortune developing the colonial empire. Britain's colonial empire is, in many ways, an example of world reconstruction. One has only to read the speech of Lord Cranborne to realize what has been done in building up this colonial empire. The word "imperialism" is much misunderstood and much misinterpreted in this house. Our allies Russia and the United States are imperialistic; they may not be imperialistic in the sense of grabbing territory, although that remains to be seen when the peace terms are known. They are imperialistic in that they want a larger share in world affairs and will want to dominate the peace terms.

Our fine ally the United States with their great president will want to have a larger share in world affairs and reconstruction. In considering the reconstruction of the new world we shall have to decide one thing. All the planning in the world will not mean anything unless this is decided. What is to be our relationship with the mother country and

the empire in empire trade, food and raw materials? The mother country saved civilization after Dunkirk. Only for her we would have been forced to make peace with the axis. Yesterday I referred to Poland where virtually a million of the population have been taken to abattoirs to be killed by the gestapo. Notwithstanding what has been said elsewhere, I believe that after the war the United States will become an isolationist country. We must consider the international feature of this matter.

We come now to the domestic and national feature of this work. Since the war started, everybody has become a socialist or a planner. While we members of the House of Commons belong to different parties, there has been a fine spirit of sportsmanship shown in this chamber during the debates, and I have found the House of Commons to be a place of much kindness, with the possible exception of one or two cases. But everyone is proposing some sort of planning for the post-war period and the spending of our post-war incomes. I do not know whether we are going to have much in the way of post-war income. As I say, all the planning in the world will not bring about better days. With the billions of dollars that are being spent we may be a desperately poor nation after the war. We have been squandering our resources at a great pace; we have been spending money like water. One thing that must be settled is what is to be done with our soldiers when they come home. Do not forget that five or six hundred thousand soldiers will not, on their return, act merely as viewers of all this planning. We can plan until doomsday, but our soldiers who have gone overseas to fight for us, and have gone over there voluntarily and suffered three or four years of isolation in Britain, doing almost the work of labour battalions, will, on their return, have something to say about all this planning. The able minister is a returned soldier himself and has for years taken a great deal of interest in the soldiers and reconstruction. I submit to him and to the government that there should be a system of national insurance of our soldiers just as there is in the United States. A soldier's bill has passed both houses of congress protecting the soldier and his family and his property for three years after the war, and reestablishing him. It is a national system of insurance, which I have urged here since this war began.

Further, I believe that this committee might well consider many of the resolutions on the order paper dealing with reconstruction and rehabilitation problems. The official opposition and some of my hon. friends to my left have motions of that kind on the order paper, and this committee which is to deal with reconstruction might well have these resolutions referred to them. After all is said and done, we wasted almost four months last year on the plebiscite and Bill No. 80, to amend the mobilization act, and we had no time left to consider resolutions of hon. gentlemen to my left and of the official opposition and some good motions by private members on the government side. I suggest that these resolutions be referred to the committee.

One thing I should like to see Canada adopt is a national coal supply. This country is famished for coal at the present time, and conditions will get worse as the war goes on. I urged this policy before the house from 1923 on, for seven or eight years, and you, Mr. Speaker, when you first entered the house, coming as you do from the west and knowing well the conditions in the mining districts and in the municipalities which you have so long and faithfully represented in this house, took a great deal of interest in this policy of a national fuel supply. We have coal in Nova Scotia, Alberta and other parts of this country, and we could develop our resources so that we could provide ourselves with our own fuel.

We should also have a national policy of hydro development, and an oil development policy, involving the construction of pipelines. That policy was before the house in 1923 or 1924. We have a potential water-power supply of 43,000,000 horse-power, of which only one-seventh, or about 7,000,000 horse-power has so far been developed. The last time I was in British Columbia, in 1927, I was surprised that with the great natural resources of that province there was no hydro development. It is the same story on the prairies. My hon. friend the member for Davenport (Mr. MacNicol) has taken a great interest in the water powers of this country and has visited many potential sites. Of that 7,000,000 horse-power which is developed at the present time, a considerable part is a seasonal development only. There has been an additional development since the war began, and I should like to see a further expansion. I think that is one matter which the committee might well consider.

I come to agriculture. There can be no proper agriculture without proper housing, and we are behind the times in housing. Housing is a suburban, urban and rural matter, and we have done little or nothing to develop a housing policy for Canada. In the Toronto district from which I come there will be no houses for the soldiers when they come back from the war unless action is taken. Some soldiers' families are now living in cellars. There is a great scarcity of adequate accommodation, and

that is a matter which should be looked into by the committee. Urban, suburban and rural housing, reconstruction, and health and education legislation should also be considered.

The provision of raw materials is both a national and an international question. The mother country has to import twenty-five out of twenty-seven raw materials which she needs. She has coal and half her needs in iron, but the rest she has to import. Without an import and an export trade the mother country would become a second-class power. She would become a second Denmark and just an outpost at the edge of Europe for America. I believe in Mr. Churchill's policy which he announced in London, that he is not going to see this empire sold down the river, or go by default, but that Britain is going to hold what she has. It is our duty to work with our best customer, and to help her after the war, for we owe everything to her for having saved our shores from the enemy. Every country of the world has received raw materials from the colonial empire, because that has always been Britain's policy. Millions of dollars have been spent on the development of this colonial empire by Great Britain, and she has never asked for a dollar from them in return. She has made the raw materials of that colonial empire available to the whole world. As a publication of the League of Nations says, the colonial empire has given more in the way of raw materials to foreign countries than to the mother country which was responsible for the development of that empire, and has given the colonial empire preferences in her markets.

There is also the question of the development of civil aviation. In the last war the Royal Air Force had some eighteen thousand young men trained in military aeronautics in the city of Toronto. There was no Royal Canadian Air Force then. Montreal was considered by the government, but Toronto was finally chosen as the headquarters for the development of the Royal Air Force, and there eighteen thousand cadets and air mechanics were trained. Some two thousand United States students were among them. They came from various universities in the United States. After the war what happened? Colonel Barker, V.C., Collishaw, Bishop and others tried to persuade the government and the city of Toronto to take up civil aviation after the last war. But nothing was done. The result was that many of these young men who had been trained in military aeronautics here went to the United States after the war, and there a few of them got a nearly ninety million dollar contract in California from the Chamberlain government in the early days of rearmament. If Canada and the other dominions are not alert, the development of civil aviation will fall into the hands of other countries after the war.

We hear a great deal these days about reconstruction. But the first thing this government will have to reestablish is private enterprise, as they are doing in England. There a resolution was moved by a former labour representative in the Churchill cabinet. The British parliament has passed an act known as the "Pre-War Trade Practices Act", to put back after the war the retail and wholesale trade where it was before the war. When the troops come home they will not have anybody like Mr. Donald Gordon here dominating them. They will have something to say about these bureaucrats. I have fought against these bureaucrats since the time of their appointment, and I was nearly all alone, except for the support, last session or two, of my hon. friend the former leader of the opposition (Mr. Hanson, York-Sunbury). In Great Britain, within six months or a year after the war is over, they will go back to private enterprise and the old way of doing things. If we had had no bureaucrats, there would have been no scarcity of food and no rationing. I believe the Minister of Agriculture (Mr. Gardiner) is quite right. I pointed out two years ago that we should have a food ministry. The food ministry in Britain under Lord Woolton has done magnificent work. Food supplies have been planned; the food is available to everyone, it is fresh, it is well handled, and there have been practically no complaints. A minister of the British government, Sir William Jowitt, paymaster general, referred to reconstruction plans which have already been prepared with relation to the food problem in the mother country. Britain has been the best customer of our farmers, not least of the grain growers of the prairies. Let us not lose her after the war. I believe that this dominion should immediately, through this committee, work with Mr. Churchill and his government along the lines I have suggested.

Consider the position of the mining industry. I do not believe the men in the mines have received a fair deal—far from it. I referred to this particular matter in 1923 and 1924 on my motion for a national coal supply. I believe in labour and have been a consistent supporter of labour since first entering the city council of Toronto. One of the things I value most highly is that, notwithstanding a life of much stress and strain in many

spheres of activity, including municipal work, which is closer to the people than any other branch of government, I have always managed to retain the respect and support of the overwhelming majority of labour in the city I represent. With Sir Adam Beck, my former colleague, and Sir James Whitney, I went all over Ontario preaching the gospel of cheap light and power for the urban, suburban and rural workers. In the days before and during the great war we were attacked by some of our own newspapers in Ontario and called amateur anarchists, because we tried to restore the people of the province their heritage of cheap power and light, a policy which you, Mr. Deputy Speaker, supported in the great district of new Ontario. I believe that before the war is over, notwithstanding much of this talk about planning, the larger part of the work will devolve upon the municipalities.

Recently there was a long debate in the British House of Commons on this general subject, when empire trade, international affairs and other great issues were discussed. Here is what Admiral Southby said about post-war planning. He is a sincere friend of labour; he is a man of vision; he has predicted almost everything that has happened in the war:

> It seems to me that the people who talk loudest about post-war equality are those who deny the right of anyone who disagrees with them to share in the planning of the new world, but I am certain of one thing, and it gives me great hope and courage. If the little man, who is the embodiment of British common sense and sanity, is capable, as he is, of destroying Hitler and Mussolini and all their works, he is quite capable, when the war is over, of destroying bureaucracy. He says in effect, in the words of Geoffrey Dobb:
>
> We who in the ashes dwell
> Want no planned and ordered hell;
> Fight no war to be policed
> When the bombs and fires have ceased.
> Life's too precious far to give
> For any freedom but to live.

That is exactly what the soldiers will want when they come home. The "little man", immortalized by Strube, who saved England, will know, when the war is over, how to plan for the future of the empire and of world trade, in the same way as he did to beat Hitler and Mussolini in the war.

I have almost finished. I will merely add that there was planning as long ago as the aftermath of the Napoleonic war. We all know the condition of the working classes after that great war, that women and children were working in the mines of the mother country in a living tomb below ground. Read the "History of England" by T. H. Green; note the condition of the mass of the working people after the war with Napoleon. The state of the workers at that time was disgraceful. Then came the industrial revolution, the union of coal and steel. What did it do? As Lord Perry has said:

> The industrial revolution made it possible for any man to work his own way from poverty and illiteracy to a commanding position in both industry and the state. Richard Cobden is an outstanding example—the son of a Sussex farm labourer who became a great Lancashire manufacturer and a great statesman. William Cobbett is another example. In fact, industry and commerce during the nineteenth century produced such men not by the hundreds but by the thousands—careful, frugal men, hard of head and often hard of heart, but notable for two qualities above all others, diligence and self-reliance.
>
> These men were self-trained into habits of clear commercial thinking, quick and bold decisions, personal responsibility and individual initiative. It was no easy school. Those who lacked the necessary application or the necessary drive had short shrift. The age was kindly only to those who satisfied its needs.

I believe that the first thing to do after the war is to encourage private initiative and free enterprise. True it is that this will have to be brought up to date. I believe that when the soldiers come home they will want the rights that men enjoyed in the days of Macdonald and Laurier, when everybody owned some property—it might be a cow; it might be a small mill, or a country store, or a horse and wagon, but property of some kind. We have been slow to see that, with the right of acquiring private property denied to them, the people of Canada became proletarian. Their liberty passed away; it will have to be restored.

I believe in private initiative. I believe that the right to possess private property is derived from nature and not from man and that the state has no business to abolish it but only to regulate its use. And that, I believe, will be the view of our soldiers when they return.

At present the war is not won, and the war is the main issue to-day; all these other problems are secondary and will have to wait until the victory is ours. I do not object to planning; you can do all you like of it as long as it is not done at the exepnse of the war effort. But I plead with the government and with the committee not to forget that victory is our main purpose, and that without victory all the planning will amount to very little.

I thank the house for having listened so attentively. I have had some experience in matters of reconstruction and planning; it is not confined to my friends on the left, who

of course are entitled to their views. And from practical experience I tell them that we shall have to go back, as they are doing in England, to supporting by legislation the retail man and the wholesaler. This was done in some degree in the pre-war trade practices act passed there to restore private enterprise. Give these people a chance to do their own business, wholesale and retail, in a business-like way, and remove the barriers which have been erected in restraint of trade and have made it impossible for them to carry on in the past number of years.

Mr. CLARENCE GILLIS (Cape Breton South): I do not intend to inflict another speech on the house, but as a member of the committee last year I have a few remarks to make with respect to the machinery which is being put up for the purpose of working out our reconstruction plans. The reason why I am not going to impose another speech on the house is that the hon. member for Vancouver East (Mr. MacInnis) made quite a lengthy statement this afternoon and set out fairly clearly the views of this group on reconstruction plans in general, and the hon. member for Broadview (Mr. Church) has just now given us an enlightening discourse on the matter, so that it will not be necessary for me to go into those details.

What I am interested in bringing to the attention of the minister who has been directing the work of this committee is the machinery which is being set up. My conception of the work done last year by the parliamentary committee is that it did all it could with the machinery provided for it, but that it merely scratched the surface and received some reports.

My objection to the whole set-up, and I think I voiced it to some extent last year both in the committee and in the house, is that I see the questions of reconstruction and rehabilitation as one problem, and I believe there are too many committees handling the research and other details without any clear understanding as to which committee will put these plans into final form, bring them back to this house and accept responsibility for them. The committee being set up under this resolution is the responsible committee to which the general public is looking for some comprehensive plans in connection with reconstruction and rehabilitation; and if we are to have any success the numerous committees dealing with the matter will have to have their authority and powers well defined.

For example, last session the canteen committee handled a phase of rehabilitation as applied to the soldier, and in my opinion a very important phase, but I did not consider it a function of that committee, regardless of the fact that most of the committee members were ex-service men. We are now running into difficulties in connection with the legislation based upon the work of that committee, which was designed to protect the boy who left his job and went into the army by forcing the employer to see to it that the boy on his return was given the employment which he left when he enlisted. I have recently received numerous complaints from men who never had jobs, who are coming back to sections where trade unions that have seniority clauses written into their agreements are functioning. A boy in such a position cannot get a job without great difficulty. If he does succeed in getting one and a lay-off comes along—for there are lay-offs now—because he has no seniority in the plant he loses the job. Therefore we have really not provided, as far as that legislation is concerned, any security for the boys who come back.

Then there was the James committee, which sat for some fifteen months and which was divided into subcommittees. The chairman of that committee came before the reconstruction committee and presented a fine report, but in my view it was mostly words, with no concrete suggestions as to what should be done in the field of reconstruction. That committee did some very good research work, but it merely brought back a report to the parliamentary committee. Some of the subcommittees of the James committee did not function at all, or at least did not report to the parliamentary committee. For instance, the committee on education and employment, one of the most important subcommittees, which was headed by Mr. Tom Moore, did not make a report. The explanation was that Mr. Moore was ill. That was quite true, but someone should have been appointed to take his place.

Mr. MACKENZIE (Vancouver Centre): That has been done; Mr. Bengough has been appointed.

Mr. GILLIS: That is good. We now find an economic advisory committee being set up, which in my opinion will practically usurp the powers of the James committee. The advisory committee is composed largely of deputy ministers; it is nothing more or less than an interdepartmental committee of the government doing research which in my opinion should be done by independent people reporting directly to the parliamentary committee to enable it to form and bring back to the house an independent report. I understand that in the Department of Pensions and National

Health there is a departmental committee carrying on research and bringing in certain legislation by order in council with respect to soldiers returning from overseas. Therefore, when the minister makes his statement I think he should clearly state which committee is senior, and which committee will bring a report into the house. Will that committee be privileged to take advantage of all the research being done by the other committees and put it into a final report which will be brought to this house? If the parliamentary committee is to function in that way, then in my opinion it will have to be provided with a secretariat and the necessary machinery to carry on that work. That should be their function, since they are the elected members of the house and the public will look upon them as the responsible committee.

I should like to make just a few observations as to what I think are the basic problems with which we should start now and about which we should do something. Speech-making will not solve the problem. As a member of the committee last year I think one of the first problems we shall have to tackle is that of the soldier returning from overseas. If the war should end to-morrow I would not want to see our army demobilized with the machinery we have at present for looking after them. When I think of that army overseas I try to place myself in the position of one of the soldiers for a few moments. Large numbers of the boys now in England never had jobs. They have been in the army now for three years, but to date no one in this country has told them that they will have jobs on their return. We know that the Canadian army will be the spearhead when the time comes to cross the channel, and I do not think any of our men have any illusions as to what that job will mean. Consequently it is only natural for a boy in that position to stop and think what he is facing certain death for. If we want to build up the morale of that army and of the Canadian people, we must do two things. We must guarantee those boys that if the war should terminate suddenly and they should return to Canada, they will not have to wrestle in the ranks of the unemployed or eke out an existence on $9 a week, as is provided by the regulations at present. They should be told that the Canadian people are prepared to keep them in uniform on full pay and allowances, to give them vocational training and to route them into some gainful employment with a decent standard of living before they are finally taken off the Canadian pay-roll. That would guarantee to those boys that when they came back, whether to-morrow or next year, the Canadian people would be prepared to recognize their responsibility at least to the extent of making sure that they would not have to go into the lines of the unemployed or those on relief. I am sure that would be good for the morale of our boys overseas.

In addition, I think this government should enact the New Zealand old age pension plan. I do not need to elaborate on that, for I am sure the minister is even more familiar with it than I am. Many of our boys overseas have fathers and mothers at home who are too young to qualify under the present regulations for the old age pension, but who are too old to work, who have broken down after years of heavy work and the worry of the last ten years of depression.

The only income in most of those homes is an assignment of pay and allowances granted by the government. Such a boy is in the position that if he goes under, fighting for democracy and freedom, he not only loses his life but throws his father and mother back on the relief rolls. That is no exaggeration; it is an actual fact; I have handled cases of that kind. A large percentage of our people are in that position. And that gesture of keeping him on the payroll, the enactment immediately of an old age pension that guarantees his father and mother means of existence, builds his morale to the point that at least the war has brought about something, a guarantee that there will be no more relief roll for his father and mother and a recognition by us that he is entitled to something when he comes back and is not taking a chance of going on relief. Those two things should be done by the reconstruction committee as one of its first responsibilities.

Another matter we should immediately consider and make a pronouncement upon is this. There are thousands and thousands of employees in war industries, crown organizations carrying on war work only. If the war were suddenly to terminate, thousands of these people would face the street, and they realize it. If you go around among them you will find that that is what they are discussing. What are we going to do with respect to these crown emanations, these war industry plants, when the war is over? What plans are we making to convert them to peace-time pursuits?

These are three matters about which we should immediately do something. It would tend to build up the morale of the soldiers overseas and of the Canadian people. These are basic problems of urgent importance and

matters upon which the committee should make a pronouncement at once. There is no research necessary into these matters, except as to the conversion of war industries. The government is in a position with respect to most of these industries to say something about them; the other questions are merely matters of common sense and something should be done about them immediately.

One thing we must realize is that we are not in a position similar to that of the last war. We are dealing to-day with a generation that has already gone through a war; that has seen the aftermath of war and that is not going through the same thing again. If our hon. friends on this side and those on the government side are not prepared to bring about changes in a sensible and logical way through the medium of the constitution that we have to-day, those changes will be brought about in some other way, a way we do not like. Let us not make any mistake about that or try to fool ourselves, because we shall be only fooling ourselves if we think in those terms.

I do not want to make a long speech. I wish to leave just those three points with the committee and to ask the minister for a clarification of the machinery we are providing in the field of reconstruction. In my own province thousands of men have left the basic industry there, coal mining. There has been quite a shrinkage in that industry since the outbreak of the war. I have some figures; I shall not bother the house with them now, but will bring them before the reconstruction committee. I know that if the men who have enlisted from that industry came back to-morrow or next year there is no employment for them as far as I can see. Hundreds of boys left that section of the country who never had a job, and there is now no job for them there. There is only one way to ease the minds of these people. They know it; I receive many letters from overseas; they write to me on that point; they have no illusions about it. Without a pronouncement now that we are making provision for them against their return, until we can reorganize society and turn it back to peace-time pursuits, I would be afraid to see them come back. The reconstruction committee will go into that situation as far as that industry is concerned. The chairman was good enough to allow us to bring that whole situation to the attention of the committee last session. When we get under way again the operators should be summoned to meet that committee, to put their plans on the table face up and to let us know what the future holds with respect to that industry and potential employment for men returning from overseas.

I merely wanted to bring these matters to the attention of the minister so that he might say something about them when he closes the debate.

Mr. J. G. TURGEON (Cariboo): First I wish to say a word as to the high note that has been sounded to-day in the debate that has so far taken place on the motion of the Minister of Pensions and National Health (Mr. Mackenzie) that this reconstruction and reestablishment committee should be set up. I am not a bit surprised at the high tone of the speeches that have been made, not only because I know the great interest that is in the minds of all hon. members in the subject under discussion, but because, looking back to the conduct of that committee during last session, I am filled with a deep sense of appreciation of the friendliness and courtesy extended to me, who happened to be chairman of that committee, by all its members. We see to-night what the minister has recognized, because he attended faithfully the meetings of that committee during last session, namely, that every member of it is in dead earnest in the work which he has undertaken as a representative of the people.

Several points have been brought out so far in the debate. There is the question of what is generally called full-time employment and there is the question of full production. May I put on *Hansard,* for although it is on the record of the committee it has not yet been put upon *Hansard,* a resolution that was moved in that committee on June 30 last and was accepted by the committee. I happened to be the mover. That motion reads:

> Whereas the most immediate reconstruction problem confronting Canada to-day is the creation of employment for and the settlement of returned soldiers and workers from war industry, and,
>
> Whereas the proper development of our natural resources can provide both employment and settlement opportunities through irrigation, flood control, reforestation, the development of water power for industrial and other uses, the exploration of mineral and oil deposits, and the provision of transportation where required by settlers or by industry:
>
> Therefore be it resolved that this committee on reconstruction and reestablishment study the best means to bring about the proper utilization of the natural resources of Canada in such manner as will make it possible for the government of Canada, in cooperation with provinces and municipalities, to avail itself of every opportunity to create employment for, and arrange the permanent and satisfactory settlement of, men and women discharged from our armed forces and from the merchant navy, and workers released from industry.

I read that motion not only for the purpose of putting it upon the record of this house, but also because I think it is the foundation for a good deal of the work that must be done by the committee which is being set up. The hon. member for Cape Breton South (Mr. Gillis) referred to the fact that following that motion we went into a study of the development of the coal resources in Nova Scotia, and he hopes, as I hope, that when the committee is again at work that particular study will be continued. I believe that if we as a committee study the existing operation and utilization of our natural resources we shall be in a better position to judge the nature of the utilization and development of our natural resources that we as a committee on reconstruction should recommend to this house and through the house to the people of Canada.

I wish also to call attention to the fact that this resolution points out that we do these things, or some of them, in cooperation with the provinces and the municipalities. In a country with so complex a constitution as that of Canada, in a country whose national entity was, after all, created by resolutions of the provinces themselves, it is absolutely essential that we should convey to the people our desire to work in conjunction with the provinces.

As a matter of fact, following that particular resolution, much work of a highly preparatory nature has been done by some of the provinces. During last session, as chairman of the committee I received many commendations from people in several provinces on the fact that our committee wanted to cooperate with them. If I may be permitted to speak for a moment about my own province of British Columbia I would call attention to the fact that the legislature of that province at its last session set up a post-war rehabilitation council consisting of members of all political parties. And apparently without thought of party advantage, that committee has carried on a positive work of preparation for the days of reconstruction. They have prepared a voluminous report, one which it seems to me is absolutely constructive. I am very happy to-night to pay one word of tribute, because the chairman of that committee, the Hon. Mr. Perry, provincial minister of education, is one of my constituents. The constituency of Fort George which he represents in the legislature is the centre of the federal constituency of Cariboo which I represent in this house. This booklet which I have in my hand happens to be the report, and I can say it is full of good meat, having to do with reconstruction.

Naturally, when one speaks of reconstruction there come to his mind two sets of thoughts, one relating to world structure and international undertakings, and the other to the new structure affecting the people of Canada themselves. It is not my intention to-night to say anything about world-wide structure, except to throw out this thought, that I agree—and I speak as a member of the House of Commons and a member of the reconstruction committee—with the suggestion of Vice-President Wallace of the United States, that when war is over we must have a system of collective security which will guarantee to the people of every nation the same application of the rule of law in international affairs as we now enjoy within our own country in domestic affairs.

Our own continued process of armament and preparation for war and the process followed by each individual nation will to a large extent depend upon the nature and the condition of that collective security which can be given to every people by the combination of nations. So far as the preparation for reconstruction is concerned, I agree and always have agreed with what the Prime Minister (Mr. Mackenzie King) said, namely, that the first great task confronting us as the House of Commons and as a people is the conduct of the war itself. It is not necessary for me to say to any hon. member that it is useless for us to prepare for reconstruction, if in doing so we do not continue to make certain that by every possible means we conduct our war effort properly; because if we lose the war the reconstruction period will be developed not by us but by those nations which defeat us in the war. And if we are not successful; if we do not win the war by a proper invasion of axis countries, by the annihilation of their military strength and by the total subjugation of their military caste, but have to arrange a peace through negotiation, then the terms of reconstruction will not be made by us, because conditions will obtain over which we shall not be masters.

The only real reason, then, for thinking of reconstruction is to think of it in such terms whereby what we are doing and what we are saying will of themselves aid in the prosecution of the war.

I take kindly to the suggestion made to-night, namely, that we as a parliamentary committee should take steps to let our boys and women know overseas what we are trying to do.

Mention was made of what will happen when the offensive takes place, an offensive of which, as has been said before, the Canadian soldier

will be the spearhead. We cannot blind ourselves to the fact that while the men and women who are there are anxious to play their full part for Canada, they know that a good many of them will not return to their families. It is our duty to let them know that we, the members of the House of Commons, intend by every possible means to see that what takes place after this war will not be in line with what was permitted to take place during the last one.

Here I wish to say a word of commendation respecting the Minister of Pensions and National Health. We can look back over the last two or three years and see things done for enlisted men, men who offered to give everything they have, including their lives. We can see a vast difference in the life being planned for them and that which was permitted to apply to the soldiers and their dependents who survived the last war. I say that in commendation of the present minister.

I leave that phase of the matter with the thought that between the two great wars, in what we were pleased to call the days of peace —and I say this without criticism of any political party or any minister—in those days of fabricated peace we as public men, and those who were then public men, thought more of money and taxation than we did of human values. A government was judged successful, not by the things it did or arranged to do for human welfare, but by the small amount of money it expended, and the manner in which it kept the rate of taxation down. That was the judgment not only of men in public life, but of most people in Canada. We the people of Canada failed in that, just as we failed to prepare for a war that some of us—all of us—should have seen was coming upon us.

Having said that, I wish to say a few words about the northwestern section of Canada. I know I shall be forgiven if it happens that the part of the country to which I intend to refer comes within the constituency of Cariboo. I make this reference not only because my very good friend the hon. member for Davenport (Mr. MacNicol) spoke so eloquently respecting that country and urged the minister to make certain preparations for the future by the development of the natural resources within that great terrain, but because I want to speak of more than the development of natural resources and what they might mean in employment and production. We have to-day the greatest co-operation between two nations that perhaps the history of the world has ever seen. I am speaking of that which exists between Canada and the United States. When Mr. Roosevelt, President of the United States, and the Prime Minister of Canada met at Ogdensburg in August, 1940, to arrange for the setting up of a joint defence commission, many people thought that would apply only to the defence of North America. But it has developed pace by pace until to-day we see the realization of what has been described lately in this city as the realization of the age-long dream of the northwest passage.

Mention has been made to-night of the air lanes. How many people in Canada realize that the new air lanes now in operation across Canada and fed from the United States which head directly toward Japan—if I may digress for a moment may I say that I hope they will prove to be a channel of offensive action against Japan—mean that the distance from Chicago or Montreal to Tokyo and Shanghai is over 2,000 miles less than the old route through San Francisco which was in operation up to the time of this war. Any distance of over 2,000 miles means a great deal even when one is thinking of aeroplanes and the great speed which they have reached.

There have been expenditures of huge sums of United States money in the Yukon and British Columbia. We have United States soldiers in the Yukon and British Columbia, and there are Canadian soldiers in Alaska. They are all operating together. A joint commission has been appointed to study the proper means of dealing with the facilities which have been created for war purposes in British Columbia, the Yukon and Alaska and the proper joint utilization and development of the natural resources of those lands. I wish I could presume upon the patience of the house to deal at greater length with some of the matters mentioned to-night by the hon. member for Davenport (Mr. MacNicol). I am tempted to do so because what he said relates so keenly to my own constituency, to that of the hon. member for Athabaska (Mr. Dechene) and to that of the hon. member for Peace River (Mr. Sissons). I cannot take the time of the house for this. I want, however, to leave in your mind, Mr. Speaker, the thought that not only have we opened up a northwest passage to Japan, China and the other oriental countries, but we have created a great international cooperative movement between Canada and our great neighbour, the United States.

As was pointed out to-night, in addition to thinking in terms of general reconstruction problems we must also be concrete. The resolution adopted by the committee last session is in itself a concrete foundation upon which a great structure can be built. There is on the order paper a resolution standing

in the name of the hon. member for Medicine Hat (Mr. Gershaw) which asks this house to pass legislation enlarging the scope of the Prairie Farm Rehabilitation Act. Members of the committee will remember that during the hearings last session I asked the committee to sit in camera because I did not want too much press publicity. I then suggested that the committee should study the advisability of recommending to the house that the Prairie Farm Rehabilitation Act should be extended in its general scope and operation. It deals now only with the three prairie provinces, and in my opinion the committee should recommend that it deal with all Canada and that its general scope be enlarged. The hon. member for Medicine Hat is a member of the committee, and I suggest that he lay this matter before the committee when it meets again. Some means must be suggested by which there can be a proper utilization and development of our natural resources. I believe the Prairie Farm Rehabilitation Act has been fairly successful on the prairies and I believe its extension to cover all Canada would also be successful.

The hon. member for Cape Breton South (Mr. Gillis) referred to the numerous committees on reconstruction which have been in operation, I agree with him that the committee of the house, which is built upon the representation of the people of Canada themselves, is the main committee. But I agree also with the minister that it has been essential for other committees to be at work. The committee which has been described to-night and which has been working under the auspices of the Minister of Pensions and National Health had a secretariat, research advisers and research counsel. These men have been working all the time; they have been able to make studies and possibly are in a position to recommend conclusions to a greater extent than could the House of Commons committee.

We secured from that committee and from the minister some excellent statements covering not only the things that have been done by the government but the matters under study by the committee and by departmental officers. I feel certain that when our committee is ready to start its work again the minister will see to it that we have the benefit of all the studies whch have been made by his departmental officials and by members of that committee. I do not know if I am permitted to say this or not, but I understand that the other house is also setting up a committee on reconstruction. As a member of our committee I welcome that, and I feel sure that we shall be able to cooperate with each other.

Mention was made this afternoon by the hon. member for Vancouver East (Mr. MacInnis) to the statement made to the American Federation of Labor convention by the Prime Minister (Mr. Mackenzie King). I want to extend my congratulations to the hon. member for the nature of the address he gave to this house. He quoted the Prime Minister as follows:

> I believe the war is teaching us that the obstacles to full employment were not real obstacles; that a partnership of management, of workers and of the community can make useful work available, in time of peace no less than in time of war, for all who need or want to work.

I am afraid the hon. member took a wrong meaning from the Prime Minister's statement. As I interpret his speech, he meant what everybody in this house thinks he meant. There is not any question that during the terrible and long years after the war which were known as the depression we let ourselves sink to depths of shame which only the courage, heroism and sacrifices of the men and women who are fighting for us overseas can wipe out. What the Prime Minister was saying to himself as well as to the men and women whom he was actually addressing was that the experiences of the war—and surely we must learn from the experiences of the war—have taught us that we, business men as well as the government, permitted certain things to be obstacles to full employment in the days of peace, when, had we only known it, those things were not real obstacles.

Something was said to-night about the necessity for a declaration. The declaration is there. The obstacle is declared to be an imaginary obstacle, and we realize it now. If there is any man in this house to-day who thinks we can ever have a similar depression in Canada, let me say to him that we have all across Canada a farming population which from its pioneering days has been imbued with courage and with experience. During the last three years of war our industrialists, management and labour, have shown what they can do when there is a real objective before them, and we have a realization to-day that never again will it be necessary for the people of Canada to be in want.

Mr. MacINNIS: It never was necessary.

Mr. TURGEON: I am not saying that it was. I am saying that what we allowed to be obstacles were false obstacles.

Let me say to some who I am afraid are thinking not of the material problems as much as of great principles, and I say this so that every member of the house will know where I stand, that I for my part am a believer in free enterprise. You may call it capitalism, if you like; I am a believer in it. I say as a member of this house and as a member of the committee, but I say this to the industrialists and to the business men and to every man and woman in Canada who are believers in free enterprise, that in my interpretation of systems as well as of terms, free enterprise does not pertain only to those who are in big business. The right of free enterprise pertains to every man and to every woman, to the farmer and to the labourer, to the small business man as well as to the big business man.

Mr. MacINNIS: Let them exercise it.

Mr. TURGEON: All right. We are talking now of the reconstruction committee, and I say that I approve more than I can say the announcement in the speech from the throne of the setting up of another committee to deal with social security. That is necessary. I agree with many of the provisions of the Beveridge report, but again speaking as a member of parliament I say that that is not enough. I have just pointed out that I am a believer in free enterprise, but I say that in addition to social security measures we must have fundamental changes. Those fundamental changes must be of such a nature as to give to government at least a motivating influence, if not a directive influence. We must have fundamental changes which will permit the farmer and the labouring man to have the benefit of free enterprise, and which will make a connecting link between agriculture and industry, between industry and government, and between government and agriculture. When I speak of industry I do not mean only capital and management; I mean industry as composed of capital and management and labour. I for my part am ready to state that in my opinion it is against sound public policy to permit plants employing large numbers of men to operate without provision for collective bargaining by the employees. That is, I think labour in its organized form must be a substantive part of the industry itself, and from the days of the end of the war onwards, when we speak of industry, we must mean labour in its organized form as well as industry itself. I hope we can have a condition here in Canada where social security as it relates to the men and women who are employed in industry will be taken care of by industry itself, but I do not think we can secure that at the moment. I consider, however, that that is the proper place to begin with social and economic security for the men and women who are employed in industry. But we cannot reach that condition unless we—and by "we" I mean parliament and government, provincial as well as dominion —recognize that organized labour is an actual part of industry itself. We must realize and recognize that the foundation of our whole economy rests with the farmers of the land, because industry, even considered as management and labour, cannot operate properly unless agriculture is on a sound basis. It therefore becomes, in my opinion, the duty of the reconstruction committee to take every possible step, in addition to what I have said about industry and labour, to put farming on a proper basis. If we do that, and if we bring about the developments of which the hon. member for Davenport has spoken so eloquently to-night, we can look forward to the post-war period without fear if, in addition, we let our fighting men who are overseas know what we are trying to do.

I have spoken of the unbearable conditions under which the men who fought in the last war and their dependents were living before this war commenced. We forgot the human values. We realized that as a result of that war Canada had taken a higher place than before in the galaxy of the nations of the world. But we forgot that our place in the world rested upon a foundation of broken hearts, shattered men, and our immortal dead. When this war is over I hope we shall realize that the glory that then will be ours in still greater measure will rest upon the same three things—the broken hearts of the women and children left behind, the shattered lives of the men who come back from the brink of the grave, and the immortal dead in such large numbers who will never see their homes again.

I say, in conclusion, that when this war is over and our men return to us from the graves of Europe or of Asia or of other lands where many of their comrades will lie forever, I hope that with the aid of the returned soldier organizations, the churches of the land, ministers of governments and members of parliament we shall never again be permitted to forget that our national glory will rest upon the sacrifices that have been made by our soldiers.

I want to express through you, Mr. Speaker, to the Minister of Pensions and National Health, and through him to the government my appreciation as a public man of what has been done in the last two years and of what is to be done in the future, and to express the hope that, when the war is over and we have

won it properly, our post-war problems will not actually prove to be as acute as now we think they may be.

Mr. A. R. ADAMSON (York West): It gives me very great pleasure to speak on this resolution to set up this committee which obviously has such general support from all parts of the house.

There is just one suggestion I should like to make to the minister before I proceed, namely, that a considerable amount of work on reconstruction has already been done, and a certain amount of the job necessary to do is now known. I suggest to the minister that before the committee brings down its report he should act on the suggestions which have already been put before him by the James committee and the other committee on reconstruction. In this connection I particularly want to recommend to his attention the findings of the Guelph conference on soil erosion in old Ontario.

Nobody appreciates more than I do the necessity of having blueprints ready before the need to build is apparent. At the Guelph conference the situation existing in Ontario was carefully gone into, but it was brought out by all the experts who spoke and presented papers that very little actual survey work had been done. Only King township and the Ganaraska valley had been at all adequately surveyed; that is, not more than two hundred square miles out of seventy-five thousand which needed to be surveyed. The rest of that territory must be surveyed before any comprehensive plan of soil conservation and reforestation can be undertaken. That is not a job which can be done in a minute; it is a job for expert scientists, for men who are trained to do that work. I realize that at the moment such men are extremely difficult to get, and I would suggest to the minister that as many as possible of these survey parties be sent into the rest of that part of Ontario during the coming summer, not waiting until after the report has been brought down. It is estimated by the Guelph conference, and particularly by Professor Coventry, who was one of the speakers at the conference, that it would require about two hundred survey parties adequately to cover those seventy-five thousand square miles of Ontario and that the survey alone would occupy three years. The necessity of that work is well known. We must do something about it; otherwise that part of Ontario will become a desert. I would suggest with the utmost emphasis that these survey parties be started and put at work this summer season.

There is one other matter as to which, I think, immediate work could be undertaken.

Mind you, Mr. Speaker, I am not saying that this is in any way the total or even a major part of the work of the committee. I consider this committee to be one of the most if not the most important of the committees set up in this house. But there is work which we know already has to be done. In the metropolitan district of Toronto, which includes all of York county and probably the adjoining counties, the architectural association has estimated that to provide a comprehensive plan of re-housing that area will take as long as two years, and it will cost in the neighbourhood of $100,000. I mention these figures merely to emphasize the size of the job which lies ahead of us.

These are things which I suggest we should be doing. A start—making the blueprints, providing the plans—should be made at once. We cannot risk being unprepared at the end of the war. We cannot take the chance of our army coming back from Europe and our war industries suddenly shutting off and leaving our men in the street. We must have those plans, and in my opinion there is not a moment to lose. I agree with everything that has been said in this chamber concerning the seriousness of the war situation. I realize—nobody, probably, better—what a tough job lies ahead of us to win the war. But because I do that, I also realize what a difficult, long and complicated job the reconstruction committee has in front of it, and it is because I do not wish to see any time wasted that I make these suggestions to the minister.

In the coming years of reconstruction in Canada, I believe we shall discover that the findings in England of the Uthwatt report will affect us far more than the Beveridge report. The way in which in England they have conserved their land, and now—this is the finding of Mr. Justice Uthwatt—are growing between two-thirds and three-quarters of the food necessary for that island, whereas at one time they grew only one-third of their requirements, is an indication of how far we can go in the matter of land through proper land use. Nobody has been more prodigal of the land than we in Canada. One would think in some places we had deliberately set out to destroy the farms and the land. In some places in King township they found that the land had been lumbered, the timber taken off it; that it had been farmed and it had become waste land, within one generation. The first settler within one generation cut the trees, farmed the land, and was so careless of the land that it is now abandoned.

This is one of the most serious things facing Canada to-day. I shall not go into details,

but I will say this, that unless we take immediate steps to see to it that forest cover is put back on the land, that erosion is stopped, that streams like the Etobicoke, the Ganaraska and the Grand river do not lose sixty or seventy per cent of their water in a spring freshet of two or three days, we are in very grave danger of having our land turn into a desert. It is because this has been so deeply impressed upon me that I make the plea that the minister waste no time in setting up these extra surveys in order to tackle this one specific job.

Mr. PAUL MARTIN (Essex East): Mr. Speaker, I have listened attentively to the discussion on this subject, and I am wondering whether most of the hon. gentlemen who have spoken have not missed the real implications of the resolution now before the house. Much and, in fact, all that has been said has been sound and helpful, but we are not here dealing with a resolution having in view the reconstruction of a county or even a nation. At the conclusion of hostilities we shall face a world that will have been seriously bruised, and the fact is that interdependence will stare us in the face even more intensely after the conflict is over than at any time during the last three decades.

The approach to this problem of reconstruction must be, not in terms of adequate measures of public works, and that sort of thing, but in terms of the kind of world, let alone the kind of country, in which we shall live. That, I think, is the basic consideration in this discussion.

Let me say at the outset that I share the view expressed by those who have thus far spoken, that one need make no apology for this resolution or this debate. It is true that in some quarters it is suggested that this is no time to deal with the post-war period, that all our energies should be concentrated on the one problem of winning the war. With that, of course, we shall all agree; but winning the war will require the use of various instruments. No one now in the light of history will say that when Wilson introduced his fourteen points the programme which he offered did not have a definite relation to the victory which ultimately came about. It was a means of encouraging nations that were seriously disturbed as to whether they should give their support. To-day, if we have an adequate programme, as Mr. Morrison said yesterday when speaking in the United Kingdom, because of that very programme we may save much bloodshed and perhaps shorten the war. For there are many people in various parts of the world, in Europe and particularly in Asia, who are not convinced that the united nations offer the best solution in the post-war period. The man who was born and brought up in the east has learned in many respects to suspect the white man and his rule, and there are nations in Europe that feel, perhaps less tensely but none the less surely, a somewhat similar motivation. Therefore, in the prosecution of this war it is up to us at the same time to arrive at some approaches—perhaps they can be no more than approaches—which will convince the conquered nations of Europe and those of the east now dominated by the enemy that because of our history and civilization and because of our programme, we may offer them much more in connection with their personal and national rehabilitation.

I noticed one vein running through the speeches of hon. members of the Cooperative Commonwealth Federation. The other day in the excellent speech of the hon. member for Weyburn (Mr. Douglas) there was expressed the thought that we must clearly define our aims, that otherwise the energy which was being put into the fight might be unavailing. The hon. member seemed to suggest that there was a definite connection between the reasons which brought us into the fight and the sort of world which many of us would set up afterwards. I suggest that the hon. gentleman is wrong, that in his mind there was a confusion between the provocation of the war and our peace aims. There can be no doubt as to why we engaged in this tremendous struggle. We did so simply because there were in existence certain forces that were prepared to bring to an end our type of civilization; men who were ready to stop at nothing to achieve great power and great expansion in empire at the expense of decency and civilization itself. That is the reason and the only reason why we engaged in this conflict; and to suggest that we did so in order to build a better world is unintentionally to give Hitler an assumption which he does not deserve. Surely we would have gone on with these plans of reform whether or not the war had come. It may be that the war has brought about a more ready realization of their implications, but surely these plans would have been contemplated by people throughout the world whether or not Hitler had risen to power. Therefore we are fighting, not to build a better world, but to rid the world of a force, a cancer, which prevents the realization of these better things.

Mr. DOUGLAS (Weyburn): Would not both our allies and the conquered peoples be greatly encouraged if they knew that when we had rid the world of this force we were going to bring about something better?

Mr. MARTIN: I quite agree, and that is our justification for considering these problems at this time. The committee on reconstruction of which I have the privilege of being a member has a great job to do, and I must say that several of the suggestions advanced by the hon. member for Cape Breton South (Mr. Gillis) meet with my approval. In the first place it seems to me that a committee so important requires assistance which the membership of this house alone cannot give. We have the James committee and other non-parliamentary committees composed of various deputy ministers and the like; we have the group in the Department of External Affairs, who are cooperating with many other official agencies of the United Nations. It seems to me the work of the committee would be greatly assisted by the setting up of some efficient, though not necessarily a large personnel research committee or secretariat which could follow up many of the threads which the members of the committees are not equipped or have not time to deal with. There is, however, one thing I believe the committee must not overlook, and it is this. The broad aspect of this problem will not be solved merely by considering palliatives of the sort we had to consider under the shadows of the New Deal both in this country and in other countries, particularly the United States.

The problem is much deeper and broader than that. There is the whole political aspect of the problem Here we have a United Nations scheme, a machinery of action by which on the political side we are trying to offset the strategy, political and military, of the enemy. I am not satisfied that the United Nations scheme for the purpose of carrying on the war is as strong as I should like. I should prefer to see greater emphasis on the United Nations aspect during the conflict than we now have. I could not help agreeing with many of the things which the hon. member for Vancouver East (Mr. MacInnis), speaking in the debate the other day, said when he referred to Casablanca with its advantages, yet with its apparent disadvantages. There was not full expression there of the voice of the United Nations. But if, when the war is over, the machinery of the United Nations is not functioning to the extent that we should like to see it function, think of the dangers we shall fall into at the conclusion, when there will be a tendency towards divergence on the part of the United Nations rather than of convergence. That is extremely important.

This committee therefore will have to consider the political implications of its work. Mr. Morrison yesterday, quite properly I think, because he is a member of a government, one of the important governments in the United Nations group, nevertheless taking the cue from Mr. Welles and Mr. Hull, spoke of the kind of association that must prevail if at the conclusion of hostilities and during the period of liquidation and demobilization when we shall deal with refugee problems and the like, there is to be some order. Then, dealing with the long term, he spoke of the necessity of providing agencies by which the nations will act in concert and not on a competitive basis. Will our committee ignore this problem? Thus far in the deliberations of our committee we have dealt, quite properly but almost exclusively, with problems which in turn depend for their solution upon the settlement of the bigger problems. Must we not take into account that it comes within our ambit to consider whether the old agencies of collective security shall be maintained, or whether we are to build on the old foundation, whether we shall have regional organizations or whether these regional organizations will be simply economic structures? Those are considerations which I trust this committee will not hesitate to deal with fully.

The hon. member for Vancouver East to-day referred to that well-known book, "Conditions of Peace," by Edward Hallett Carr. That book has been widely circularized, more perhaps than many other books. I want to suggest this to the hon. member—perhaps in making this statement one will be accused of a certain amount of generality, but I make it nevertheless, for the same reason that Mr. Carr makes it; it is the underlying assumption of his book. The hon. member for Vancouver East to-day spoke about the necessity of bringing about economic and social reform. I do not quarrel with him on that. I do not wish to get into a discussion now as to whether I am in favour of a system of free enterprise or one of collectivism. I think in the future these labels will have little value, that we are likely to have a combination of both forms. But what I say and what Mr. Carr says is this:

> The essential nature of the crisis through which we are now living is neither military, nor political, nor economic, but moral. A new faith in a new moral purpose is required to reanimate our political and economic system.

It is not simply a question of dollars and cents, it is not simply of economic security, although those things are important; it is a question of a rededication of what democracy really means, a rededication of the generally accepted religious conception and

convictions of civilized men that must be at the base of the economic and social system which we are going to set up.

Now, Mr. Speaker, I suggest this. This problem of the kind of world we shall have may engage the philosopher. Our job is simply to realize that we have certain common objectives to attain. First, the immediate job will be to provide that the man who has borne the primary responsibility for carrying on the war, the man who offered his life on the field of battle, shall be able when he returns to come back to a position where he will be able to compete at least equally with the civilian who was not called upon to bear that kind of sacrifice. I believe that the government, through the Minister of Pensions and National Health (Mr. Mackenzie), has a programme, not perfect, but a programme that should commend itself to this house generally, a programme based upon inquiry and an honest approach on the part of various committees of this house.

I move the adjournment of the debate.

Motion agreed to and debate adjourned.

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

Friday, February 26, 1943

The house met at three o'clock.

DEFENCE OF CANADA REGULATIONS

REPORT OF DETENTIONS FOR THE PERIOD JANUARY 29, 1943 TO FEBRUARY 26, 1943

Hon. L. S. ST. LAURENT (Minister of Justice): I wish to lay on the table the return which I am required to make every four weeks while the house is in session under paragraph 3 of regulation 21 of the defence of Canada regulations with respect to the application of these regulations. There have been no persons detained during the period from January 29, 1943, to February 26, 1943, under orders made pursuant to the regulations, and there have been no cases in which the Minister of Justice has declined to follow the advice of any advisory committee.

WAR APPROPRIATION BILL

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

Hon. J. L. ILSLEY (Minister of Finance) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to introduce a measure to provide, inter alia,

1. That sums not exceeding $3,890,000,000 be granted to His Majesty towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the governor in council during the year ending March 31, 1944, for—

(a) the security, defence, peace, order and welfare of Canada;

(b) the conduct of naval, military and air operations in or beyond Canada;

(c) promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or in any other manner whatsoever; and

(d) the carrying out of any measures deemed necessary or advisable by the governor in council in consequence of the existence of a state of war.

2. That the governor in council be empowered to raise by way of loan under the provisions of the Consolidated Revenue and Audit Act, 1931, such sum or sums of money, not exceeding in the whole the sum of $3,890,000,000 as may be required for the purpose of defraying such expenses or making such advances or loans, the principal and interest of any such loan to be a charge upon and payable out of the consolidated revenue fund.

3. That the governor in council be empowered to re-expend, advance or loan moneys that may be received by way of refund or repayment of advances, loans or expenditure under the War Appropriation acts of 1939 (second session), 1940, 1941, 1942 and 1943.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

REQUEST FOR TOTAL ESTIMATED EXPENDITURE BY DEPARTMENTS WITH DETAILED BREAK-DOWN

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): In order to enable us to scrutinize more closely and in greater detail the various governmental expenditures under the proposed war appropriation bill, I should like to ask the Minister of Finance if when he makes his statement to the house on the resolution he will give not only the total estimated expenditures of each department of the government but also a complete detailed break-down of the estimates of each such department.

Hon. J. L. ILSLEY (Minister of Finance): I shall give consideration to that request. The practice last year was that each of the defence ministers gave the details of the proposed expenditures in his department and I gave the details of the proposed expenditures in all other departments. There is no particular reason so far as I know why the request of the leader of the opposition should not be complied with, but I should like to consult with the defence ministers to see what

course they approve this year. Some of them in any event will give details at a very early stage.

Mr. GRAYDON: My object in making the request at this time is to point out to the minister what we think was a failure in the practice adopted previously in connection with this matter. We are anxious to give the closest scrutiny to the war expenditures this year and it would very much help those of us who will have that responsibility to have laid before the house at an earlier stage than usual the detailed expenditures by departments. In the past, as the minister well knows, not until he had given his statement in the committee were these details actually known to those of us who wish to scrutinize them carefully and direct questions accordingly. If the minister could carry out the suggestion I have made this afternoon the position so far as we are concerned would be similar to that with respect to ordinary civil estimates. The expenditures under the war appropriation bill are by far the most important of our expenditures, and for that reason I should like the minister to give careful consideration to the suggestion I have made.

Hon. C. G. POWER (Minister of National Defence for Air): I cannot speak for the Minister of National Defence (Mr. Ralston), but I think perhaps he would be in agreement if we were to table a break-down on Wednesday or Thursday—that would give us time to consult with the Minister of National Defence, who is away at the moment. I hardly think we shall get to the discussion on appropriations for defence until Wednesday. In any case if a break-down were tabled as soon as possible and printed in the *Votes and Proceedings*, would that be satisfactory?

Mr. GRAYDON: I do not want to ask impossibilities. I rather fancy from what the minister says that his suggestion might meet our requirements. We are anxious to have the whole break-down available either at the time the finance minister makes his statement or very soon afterwards.

Mr. POWER: Last year a break-down was put on *Hansard* covering all three departments, and I rather think that before we got through discussing the items of the different departments, the break-down on *Hansard* had been entirely lost sight of. If we give a break-down, under primaries, on Wednesday or Thursday—

Mr. GRAYDON: What does the minister mean by primaries?

[Mr. Ilsley.]

Mr. POWER: The different items in the estimates. They call them primaries; I do not know just why, except that they are primary requirements, functional requirements, such as pay and allowances, civil government and so on, more or less as they appear in the ordinary book of estimates in peace time. If such a break-down were given, perhaps my hon. friend would be satisfied.

BUSINESS OF THE HOUSE

REQUEST FOR SECRET SESSION

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, may I direct a question to the Prime Minister. Now that the address in reply to the speech from the throne has been adopted, will he suggest an early date when this house can meet in closed session to discuss matters relating to Canada's part in the war?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I am anxious to oblige the house. It is entirely a matter of what is likely best to fulfil the wishes of hon. members and best to further public business. The plan on which the government was proceeding was to bring down as soon as possible our financial measures in toto. The estimates are already down. A resolution with respect to the war appropriation has just been advanced a stage from government notices of motion, and will hereafter appear under orders of the day. There is also now upon the order paper a resolution respecting the making of war supplies available for the united nations. In this way we have sought to give the house a complete picture of the sums which the government will ask to have appropriated. The budget will be brought down on Tuesday of next week.

A request has been made that we should establish the standing and select committees as rapidly as possible. Until all the committees are set up and until the house has had the preliminary statements with regard to total expenditures, with the sort of break-down that my hon. friend the leader of the opposition has asked for, so that hon. members may be able to study the details, I do not think we should interrupt the proceedings in order to hold a secret session. If the situation were so pressing that a secret session to discuss other matters would be regarded as more important than proceeding with the government's financial measures for the war, in the manner I have indicated, I would say that we would fix a day for a secret session forthwith; but if there is no situation that is being embarrassed by not having a

secret session at once I think the house would be in a better position to discuss in secret session matters pertaining to the war after it has had before it a complete picture of the financial situation. It is a matter of balancing. I should be glad to talk it over with my hon. friend and other leaders, if they so desire, and see if we cannot perhaps agree on a time that would be best.

Mr. COLDWELL: If the Prime Minister will pardon me, I should like to add that what prompted me to ask this question to-day was the fact that there has been a great deal of discussion in the British house, where Sir James Grigg, the minister for war, stated yesterday that the Canadian troops would probably soon be engaged. In view of the discussions which have taken place in the British house regarding equipment, and so on, I think it would satisfy some members of the house if a secret session could be held as soon as possible in order that we may make inquiry regarding certain matters which have come to our attention.

APPOINTMENT OF COMMITTEES—DEBATE ON THE BUDGET

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Before proceeding with the orders of the day, in order to continue what I said concerning the proceedings of the house, it may be of assistance to hon. members if I make the matter a little clearer. The Minister of Finance intends to introduce his budget on Tuesday evening. That means that for the remainder of to-day, on Monday, and until the evening of Tuesday, the time of the house will be taken up with other matters. I have felt that it would be furthering the wishes which have been expressed by hon. gentlemen opposite if we devoted that time to endeavouring to get the few remaining committees appointed. Fifteen committees have already been appointed. There remain the five of which notices are already on the order paper, one of which was under discussion yesterday and will continue to be discussed to-day. So that between now and Tuesday evening the first order of business will be the discussion of the setting-up of these different committees. The Minister of Finance proposes to proceed on Wednesday with the motion respecting the war appropriation for the ensuing year, and would like to have the house continue with discussion on that measure unless there are some other matters that it may be necessary to take up in the interval. The minister hopes to be able to make headway with the war appropriation discussion from the time that he proceeds with the resolution in the house.

Mr. GRAYDON: Will there be no opportunity of criticism with respect to the budget?

Mr. MACKENZIE KING: There will be opportunity, at great length if necessary, but not immediately after its introduction. The minister does not propose to go on with the discussion of the budget for some little time.

Mr. GRAYDON: Would the Prime Minister gives us some idea as to what he means by "some little time"?

Mr. MACKENZIE KING: The Minister of Finance will have to answer that.

Mr. CRERAR: How long will it take to discuss the war appropriation?

Mr. GRAYDON: Do I understand that there will be no reply with respect to the budget until the war appropriation has gone through its stages?

Mr. MACKENZIE KING: Oh, no; the Minister of Finance would be in a better position to say at what particular time the debate on the budget ought to be continued. I understand from him that he would like the remainder of the week to be devoted to the war appropriation measure. He feels it would accommodate hon. gentlemen opposite for him to wait until Monday for the debate on the budget to begin.

MUNITIONS AND SUPPLY

AMENDMENT OF ACT CREATING DEPARTMENT—CHART OF DEPARTMENTAL ORGANIZATION

On the orders of the day:

Mr. J. SASSEVILLE ROY (Gaspe): I should like to ask a question of the Minister of Munitions and Supply in connection with bill No. 7. As this bill is voluminous, would the minister be good enough to supply the members with a chart showing how his department is now organized?

Hon. C. D. HOWE (Minister of Munitions and Supply): I shall be very glad to have a chart showing the department's organization printed in the *Votes and Proceedings.*

RURAL MAIL

REPRESENTATIONS OF COURIERS AS TO PERMANENCY, SALARIES AND ALLOWANCES, AND COST OF LIVING BONUS

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): I should like to ask a question of the Postmaster General (Mr. Mulock). He is not in the house at the moment but perhaps he would

answer on Monday. I understand that representations have been made to the government by the rural mail couriers' organization, relating to permanency of employment, basic salaries and allowances, as well as cost of living bonuses. Will the Postmaster General be good enough to make a statement to the house indicating what consideration has been given to the representations of the rural mail couriers and what decision has been arrived at with respect to the matter?

Hon. C. W. G. GIBSON (Acting Postmaster General): The Postmaster General is out of the city to-day, but I shall be glad to bring the question to his attention.

CANADIAN ARMED FORCES

REFERENCE TO STATEMENT OF PRIME MINISTER IN 1942 AS TO SENDING RECRUITS OVERSEAS

On the orders of the day:

Mr. VINCENT DUPUIS (Chambly-Rouville): I should like to direct a question to the Prime Minister. In closing the debate on bill No. 80 on July 7, 1942, the Prime Minister declared, as reported at page 4014 and following of *Hansard* of 1942, that before enforcing the decision of the administration to send recruits overseas, he intended to give hon. members an opportunity of showing their confidence or want of confidence in the government. I would like to know from him if since that time anything has occurred which in his mind would relieve him of his responsibility to parliament before enforcing the cabinet's decision upon this very important question.

Mr. SPEAKER: This is a question of which notice should be given.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member asks if anything has occurred to cause me to change my mind with respect to an important statement I made last year to the house. I would answer at once that nothing has.

FINDING OF CHIEF CORONER AT INQUEST IN CASE OF DEATH OF PRIVATE

On the orders of the day:

Mr. J. A. ROSS (Souris): I wish to direct a question to the Minister of National Defence (Mr. Ralston) based upon a report in the Toronto *Daily Star* of February 25, 1943, in connection with the inquest conducted in the case of the death of a private in the Canadian army. Chief coroner Dr. Smirle Lawson is reported to have said:

Private John Heeney Somerville came to his death on January 29, 1943, in Stanley Barracks

from lobar pneumonia and we place the blame on the medical officers in charge, who did not examine the patient sufficiently to determine the serious illness.

Some hon. MEMBERS: Order.

Mr. SPEAKER: I think that this question should not be answered on the orders of the day. It should be placed on the order paper.

Mr. ROSS (Souris): It is a serious matter.

Mr. GORDON GRAYDON (Leader of the Opposition): May I interject a remark with respect to that? I realize that it may not be possible for Your Honour to allow a great multiplicity of questions at the opening hour of each session, but it does seem to me that not enough leniency is allowed to some private members with respect to questions of this kind. This is a matter of considerable importance to the central part of Canada, indeed to all of Canada. I think Your Honour might extend a little indulgence in respect of questions of this nature.

Mr. SPEAKER: I should be very glad to allow leniency where there is a degree of urgency in a question to which a reply may be required within an hour or so. But the question the hon. member is asking would involve at least some research on the part of the department concerned, and the department should be given an opportunity of full inquiry before making reply. I would ask the house to realize that with respect to any question which has a degree of urgency, making an immediate reply necessary, on the orders of the day I shall always be prepared to extend considerable leniency; but where a question involves research and a full reply it should certainly be placed on the order paper. The question now under discussion, so far as I heard it from the hon. gentleman, is not one to which an answer to-day is essential for the hon. member's purpose: it should be placed on the order paper and he will get his answer in due course and in sufficient time.

Mr. GRAYDON: There is a good deal of feeling among some hon. members with respect to the issue I have just raised. Many of these questions and these answers are buried in *Hansard* or as orders for returns, and it is very difficult to get to the public the matters which are so important and which our duties as members require us to bring up. I do not think there should be any objection at least to the hon. member reading his question; it could then stand as a notice to the minister whose department is involved, and who in any event is not in his seat this afternoon, and it can be answered afterwards.

Mr. SPEAKER: I would just point out that the remarks of the leader of the opposition bear out what I have just said. As the minister is not in his place the answer cannot be given to-day. The same publicity is obtained by giving notice of motion or having the question placed on the order paper.

Mr. ROSS (Souris): May I complete the question, so that it may stand as notice?

Mr. SPEAKER: Since the hon. member has gone so far, he might as well complete the question.

Mr. ROSS (Souris): Will the minister or someone on his behalf advise the house if the matter has been investigated by his department, and what steps have been taken or will be taken to stop this type of neglect in the Canadian army?

Hon. C. G. POWER (Minister of National Defence for Air): The only objection I would make is that there is an assertion in the hon. member's question that there was neglect, and I am afraid I cannot tell my hon. friend whether or not there was neglect.

Mr. ROSS (Souris): The coroner's report is here.

Mr. POWER: I should be quite willing to take it as notice of a question, but if the question was formulated for the purpose of making an assertion that there was neglect on the part of the Minister of National Defence, I think I should object to the question.

BUTTER

APPEAL OF TORONTO GROCERS FOR RESTORATION OF HALF-POUND RATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I desire to direct a question to the Minister of Finance. A British United Press dispatch appearing in the Ottawa *Journal,* under date-line of the 25th of February, states that Toronto grocers, with their shelves groaning with butter, yesterday appealed to Ottawa to restore the half-pound ration on March 1 instead of March 15. The secretary of the Toronto Retail Grocers' Association said the grocers feared that butter stocks would spoil on the shelves. "Toronto stores are simply loaded with butter," he added. Will the Minister of Finance indicate to the house what consideration has been given to that appeal?

Mr. ILSLEY: I was not aware until my hon. friend gave me notice of the question that any such appeal had been made, and therefore I will have to make inquiries about it.

JEWS IN NORTH AFRICA

REPORT IN "CANADIAN JEWISH REVIEW" AS TO ALLEGED MISTREATMENT

On the orders of the day:

Mr. DOUGLAS G. ROSS (St. Paul's): I have in my hand a clipping from the latest issue of the "Canadian Jewish Review" which contains a startling article about the treatment of Jews in North Africa. Will the Prime Minister give an assurance to the house that Jewish people in North Africa are to be quickly freed from such persecution as characterized the Vichy regime in France?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not know what my hon. friend's estimate of my powers of prevision may be but the last thing in the world I would attempt to give this house is an assurance with respect to anything which relates to North Africa.

LABOUR CONDITIONS

DEVELOPMENT OF 1943 FARM LABOUR PROGRAMME

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): The hon. member for Huron North (Mr. Cardiff) asked a question yesterday with respect to the policy of the government as to labour supply for agriculture for the forthcoming season. I wish to make a statement to the house on the development of the government's 1943 farm labour programme.

National farm labour policy, 1943. The national farm labour policy of 1943 calls for the closest coordination of the federal and provincial departments of agriculture, other federal and provincial departments, national and local farm organizations and the cooperation of citizens in general.

1. Stabilizing employment in agriculture. The following measures have recently been taken to strengthen the established policy of the government to stabilize employment in agriculture; in other words, to keep essential labour on the farms.

(a) Under P.C. 246, January 19, 1943, no person employed in agriculture shall accept other employment except for:

(1) Active service in the armed forces.

(2) He may take temporary employment not exceeding sixty days in any calendar year outside an urban municipality with a population over 5,000 but not for a longer time unless he has obtained a permit from an employment and selective service office. All employment offices have been instructed that permits should not be given to those who are essential to agriculture. Provision has been made to allow for the seasonal employment of agricultural workers in logging, lumbering, mining and fishing, when they can be spared from the farms.

(b) Under the mobilization regulations farmers and farm workers applying for postponement of military service shall be granted such postponement until further notice unless it is established to the satisfaction of the board that they are not essential to agriculture.

(c) An interpretative letter was sent on February 1 to the chairman of each mobilization board to ensure greater uniformity in the application of the mobilization regulations and to emphasize the importance of retaining man-power in agriculture. This letter stressed that postponements be granted until further notice to essential agricultural workers.

The letter has been recorded at page 270 of *Hansard* of February 9, 1943, and I will not take time to read it now. It has clarified the situation. Some suggestions have been made that mobilization boards will not follow the procedure outlined. I have not had any such intimation from a single member of any board in Canada.

My personal contact with the mobilization boards, as members know, has been since December 1 only; however, I am confident I can depend upon full cooperation from them and on compliance with the regulations by them.

2. Dominion-provincial cooperative farm labour activity. For the past three years a very successful activity was carried on in Ontario on a dollar for dollar basis jointly by the dominion and the province whereby workers consisting of men and women and students from urban centres were recruited for farm work.

Last year a number of other provinces entered into a similar agreement. The salient features of these agreements, in which the federal Department of Labour shared the expenditures equally with the provinces concerned, were as follows:

In Ontario, the financial assistance was used to expand the activities of the farm service force. This force was made up of high school students, university students, schoolteachers and townspeople during vacation and spare hours. Under this arrangement over 50,000 placements were made on farms during the 1942 season. Fifty thousand persons were made available for farmers who otherwise would not have gone near a farm.

In Nova Scotia, assistance in fruit picking operations in the Annapolis valley was provided. Agreements were made with each of the three prairie provinces to provide financial assistance for the recruiting, transporting and placement of emergency help for harvesting operations.

In British Columbia, the financial assistance was used in carrying out special measures to meet the labour requirements for fruit picking.

This dominion-provincial cooperative plan will be expanded and further developed this year in all provinces. Already conferences to this end have been conducted. Suggestions have been made that we develop a woman's land army—well, you see we have had three years of successful experience with a much broader scheme in Ontario and to a lesser degree in other provinces.

This year we will exceed our 50,000 individuals of 1942 in Ontario and do equally well in other provinces.

3. Return of workers to agriculture from seasonal employment. Arrangements through the employment and selective service offices are planned and will go into effect to ensure that farmers and farm workers engaged in seasonal employment in logging, lumbering and other seasonal work return to agriculture in time for spring work. These men were encouraged to leave agriculture during the winter, when they could be spared on the understanding that they would go back to the farms in the spring.

There are some 175,000 men who were moved from farms for winter work who must return to agriculture, otherwise they will lose their rights to postponement under the mobilization regulations.

The employment offices will not issue permits to them for work in any other industry.

Positive assurance therefore exists that this large body of men will be available for 1943 farm work.

4. Existing pools of man-power to be tapped. There are several sources from which we will recruit farm labour a few of which are:

(a) Prisoners of war. The labour department will explore the possible use of prisoners of war on farms and will assume the responsibility for this activity.

(b) Japanese in Canada. Already representatives of the sugar beet growers of Alberta and Ontario have representatives in the Japanese towns in British Columbia negotiating for Japanese labour. We used these men successfully in Alberta, Manitoba and to a lesser degree, in Ontario last year. In 1943 we expect still greater success.

(c) Indians on reserves. Treaty Indians from the reserves will be used on farms. This was tried out last fall and proved satisfactory and will be further developed this year.

(d) Other sources. Other sources of potential farm man-power will be explored. These include recruitment and training of women for driving farm equipment; use of civilian internees; use of men discharged from the armed forces and numerous others.

5. Drawing from industries. A survey will be made, and based on same, industries which can do so without impairing the war effort will be required to release men and women suitable for farm work. This may mean that during the rush seasons some industries may be closed temporarily.

6. Direction to agriculture of persons unfit for military service. The authority provided under national selective service regulations will be used to direct to agriculture unmarried men who are called for military service and are found to be unfit and who in the opinion of the national selective service officer are suitable for farm work. These men will be directed to productive farms where labour is needed. The government will pay transportation and if found necessary will make an initial allowance for work clothing. Furthermore, the department will see to it that the man is paid promptly.

7. Mobility of labour. To provide absolute mobility of farm labour so that man-power may be moved from areas where work is completed to other areas where needed, the dominion government will provide transportation when the movement is from one province to another and will share expenditures within the province with the provincial governments. This will permit of organization of farm labour excursions and similar arrangements.

8. Local agricultural war committees. Local agricultural war committees in counties, townships, parishes and municipalities have already been established by several of the provinces to promote organized effort in local communities to meet 1943 farm production goals. Other provinces have this same plan under consideration. Such committees can assist greatly in carrying out the details of the farm labour programme. The committees would be asked to perform the following functions:

(a) To encourage within the local area the best use of existing farm man-power through the efficient planning and management of farm operations, farmers working together where practical, the sharing of labour, and the cooperative use of farm machinery.

(b) To determine seasonal and full-time farm labour requirements in the community.

(c) To encourage the transfer of labour from low to high productive farms and to work with provincial agricultural representatives, other provincial field men, and local employment and selective service officers in facilitating the placement of the most productive farms of workers brought in from other sources.

(d) To assist provincial field men and employment officers in recruiting farmers and farm workers who can be spared from agriculture during the slack seasons for work in other essential primary industries.

(e) Supplying information regarding the essentiality, or otherwise, of farm workers whose cases are under consideration by the mobilization boards when requested to do so. The local committees could be of assistance by reporting the facts regarding men who have not made themselves essential to agriculture by increasing production on the farm where they are working or by moving to a farm where their services are required. They could also report men who are unwilling to undertake essential seasonal work elsewhere when they can be spared from agriculture. Such reports will be made available to national selective officials, the representatives of national defence and agriculture, appearing before the mobilization board and taken in conjunction with reports received from recruiting committees and other sources will enable the board to reach a decision based on the facts.

9. Movement of workers from low productive farms. Encouragement will be given to those at present on low productive farms to move to more productive farms. Each province will be requested to explore this possibility and to develop detailed plans which will best fit the local necessities.

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10. Experienced farmers will be used to advise:

(a) Appointment of regional national selective service officials with farm experience. Qualified men with agricultural experience will be appointed to the employment staff of each region and where necessary within individual provinces.

(b) Agricultural division of the labour supply branch. An agricultural division of the labour supply branch has been established. On its staff are men experienced in agriculture.

(c) Close liaison with federal Department of Agriculture. A close contact will be maintained between this agricultural division and the federal and provincial departments of agriculture.

(d) Representation of agriculture on National Selective Service advisory board. An outstanding farmer who is a member of the Canadian Federation of Agriculture has been added to the National Selective Service advisory board.

11. Discussion of programme with provincial authorities. This programme will be sent at once to each provincial department of agriculture and labour to be followed by detailed discussions in each province between their respective officials and representatives of the Department of Labour immediately.

Mr. REID: Has the minister given consideration to the utilization of the hundreds of conscientious objectors who are employed in forestry camps and who could be given work of a more pressing nature?

Mr. MITCHELL: This matter is at this moment receiving the attention of the Department of Labour. We expect to make an announcement within the next few days.

Mr. GRAYDON: I did not note in the minister's statement any reference to whether the government had made a nation-wide survey to find out exactly how many men and women will be required to meet the needs of the production programme on the farms.

Mr. MITCHELL: We have many surveys; I should be glad to show them to my hon. friend. After all it is only a guess. The figure you get to-day is dead to-morrow; in fact sometimes it is dead a long time before it reaches me, owing to the constant changes in the agricultural situation in a seasonal country. But if my hon. friend would like to see the best thing we have I shall be glad to give it to him.

Mr. GRAYDON: It is not particularly for my own purposes that I am asking the question; I am only anxious to find out whether the government is approaching the matter from one point of view or the other. The government ought to know what is required before it decides on the policy to fill the requirement.

Mr. HANSON (York-Sunbury): With reference to the letter addressed by the deputy minister, Mr. MacNamara, to the mobilization boards, will the minister say how many answers have been received, and will he lay them on the table? I happen to know of one from a member of the mobilization board in New Brunswick. It was a most constructive letter; I wish it could go on *Hansard*. It gave the considered opinion of a man who is doing a fine piece of work. I may add that he is not the chairman of the board, either. It would be most instructive if those letters could either be read into *Hansard* or printed in *Votes and Proceedings*. I ask the minister in any event to lay them on the table so that we may see what is the reaction of the members of these boards to the suggestion of the deputy minister of labour as set forth in that letter.

Mr. BLACKMORE: Does the Minister of Labour think that any instructions or suggestions have issued from any other department of the government to the boards, which might have a bearing upon the decisions they would make in the cases of those who might otherwise be granted postponement because they are essential to agriculture? Cases are being reported to me of men who so far as the ordinary human intelligence can see ought to be granted postponement by reason of their being essential to agriculture; but for some reason the boards are not granting postponement. It gives rise to the question whether orders are going out from the government countermanding orders from the minister's department.

Mr. MITCHELL: I think the hon. member can rest assured that no orders have gone out from the government contrary to those of the Department of Labour.

Mr. DOUGLAS (Weyburn): Are not quotas sent out by the Department of National Defence to the boards asking them to secure a certain number of recruits each month? Does the Department of Labour get that direct from defence headquarters here?

ROYAL CANADIAN NAVY

REFERENCE TO STATEMENT OF NAVAL OFFICER AS TO ENEMY SUBMARINE OPERATIONS

On the orders of the day:

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): May

I have a moment to make a statement on a matter brought before the house yesterday by the hon. member for Yale (Mr. Stirling)? I was not able to get this information yesterday because Admiral Brodeur was on his way to Washington, and at the time I had not seen the Quebec newspapers. The statement I should like to make is as follows:

A Canadian Press dispatch appearing in newspapers of February 25 states that Rear-Admiral Brodeur of the Canadian Navy had declared in an interview in Quebec "that the Germans may concentrate as many as 500 or 600 submarines around Halifax and Newfoundland next summer to harass allied convoys."

I am advised that no representative of the Canadian Press was present at the interview; that the only reporters present were one from the Quebec *Chronicle-Telegraph* and one from *L'Action Catholique,* which is published in Quebec. Sub-Lieutenant Jacques Trepanier, of the Department of Naval Information, was also present at the interview.

The Quebec *Chronicle-Telegraph* report contains the following item:

He (Admiral Brodeur) maintained that if the enemy puts out from 500 to 600 submarines this year, in which case the Germans would probably place many around Halifax and off Newfoundland . . ."

L'Action Catholique news story contains no reference to specific numbers of submarines.

We telegraphed Rear-Admiral Brodeur and his reply is as follows:

I wish to state that at no time during press interview or during address did I state 500 or 600 submarines would be off Canadian coast nor was the closing of St. Lawrence ever mentioned. Lieutenant Trepanier was present on all occasions and should be able to verify my statement. During interview and speech it was mentioned—

The word is doubtful in the cypher used in the telegram; it is either "mentioned" or "suggested". I think the correct word is "mentioned".

—that the enemy might have 500 to 600 submarines for operations in Atlantic ocean.

Sub-Lieutenant Trepanier confirms the view that Rear-Admiral Brodeur did not say that 500 to 600 submarines would be concentrated off Halifax or Newfoundland. It would therefore seem that the Canadian press report appearing in certain newspapers on February 25 has not quoted Rear-Admiral Brodeur correctly in this regard.

Mr. HANSON (York-Sunbury): Has the minister notified the rear-admiral that he should not talk at all?

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Mr. MACDONALD (Kingston City): Well, it is difficult for naval officers or officers of any of the forces, besieged as they often are by reporters, to say nothing. Often they are in a position where silence could be construed as a statement. I do not think these men want to talk, but I think they are really on occasions compelled to say something.

Mr. GORDON GRAYDON (Leader of the Opposition): Even with the best interpretation put upon the statement made by the minister this afternoon it seems to me that a good deal is left to be desired with respect to the whole matter in connection with the safety of our country at this time. Civilians all over Canada are asked to seal their lips with respect to all matters concerning safety measures, and I think we should at least expect those in higher positions of authority to set us an example. I hope the minister will take appropriate steps to see that that is done in his department and among those who are in the navy.

POST-WAR RECONSTRUCTION

APPOINTMENT OF SPECIAL COMMITTEE ON RECONSTRUCTION AND REESTABLISHMENT

The house resumed, from Thursday, February 25, consideration of the motion of Mr. Mackenzie (Vancouver Centre) for the appointment of a select committee to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war.

Mr. PAUL MARTIN (Essex East): When I adjourned the debate last night I had commented on the observations of the hon. member for Cape Breton South (Mr. Gillis) in respect of the treatment of men who return after fighting in the present war. I concurred generally in what he had to say. I am sure he would be the first to want to impress on the country what has been done by the government, the Department of Pensions and National Health and the various committees of this house who have dealt with this very problem.

It might be helpful at this time if we were to review some of the endeavours and achievements in that regard. First of all, there is the Pension Act, which was revised in 1941; a committee of this house presented a long series of recommendations, most of which were adopted by the government within six months of being recommended. The regulations with regard to medical assistance and treatment have been revised in various in-

stances, and while I do not suppose they satisfy all hon. members nevertheless some real progress has been made. Then we would not want to forget the provisions concerning out-of-work benefits, vocational training, physical reconditioning, assistance to returned men who propose to engage in agriculture and who require credit, continued education, and the fixing of the proper status of the returned man under the Unemployment Insurance Act. Then there is the Compulsory Reinstatement In Industry Act passed in 1942; the Vocational Training Coordination Act of 1942; the extension of the principle of civil service preference to returned soldiers; the preference supposed to be given to returned men in respect of defence contracts; the setting up of representatives in government employment offices throughout the nation to look after the returned men, and the setting up of the various citizens' committees. One might also mention the work in regard to hospitalization, with the expansion of the number of beds from some 2,000, I believe, to about 8,000.

This record is not complete, but I am sure hon. members will agree that the problem has engaged the attention not only of the administration but of this house, and that what has been done reflects the determination of the membership of this house to do everything possible to ensure that those who have the primary responsibility in carrying on this fight will not suffer when they return to this country. Therefore, as was done last year by hon. members on the other side of the house, I think it is only fair to commend the Minister of Pensions and National Health (Mr. Mackenzie) for the leadership he has given in this endeavour.

Last night, too, I sought to indicate that in my opinion the general purpose would be best served in this debate by considering the general principles of the problems involved, leaving the working out of details to the committee. Perhaps I should preface what I have to say in that connection by agreeing with the observations of Doctor George Luxton, now with the Department of Labour, who in a recent number of *Public Affairs* said:

> It is idle for us at the present time to draw up detailed blueprints to show how the employment gap will be closed. So much depends both on Canadians possessing the same unity of purpose as they have had in war time, and on an international atmosphere of mutual cooperation. But we can fruitfully consider the major determinants of the solution.

Is that not really as far as we can properly go? We must be prepared with our ideas and our plans, but in no circumstances must these be regarded as final, because they will depend for their ultimate determination on circumstances and contingencies which are not now before us.

Mr. MacINNIS: Nothing is final.

Mr. MARTIN: No; but I think it is important for use to realize that, because sometimes when hon. gentlemen speak one has the impression that they have in mind a solution, a formula by the mere exercise of which these problems may be readily solved. I agree that it is not enough merely to state the four freedoms. I agree that it is not enough merely to confine oneself to general observations. Public opinion in this country and all over the world will demand a translation of those general observations into practical measures, so that the masses of our people will be secure in employment which will enable them to provide properly for their dependents, which will permit them to be properly housed, with adequate nutrition, adequate health standards, adequate educational opportunities and so on. Certainly these will be the minimum requirements; and bearing in mind that we are now giving of our property and our treasure to an extent to which we are not prepared to place any limit, I subscribe to the view that we should approach the problem of social readjustment in the same light. If we can spend our money and our energy on the prosecution of a war which was not of our making, every member of this house knows that as a public man he will be called upon to meet the public demand and see to it that we fight all the social and economic evils with the same energy and to the same extent that we are prepared to fight this war.

Mr. BLACKMORE: If the hon. member would permit a question, what form would he expect that demand to take?

Mr. MARTIN: I have only a short time left, and I want to state my point of view, but I will not overlook that matter.

Last evening I quoted from the book by Professor Carr which was referred to by the hon. member for Vancouver East (Mr. MacInnis), to indicate that there was a moral crisis and that one should not overlook this fact in considering the problems of the day. I did not mean to have that statement detached and to serve as an apologia for our omissions. I merely said, and repeat, that an affirmation of this kind is an expression of belief in the destiny of humanity itself, based upon common religious acceptances, which is fundamental to any economic or social programme that may be contemplated.

Reference has been made to the planning technique, and I support the suggestion that has been offered. Of course one must plan, in the sense that one must prepare; but I say that by planning or by suggesting the planning technique we must not assume for one moment that as a result we shall have a dogma or a formula which in itself will be capable of dealing with any problem. Planning in the sense of preparation must be done, of course; and I readily admit that heretofore there has not been enough planning. In a moment I shall indicate the sort of planning I envisage, but I suggest that one must take great care in the setting up of the planning technique not to fall into the mistake of creating rigidities which will reduce men to the form and the position to which they have been reduced where planning techniques with false motives have been applied, particularly in the totalitarian countries. Right in our own country, during the emergency of war, we have set up a planning technique. What has been the result? There has been a very serious diminution of human liberty, a suspension which we are prepared to accept, having in mind the victory we all want and for which we are all striving. But I say this, and it may apply to the present situation as well as to the future. The planning technique as well as the system of administrative controls which must inevitably linger must be constantly abutted by legislative supervision and legislative scrutiny if we are not to have a situation in which these requirements are dealt with at the expense of human liberty, if we are not to have to return to the very sort of thing from which for centuries man has striven to extricate himself.

What I meant last night when I said that we had to look at this problem from the broad perspective was that these effects will be of no avail unless the whole thing is done on a collective basis with the participation of all nations. Our country which looks to the markets of the world for the source of its major income is in a special position in that respect. Consequently the kind of planning that I would envisage would be one where the key commodities available to all nations would be distributed through properly controlled non-privileged international pools, where production and distribution would be controlled by international cartels, again not based upon legal or special privilege. The trend of the future must certainly be toward more extensive international control over raw materials, foreign exchange, markets and credit by some, let us call it a supranational agency along the lines designated this morning by Mr. Sumner Welles and yesterday in the United Kingdom by Mr. Morrison.

This in turn will call for the creation of some mechanism by which this can be brought about, and I would hope to think that the committee will formulate a plan and subscribe to the idea of the creation of an international bank, the control of production and distribution of the major foodstuffs and materials, a rationalized system of immigration and migration, the control of employment and the promotion of health and social welfare measures. All these things can be done only by collective effort. That is where I want to leave the emphasis. That is the impression I wish to leave, if I leave no other.

We have now the United Nations set-up. There are some who would create a new paper organization for the world, but I am not one of those. While I think the United Nations organization as now constituted could be perfected, I still should like to see its continuance. The present set-up between this country and the United States in the form of corporate bodies, the governmental agencies which have been set up between the United States and the United Kingdom and now between Russia and China—these ad hoc corporations and committees must continue. It is by such a movement, and by such a movement alone that we shall bring about some stabilization in the problems that will face us in the period of liquidation as well as in the period of the long term. If that does not happen we can expect only a recurrence of the incidents which brought about the situation that made it possible for unruly, evil men to try to gain control of the world as well as of their own continent.

It seems to me that we should have a programme of this kind set up, and I make the suggestion to the house somewhat along the lines of that made by Mr. Percy Corbett. We should have a trade commission instructed to secure the removal of quotas and other direct restrictions on trade and the reduction of tariffs. There should be a central bank developed out of the present bank of international settlements and having authority to fix funds and to maintain exchange rates. There should be a development commission having at its disposal substantial funds for financing public works of an international character and industrial installations, with the double object of raising the standard of living in undeveloped areas of the world and furnishing new outlets for the productive capacity of existing industrial countries. There should be a migration and settlement commission.

We may find ourselves at the end of hostilities faced with the situation we were faced with after the last war. A powerful creditor nation group or possibly a powerful creditor nation may find itself in competition with other countries of the world that want

to improve their immediate position and that find themselves obliged to compete in the markets of the world with that nation. If we are to have once again nationalistic monopolies; if we are to have private monopoly based on privilege, then we may as well give up. Great and gigantic as this task is, I have every confidence that we shall all be able to agree on the formula and the programme. It is by emphasizing these general principles that I think this committee and this government can make its ultimate contribution in helping us to get somewhere. The emphasis in the future must not be on the acquisitive side; it must be on the contributive side. The endeavour of men and all nations it seems to me should be not what they can get out of it but what they can make by way of contribution. We should strive to eliminate the two extremes which should not exist, particularly in a country like Canada, namely, the extreme of poverty on the one hand and the extreme of richness on the other.

It seems to me that these general observations should serve as lines of approach by this committee. I am not unaware of what the Prime Minister (Mr. Mackenzie King) said in this house on March 25, 1942, as reported on page 1628 of *Hansard*. He said:

> The war has to be won before there can be any thought of reconstruction; and if the winning of the war is to include as we hope it must the restoration of freedom to those parts of the world from which freedom has been taken away by aggressor nations there is yet a vast task that lies ahead of the free nations of the world. I stress this because I should like to remove altogether any impression that in constituting a committee of this house to study the problems of reconstruction, the government or any one on this side of the house—or for that matter I hope I may say anyone in this House of Commons—entertains the illusion that at the present time we are anywhere within sight of the termination of the present war, or by any means certain as to its course at least for the immediate present.

I think we shall all concur in that. We do not want to give a false impression; we do not want to have emphasis made where emphasis is not intended; we simply mean that part of the job of winning this war is to cultivate confidence in the minds and hearts of those who are now in the territories occupied by the enemy. Let them know that we, too, are thinking of a programme for the improvement of the lot of man from the point of view of economic and social welfare. Let them know that when the time comes we shall be prepared to deal with the tremendous problems which will face us.

We made a great mistake at the close of hostilities in the last war. We built a utopia.

[Mr. Martin.]

I was one of those. We thought that by putting formulae on paper we could bring about the millennium. We did not take into account the tremendous forces that the war had created. This time we must try to keep our feet on the ground. This time let us have a realistic approach, not forgetting the ideal but ever having in mind the practical difficulties. There is a challenge to our generation in this period of revolution, and that is what it is. Whether that challenge be managerial; whether it be collectivist; whether it be the functions of free enterprise or collectivism, there is a challenge to our society. It seems to me that the well-intentioned man in the good society should not fear this challenge; rather he should look upon it as affording an opportunity for constructive action.

Hon. C. G. POWER (Minister of National Defence for Air): Mr. Speaker, I should like to say a few words in order to bring to the attention of the committee which is to deal with these matters, of the house and of the country a problem which I consider will be one of the most important and most difficult of those we shall have to solve in the years to come. It is in a way a problem special to the air force, but it does in a degree concern the other two armed services. It arises out of the hope, the desire and even the necessity which falls upon the people of Canada to deal effectively with the rehabilitation of the young men whom we have enlisted as aircrew and sent overseas. The problem differs to some extent from that which arose after the last war, and I say that with some knowledge because for the past twenty-five years I have been actively interested in the rehabilitation of the veterans of the last war.

My interest is also attracted by the fact that the most difficult cases we had to settle, and which I feel we were not able to settle satisfactorily with all the machinery and all the planning we undertook following the last war, were those of the teen-age boys who had enlisted before they reached their twenties. In this war, perhaps not a majority but still a very large proportion of the young men who are now in our fighter and bomber squadrons in the middle east and all over the world, are young men who have hardly reached the age of twenty. They have been taken from their high schools, or colleges and universities, and in some cases their education was not complete. They have not as yet established themselves in any vocation, in any trade, in any industry. We took them at the threshold of their lives and we have

placed them in one of the most hazardous of all occupations. These young men have no job to go back to. They have no career in life. They may have had their hopes; they may have had their ambitions; they may have had their minds directed to one or other of the various occupations, that would be open to them in this country, but I submit to this house that the experiences which they are undergoing at the present time have in all probability diverted their minds from their peace-time thinking on these matters.

What shall we do with these men? We take them away from their schools and put them through the joint empire training plan. We teach them to fly, and they work up to the time when they first get into an aeroplane and experience the thrill of flying. There is the excitement, the hurly-burly of bringing themselves up to the point when they want to get into an aeroplane; after they have got into it and had the necessary training there is the thrill of their first solo flight; later, the thrill of moving into a faster aircraft and still later to a twin-engined bomber. Then they go overseas and are put through an operational training unit, where they learn to handle and to fight in a machine in which they are going into combat with the enemy. Then they are posted to an operational squadron, let us say a bomber squadron. They are sent on flights, varying from ten to twenty hours in duration, mostly at night in the darkness and in all kinds of weather; and ever present in their minds, no matter how brave they may be, there is the possibility of some mechanical defect in their engine. Always there is the danger of a lurking enemy night fighter. Then they find themselves right over the centre of the object which has to be attacked. They are surrounded by anti-aircraft fire. Sometimes their machine is almost torn asunder by flak explosions. They drop their bombs and begin the long trip home.

All this requires courage of a different kind from the courage which was required of the soldiers in the last war. The soldiers in the trenches needed nerve to sit there under bombardment day after day, in the wet and the dirt and the muck of the trenches. The airman requires a different kind of courage from that of the man who goes over the top to attack the enemy fortifications, and from that of the man who took part in the old-fashioned glorious cavalry charge. It is a different kind of courage that keeps the airman's nerve from wearing out under constant wracking hour after hour and day after day until such time as his operational tour is completed. As a result of these experiences these men will come back to Canada, not wounded—that is not the problem, because the doctors can look after any functional disability. What we have to look after is the disability of the mind. We have thwarted that young man's ambitions and his hopes. We have violently and abruptly taken him away from the career which he might have hoped for and might have had in this country, and when he comes back here there is a let-down from all the thrills and excitement of the months of his training and the months of his operations. When the period of let-down comes, that young man, no matter who he may be, becomes a problem not only for the air force—it is their problem first, I admit—but after that, a problem for the whole country and a problem for every one of us to consider seriously. He has become nerve weary. He is suffering from mind fatigue. As I said before, I do not care how brave or courageous he may be; something must happen to him when he goes out time after time on those hazardous journeys, waiting for the worst to happen.

How to treat him is a very difficult question. We have plans. We are proposing to send some of them to convalescent homes, but there are those who when they reach Canada do not want to hear any more about the war. They do not want to see a uniform again. They do not want to hear the sound of a motor. They ought to be sent away somewhere. Convalescent homes may suit them, but I do not know that convalescent homes where they would meet others of their own kind would be suitable, because they might be continually talking or thinking of the horrors they had undergone. We can and will arrange for their rehabilitation and the completion of their education at colleges and universities. We can arrange for their vocational training. We can endeavour to find them jobs in the air force while they are still with us, and then outside, after they have decided to leave. But I fear that the finding of jobs in the air force will not be so easy. It looked easy. I have been giving this matter consideration almost ever since I took on this ministry. But I know the experience I had in the last war. I have talked with every one with whom I could speak on this subject. I have discussed it with chaplains, who are nearest perhaps to the innermost thoughts of these boys. I have discussed it with the auxiliary services, and talked it over with psychologists and psychiatrists. Frankly, Mr. Speaker, although we have all these plans, I

think it is a matter almost of dealing with each individual man as an individual case. It is almost impossible to lay down a formula.

It was easy enough for us to think: Well, we have any number of ground jobs here in Canada, any number of positions which could be made available by transfer or transposition. Frankly I thought we could bring back many hundreds of these men when they got through with operations and send others overseas to take their places; that they could carry on administrative work or even act as instructors in the place of the instructors here. Our experience up to the present has been too short for me to give any definite statement of opinion on it, but I have found that many of these lads will not stay here and will not take ground jobs. Some may come back with a certain amount of feeling against those who have jobs here in Canada, an unreasonable and unjustifiable feeling, but many of these returned men have not been here six months before they are begging and praying to go back to another tour of operational work. They do not seem to want to remain here.

I have in mind now four or five of the finest of our young fellows, all of whom have been decorated, and two of whom, I know, were offered and accepted command of fighter squadrons in Canada. But they would not remain here; they wanted to go back. It is a real problem to find something for them to do. Ground positions—administrative positions, equipment officer appointments, such jobs are open to them; the Lord knows they can have them so far as we are concerned and we will take all the time required to train them, because all of them had not the necessary training in high schools prior to enlistment, and they have had less opportunity for such training since they joined the air force. They were busy training for fighting or actually in operations. As I say, we will take all the time necessary to train and to acclimatize them to Canadian conditions; but I fear that unless we handle them somewhat differently and give the best thought of the country to this problem, we may not make a success of it.

The other point I wish to bring out is the importance of dealing adequately with this matter; because do not forget that these young men are the men on whom Canada's destiny is to be built. They are physically of the highest standard of Canadian youth. They are picked men educationally and mentally. They are the men who normally ten years hence would have been sitting in this House of Commons and fifteen or twenty years hence would have been occupying these treasury benches or the benches opposite.

[Mr. Power.]

I speak with feeling, because I believe this is one of the most important problems with which we have to deal. As I said, we have plans and have been giving them thought. I am not sure that our plans will succeed. It may be, as I have said, that we shall have to deal individually with each case. Even to-day, when they come back, and while they are still in the air force and under discipline, I am not sure whether we should have them under extremely severe discipline or under the least discipline possible. I am not sure which is best for them.

We are in the position that it is very difficult to place them under the command of men who saw service in the last war, even if those men won medals and decorations in that conflict. They are not at all interested in the old men of 1914-18, and the young men of their own generation who have seen service in this war are perhaps not old enough to take charge of a job which needs the wisdom of a serpent, the patience of the Madonna, knowledge of psychiatry and psychology and the equipment of a doctor of philosophy.

Frankly, therefore, we are faced with a difficult problem. I ask the house to give it the best consideration; above all, to have patience with those who are trying to do a job of work with it. I ask each hon. member individually to think over something in this regard, and I can assure the house that we will give every consideration possible to ideas from any quarter with regard to any one of these boys who come back.

Hon. R. B. HANSON (York-Sunbury): I am not sure that I can contribute very much of value to this discussion, but before I embark on a consideration of the material which I had prepared I wish to tell the Minister of National Defence for Air (Mr. Power) that I am glad he brought up the particular problem to which he has referred. The position of these young men who have returned after months of trying activity in the most hazardous of all occupations so far during this war is a special and real problem of itself. But it is not the only problem relating to the returned man.

Mr. POWER: Oh, no.

Mr. HANSON (York-Sunbury): Not by any means. Perhaps, as a matter of magnitude and intensity, having regard to the fact that the air forces have been in action so much, and will continue to be until the very end, it will be more difficult to treat than that of members of other branches of the armed forces.

But there are other problems with regard to these men to which grave attention will have to be paid. I am not sure that we are grappling with the problem of the returned men to-day. I had a rather shocking experience on a train, coming here last Monday. I am referring to it only in passing; it arose from the discussion raised by the minister. I met two men on that train, one a discharged soldier from the Dieppe commando. He had enlisted in the city of Hamilton; he had gone overseas with his unit; he had volunteered to go to Dieppe; he had fortunately returned, but he had eleven shrapnel wounds in one of his legs. He returned to England, was placed in hospital for several weeks and then assigned to a unit at Aldershot. He told me that while he was there, an explosion of a gas main occurred in the camp. He volunteered with nine others to help fix the leak, and while he was so engaged he was severely gassed, taken again to hospital, and sent back to Canada to military district No. 5, in which he was born but in which he had not lived for many years. He was discharged in February of this year; and I saw his discharge. As the train bustled along I made this notation—I am not going to mention his name; I have written to the army about him. This is what is on his discharge sheet: "His services no longer required. Unsuitable for the army."

What do hon. members suppose was done to that boy? He was given a ticket costing $2.35 to the place where he was going, but he was refused a ticket to Hamilton at which point he said he could get his old position back. I am going to test the truth of that statement. It is of course an ex parte statement, and I do not know yet as to its correctness. But if the minister and other members of the government could have heard the curses that that young man heaped upon the Canadian army authorities he would have cause to stop, ponder and think. May I say, further, that at the beginning of the conversation that young man did not know who I was, although subsequently he did learn.

Another young man had come from the neighbouring county of Charlotte. He had been in the army for two years, but had not been sent out of Canada. Upon enlistment he was rated as category A. He was born and brought up in a farming community, and had never learned a trade. Although he had attended barber school for six weeks he had never worked at barbering. Upon entering the army he was given a trade course as an acetylene welder. This course affected his health, with the result that he could not go on. His physical condition deteriorated to a point where, after spending two years in Canada and after the government spending a good deal of money on his training, he was discharged as category E. He applied for a trade course to become a barber, and was refused on the ground that when he enlisted he had told the army authorities he was a barber. Why he did so, I do not know.

If those two men could be here to-day and the minister could hear what they had to say about army authorities I am sure he would stop, ponder and think. I do not say that these stories are true, but I am trying to investigate them. They indicate, however, the magnitude of this problem of rehabilitation. I shall not say anything further with regard to these two cases, because I do not wish to judge them on the basis of ex parte statements. However, they appealed so strongly to me that I undertook to investigate them and, to the best of my ability, I am doing so.

The minister has raised the special case respecting airmen, and I believe he has done a service in bringing that matter to the attention of the house. I am afraid I cannot help him very much. I believe each case will have to be solved on its own merits, and some sort of remedy will have to be applied in individual cases where men do not, of their own volition and through the exercise of their own will-power settle down to civilian life. I say, however, that this may be one of the gravest problems with which the country will have to deal in days to come.

I listened with a good deal of attention to the speech of the hon. member for Essex East (Mr. Martin). I have no intention of following him through the philosophical disquisitions he placed upon the record so eloquently, but I suggest to him we must be a bit more realistic about this question of reconstruction. It will be a question of jobs, not theories. Only jobs will put contentment into the hearts of these returned men, and the others who will be transferred from war to civilian employment. You can talk about your League of Nations; you can talk about collective action with respect to the world set-up to be; you can say what you like about the mistakes made following the last war; but may I remind the house most respectfully that we won the last war, and we have not won this one yet. Let us not lose sight of fundamentals. The fundamental thing upon which this nation to-day should focus its attention is the winning of the war. In the statement my hon. friend read near the conclusion of his speech the Prime Minister (Mr. Mackenzie King) himself emphasized that matter fully. Do not let us lose sight of the principal thing which should hold our attention to-day. This war is not

yet won, and 1943 promises to be a pretty tough year. I think it will be the turning point in the war.

The terms of reference of the resolution practically reduce the committee to a study club. I am not objecting to that, but I must point out that that is really all the resolution is. I am sorry that in moving it the minister did not give a lead to parliament as to what was in the minds of the administration. It is the duty of the minister charged with the administration of soldier civil reestablishment and civil rehabilitation to give a lead to the country, when he proceeds to set up a committee under a motion of this kind. The government ought to have a policy which it is prepared to lay before the committee and before parliament. For aught I know, the minister has, but his very silence in not making any statement with respect to the matter when moving this substantive motion indicates to me that the government has no policy. He ought to make that position abundantly clear before the resolution passes.

Where does the government stand on this question, or is it going to leave this huge problem to the membership of the committee, and of the house generally? Not one of the members of the committee is an expert—and I say that with great respect and all due deference. I look over the names of these hon. gentlemen, all of whom are intent on trying to do their very best with respect to the study of this problem, but none of whom is capable of solving these problems.

Mr. MacNICOL: Some of them know a great deal about giving jobs, though.

Mr. HANSON (York-Sunbury): I am coming to that later. I shall tell the membership of the house, if I have time before I take my seat, that there are three agencies which will solve ninety per cent of the problems in connection with rehabilitation. Those three agencies are private enterprise, coordinated with labour and capital. I am dealing with our own country. Those three agencies will largely solve the problem of rehabilitation, if they are given encouragement by the government, government support and wise legislation. My hon. friend's interjection has prompted me to say this before I had intended to do so.

Coming back to my original thesis, namely, that the war is not yet won, that that is fundamental, and that 1943 is to be a tough year, I say we must take the position that until the war is won any discussion of post-war conditions and post-war problems is merely academic. On that point I find myself in agreement with the Prime Minister. Conditions may change from day to day, and any hard and fast decisions which may be reached in advance of victory, or in advance of a victorious peace, may well prove to be wholly illusory. Therefore I say with all the earnestness and sincerity at my command: let us keep our eyes and our minds on fundamentals; let us keep our eye on the ball.

My approach to the consideration of these matters is not based on any philosophical theories as expounded so eloquently by the hon. member for Essex East, or any other economic theories. He stated yesterday that the approach to this problem must not be in terms of public works and that sort of thing. With that I am also more or less in agreement. But it should be in terms of the kind of world and the kind of country in which we shall live in the post-war years. That, he said, was the basic consideration for this discussion. I do not follow him there. I think what the people of this country are concerned about, what the men and women who are in war industry in Canada to-day, who may lose their jobs at the termination of hostilities and who should be absorbed into peace-time activities, are thinking about is work and jobs.

Mr. MARTIN: That is what I said; that is the basis.

Mr. HANSON (York-Sunbury): The returned men will want work and jobs, but will not want the dole, even in any such form as unemployment insurance. I suggest that the fundamental thing for all is proper planning on the part of all parties and interests so that work may be found for all at remunerative rates, so as to provide a good standard of living. As I listened to my hon. friend and read his remarks of last night I was wondering if he could tell us what kind of world the post-war period will bring. Do any of us really know what kind of world we shall have?

Mr. MARTIN: I said I did not know.

Mr. HANSON (York-Sunbury): With some of the objectives outlined in my hon. friend's speech I am in agreement; with others I am not. I have, however, not the time even if I had the desire for an academic discussion of the various topics to which he has referred, except to say that we are at war for a definite purpose. We are at war to put down and defeat forces which seek to put an end to our present type of civilization. That is the one definite object of this war. I agree with the hon. member for Essex East in his statement, I think in reply to the hon. member for Weyburn (Mr. Douglas) last evening, that to

suggest that we are at war to build a better world, as is sometimes stated, is to give to Hitler and those who think and act as he does, an admission that our present type of civilization is lacking in essentials and fundamentals. That I deny. We can improve it, but it is not lacking in fundamental essentials. In that respect I am in agreement with the hon. member for Essex East.

Mr. NOSEWORTHY: You are for the status quo.

Mr. HANSON (York-Sunbury): No; I am not a Tory; I am for orderly progress; so is this party. I am not for revolution, if that is what the hon. gentleman means. I am neither a reactionary nor a revolutionist. The hon. gentleman can be which of the two he likes.

Mr. BLACKMORE: That is unfair.

Mr. HANSON (York-Sunbury:) It is not. I am leaving him a free choice in a free country. But the gibe was intended to indicate that I was a reactionary seeking to preserve the status quo. We must move forward in this world, but let us do it in the way of orderly progress, not by revolution.

Most if not all of the discussion so far on this resolution, as far as I can observe, and in a degree I will except the hon. member for Essex East, has centred around the theory and the postulate that the state is to do most if not all of the planning and execution of post-war rehabilitation. I say, as a practical citizen of this country, that this theory is unsound. The state cannot plan for me and all of us. The state can and undoubtedly will be obliged to do a great deal, especially during the transition period from war-time to peace-time activity, but fundamentally I submit it is reasonable to assume that post-war conditions will not differ greatly from those obtaining in peace time, and that the type of civilization which we enjoyed prior to 1939 will not be greatly changed in the immediate future. Whatever change there may be I hope will be in the way of orderly progress and evolution. I am in agreement with advance and progress. Undoubtedly at the end of the present hostilities very grave problems will confront us as a nation in common with the rest of the belligerent world, and it is incumbent on every serious and thinking citizen to make a determined and serious effort to anticipate those problems and to explore every avenue for their solution. That I think is the main reason for the setting up of this committee, and with that I am in accord.

Democracy, the democratic nations, somewhat slowly if you will but nevertheless surely, have been able to organize and mobilize their resources to fight the greatest war in history. And that war will be won. I suggest that it should be the business of democracy to organize the resources of this nation and of all democratic nations, each within its own ambit, capital and labour, industry, natural resources of forest, field and mine, in such a way that it cannot be said that while we won the war we lost the peace. If we can organize for war we can organize for peace. I suggest to the minister, to the membership of this committee, and to the membership of this house, that the agency best equipped to attain that great objective is private enterprise in conjunction and in coordination and cooperation with organized labour and our financial resources. These three groups together have the means to do it; they have the experience, and I have no doubt they have the will to do it. These agencies working hand in hand, with good-will and a single purpose, aided by wise legislation and parliamentary action, can do the trick. Among the first essentials to bring about that coordination and cooperation is the greatest measure of good-will on the part of all three. Those who are in charge of all three ought to be urged to have that outlook in approaching these problems.

I do suggest—and I hope this reaches a little wider constituency than the membership of this house—that private enterprise, in cooperation with organized labour and our financial institutions, should now show the way, take the initiative and give the government a lead, instead of waiting for the government itself to produce plans for the rehabilitation of our people after this war is over. I believe that private initiative, backed by and in conjunction with the other agencies I have mentioned, will give that lead; in fact I believe that movement is under way at this very moment. With intelligent direction, mutual understanding and good-will, and by wise legislative policies these three, better than any others, can do more than all the government plans, government spending and regimentation could ever visualize or accomplish.

Private enterprise, aided by the other agencies to which I have referred and in conjunction with them, to-day is taking the initiative in respect of this matter right here in Canada. It may be of interest to the members of this house to learn that recently the heavy industries of this country set up a post-war planning committee, and that other committees have been set up, to consist of representatives of all the institutes and associations concerned with the solution of the post-war problems of the heavy and durable goods industries. The primary objective is to

make a determined effort to devise ways and means of providing the maximum amount of employment and as much as possible to avoid unemployment. With the good-will of the nation behind it, and with government aid and direction, this committee will make progress. Other committees are being set up along the same lines, and if they get together and work in cooperation, intelligently encouraged by the citizenship of this country and by governments, they can accomplish a great deal in that connection. Recently I had a conversation with a representative of this committee; and as a basis for preliminary investigation and study he listed nineteen objectives which I should like to place on the record but which I fear I have not time to read to-day. Instead I will hand them to the chairman of the committee. They are objectives which will give new forms of employment, because in many instances they deal with new projects. They are not all governmental; for the most part they are to be undertaken by private enterprise, some by municipal authorities, some by provincial authorities, some by the federal authority and some by these authorities working in cooperation. The list is by no means exhaustive, but it covers a number of concrete topics which I am sure will provide this committee with ample food for thought and exploration.

I do not expect any miracle to be produced as a result of the deliberations of the committee, but I would hope that under the intelligent guidance of an intelligent chairman, such as the committee had last year and, I assume, will have this year, the deliberations of the committee will be constructive and with a single purpose in view. I do not damn it with faint praise; I am rather glad to see the study undertaken, but I am not sure that it will produce a report upon which the nation can act. I hope it will; and if I could be of any assistance I would be only too glad, though I do not feel competent to add anything of any great value to the deliberations of the committee. But I would hope that out of the welter of discussion, out of the examination of experts, out of the exchange of ideas, constructive suggestions might come which later on would give a lead to the government and to the nation. I warn the house, however, that if all is to be left to governments and governmental agencies, as some people would have it, that will not do the trick. You cannot load problems like this on governments and expect to accomplish very much. This is the work of all the people, of the people best qualified to perform these functions. We cannot produce full employment in this country if we leave it all to the state. Indeed this party holds the view that we must avoid the danger of leaning on the state too much. In this connection I commend to this house the philosophy underlying what I consider to be a very able editorial in the Ottawa *Journal* of yesterday, which states in part:

> It is the duty of the state to try to provide every man with opportunity to earn a livelihood. It definitely is not the duty of the state to care for people who will not take advantage of opportunities to earn their livelihood.

And again, speaking of the terms "equality" and "liberty" which are used so glibly by many people in this country, and so very loosely, the editorial adds:

> It might be a good thing if we could hear something about justice. There is no justice in penalizing industry and thrift for the gain of laziness and extravagance.

I submit that these are wise philosophies. Again I would commend to the membership of this house, and particularly to my hon. friends to the left—

Mr. BLACKMORE: Which ones?

Mr. HANSON (York-Sunbury): Well, the left centre, I will say. I commend to them and to the people of Canada the eight points enumerated in a recent issue of the San Francisco *Argonaut,* quoted in the editorial to which I have already referred. I was greatly struck when I read these eight points, and I am going to place them on record.

> 1. You cannot bring about prosperity by discouraging thrift.

It seems to me that is very sound. Thrift is an old-fashioned virtue which is practised altogether too seldom in this country, but it was a virtue practised by our fathers and mothers, and as a result we, their descendants, have made progress in this country. I know that without the thrift practised by my parents I would have been nowhere. I commend the second point also to my hon. friends in the left centre.

> 2. You cannot strengthen the weak by weakening the strong.

No policy of tearing down will build up and strengthen this nation. The only policy that will get us anywhere is to strengthen people, not to tear down.

> 3. You cannot help small men by tearing down big men.

I know it is not fashionable to champion big men, but without big men where would this country have been? I have in mind at the moment some of the pioneers who built up Canada, some of the pioneers who built

up my own province of New Brunswick. The pioneers are gone; I look around and wonder who is to take the place of those big men who did things in the days gone by.

Mr. NOSEWORTHY: They were not big in the sense in which that word is used to-day.

Mr. HANSON (York-Sunbury): I am not going to enter into a controversy with my hon. friend. I know I could not convince him and I am quite certain he could not convince me, so what would be the use. This is the next point:

4. You cannot help the poor by destroying the rich.

Let us try to make the poor richer. Let us have a better distribution of wealth if you will, but the fact remains that you cannot help the poor by destroying the rich. The next is:

5. You cannot lift the wage-earner by pulling down the wage-payer.

No one knows that better than the trade unions. They want their business to go on. If the member of the trade union is the type of man I believe he is, he wants to see his employer prosper because, as the employer prospers, so does he. Under the present industrial set-up in this country there is no position in industry to which a man starting at the bottom of the ladder cannot hope to achieve by getting to the top in that industry. One of the greatest attributes of democracy is that it is possible for that sort of thing to happen. Then the next reads:

6. You cannot establish sound security on borrowed money.

I remember the days of the NRA in the United States, those hectic days after the bank holiday in 1933. I used to marvel at the government of a country not far from our shores trying to borrow the nation out of adversity into prosperity. That cannot be done by a nation any more than it can be done by an individual. That is not sound philosophy.

Mr. JOHNSTON (Bow River): Can a government?

Mr. HANSON (York-Sunbury): I do not think that is true, having regard to the experience of the United States in the recent depression. The next is:

7. You cannot build character and courage by taking away a man's initiative and independence.

That is what regimentation does. Initiative and independence are priceless in the eyes of a free man. Let us not destroy them. The next is:

8. You cannot help men permanently by doing for them what they could and should do for themselves.

I commend these to the consideration of this house and this country.

Mr. ROBERT FAIR (Battle River): Mr. Speaker, if I had sufficient time I should like to follow and analyse the speech just delivered by the former leader of the Progressive Conservative party (Mr. Hanson), but I have not. However, I should like to make just one remark. Without the little fellows in Canada we could not have the big fellows who are so ably upheld to-day and were upheld in the past by the hon. member who has just taken his seat. That applies not only to Canada but to any other country in the world. Just as soon as you take away the little fellow, the big fellow must disappear also.

There are a number of things that might be said in connection with this rehabilitation committee. I am glad to see that at the head of this programme we have a gentleman as healthy and as free from malnutrition as is the Minister of Pensions and National Health (Mr. Mackenzie). I remember one day two or three years ago when I was coming from the west I was taking a walk along a station platform one cold wintry day. The minister came along and stopped to speak to me and as I looked up at him I began to feel very small indeed. I believe I have had as many of the good things of this world as the average man, but I think the minister has had a little extra share. I hope that in his capacity of Minister of Pensions and National Health, as head of the department that is looking after the welfare of the people, he will see that some of the things which he has enjoyed are passed along to the rest of us in Canada. To those of us who have reached maturity it may not seem quite so important, but there are a number of underfed and underprivileged people in Canada. We do not see many of them around this chamber, but you do not have to go very far from the House of Commons to find the underprivileged and even the undernourished. Let us hope that before this committee finishes its work provisions will be made to right many of the wrongs that exist to-day and give to those who are undernourished some of the surpluses we are so well able to provide in Canada.

It would seem to be my task to-day to speak for agriculture. There are a number of gentleman farmers in the house, but very few of them have had to make their living from the soil. By a gentleman farmer I mean the man who has sufficient culture to go to a state dinner and know exactly how and when

to use the proper knife and spoon, but when he goes into a stable he does not know the first thing about what to do with a fork. I have a few figures I should like to give to the house. There are not very many because I realize that the house gets tired of figures very quickly. In quoting these figures I do not want it to be thought that I am critical of those who are receiving certain amounts, I simply want to show that the farmer is and has been on the short end of the receiving proposition right along.

In 1929, according to the figures I have, labour received 31·4 per cent of the national income. The farmers, comprising approximately 33 per cent of the population, received 14·7 per cent of the national income. In other words, a large percentage, possibly up to 90 per cent of the Canadian people, received about 46 per cent of the national income in that year. That does not look just right to me. In 1932, labour received 64·6 per cent of the national income and we find that the farmers received only 5 per cent. I want to impress that particularly upon hon. members. Thirty-three per cent of the Canadian people who work on the farm received 5 per cent of the national income. In 1938, labour received 102 per cent of the 1926 national income while the farmers received 57·8 per cent. I am not opposed to labour receiving everything that is coming to them, I only wish that the farmers of Canada were sufficiently well organized to stand up and fight for what properly belongs to them.

I think the house will remember that at that time there was no freezing of debts or freezing of interest rates or freezing of many other things. While they were having to accept only 5 per cent of the national income, farmers in all parts of Canada, western Canada particularly, were paying anywhere from seven to twelve per cent interest on mortgages and agreements for sale. I may be challenged when I say twelve per cent, but if anyone wants me to prove that I can do it quite easily. Right close to where I live on a farm in Paradise valley one of the large mortgage companies of Canada wanted a rate of twelve per cent on a mortgage, and in order to get that, one mortgage for the actual amount of the loan was given at a certain rate of interest and another at a lower rate to make up the difference between seven and twelve per cent. That is how it was worked, and of course, two farmers have gone off that place since the agreement was entered into.

I remember during that year, 1932, hundreds of farmers selling an average grade of wheat at twelve cents a bushel. It cost them eleven cents a bushel to thresh it, so that all they got was one cent a bushel. The government, and nobody else, stepped in to see that something was done to stabilize prices and guarantee the cost of production at least. In the same year the average grade of oats was selling at three cents a bushel at the elevator. You had to do all the necessary work on the crop and thresh and haul the grain to the elevator, and all you got was three cents a bushel. If your grade of oats was low, the elevator would not even take it at all. I know that farmers shipped carloads of grain to Fort William and the price was so low that they had to pay money to the elevator company to settle the freight bill. The railways collected their full freight rates. Those were the conditions that existed at that time. The grain exchange, which a number of us have tried to put out of business for many years, also collected its full commission on sales, and nothing was done about that. Farm machinery prices increased, and nothing was done about that. I remember four-legged hogs being taken to the stockyards and sold to two-legged hogs for two cents a pound, if they were prime grade; if they were not of prime grade the price was cut down. If you did not have good cattle, and wanted to ship them, you could not even give them away. If they were in good shape and fit for butchering you could sell them. Cattle which to-day are selling for about one hundred dollars brought only five dollars a head then. Those are the conditions that existed.

Eggs which sell to-day for forty to sixty cents a dozen were selling in western Canada then for as low as three cents a dozen, and that was the price for the very best eggs that our hens could lay. For a lower-grade egg you took a lower price. Butter fat was selling for as low as eight cents a pound. I do not know just what would have been done if other industries had been working under those conditions, but I believe something drastic would have been done because other industries seem to have their representatives here who get the ear of the government much better than the farming industry can.

Although conditions were as I have described them at that time, we are now being asked to pay up our debts. A number of mortgage companies and others are foreclosing. I saw a report recently that said that a thousand foreclosure actions had been started in Alberta alone. Instead of having some debt protection, we find that our protective laws are ruled out by the governor in council here or by the courts of this country or by the privy council. Nothing is being done so far as I know by this government to stop creditors from putting the farmers out of business.

Another difficulty we have at the present time is that our farm labour is being drafted into the army. Many other men because of the poor wages on the farm are going into the munitions factories. The result is that the farmer and his wife, with one or two daughters in some cases, are left to run the farm. One thing I object to, Mr. Speaker, is that the farmers' wives and daughters should have to work outside in the field to make a living. I do not know of any other industry where the operator, business man or industrialist, has to have his wife and daughter working in the industry for him without pay. That is exactly what is happening on the farm. A number of cases of sickness have occurred amongst the women on the farm due to this heavy work which they have had to do. Farming conditions should be made such that it will not be necessary for the farmers' wives and daughters to go out and do heavy work that breaks down their health.

Serious conditions exist on the farms to-day. When I spoke in this house on the third of this month I stated that approximately forty per cent of the crop in Alberta was still in the stook. A few days ago I got a copy of the Chauvin *Chronicle* which is published twenty-five miles from my home. It says that the municipality of Wainwright, which comprises forty townships, sent out a questionnaire to the farmers in the municipality so that when the questionnaire was completed the municipality could make provision for help and other matters. The questionnaire contained twelve questions, and as they will be of interest to the house I shall read them. They will show that what I have been saying is as near right as it could be. I stated that approximately forty per cent of the crop in Alberta was still in the stook. This particular district is just a little better off, because the reply to the first question shows that they have 36 per cent of the crop still unthreshed. Here are the twelve questions and the answers:

1. Q. What percentage of the crop is unthreshed?
A. 36 per cent.

2. Q. What percentage of the unthreshed acreage is expected to be seeded in 1943?
A. 54½ per cent.

3. Q. The percentage of similar acreage to be summer-fallowed?
A. 33½ to 45½ per cent.

4. Q. Do you anticipate difficulty in the crop being threshed, and if so, why?
A. 22 yes (shortage of help); 4 no.

5. Q. How many extra men (if any) will be needed, (a) to complete threshing?
(b) to put in the crop?
A. (a) 385 men.
(b) 152 men.

6. Q. Will there be any farms in your polling district untilled through lack of help in 1943?
A. 14 no; 9 yes; 3 uncertain.

7. Q. Are the farmers increasing or decreasing the number of (a) hogs?
A. 18 increase; 5 stationary; 3 decrease.

In connection with hogs, the four-legged kind, let me say that the farms of Alberta last year turned out 22 hogs per farm on the average, and we are now leading every other province in Canada in the number of hogs produced per farm and the total hog production. Question 7 continues:

7. Q. (b) Dairy cattle?
A. 4 increase; 15 stationary; 7 decrease.
Q. (c) Beef cattle?
A. 6 increase; 14 stationary; 6 decrease.

8. Q. Will there be storage room for spring threshed grain on the farms?
A. 18 yes; 6 no; 2 doubtful.

9. Q. Are farmers having difficulty in financing?
A. 22 yes; 4 uncertain.

10. If so, in what way are they overcoming it?
A. Better prices 1; deferring paying debts 7; selling stock 3; denying themselves 2.

11. Q. Are the farmers making seed tests for germination purposes?
A. 15 yes; 6 no.

12. Q. Will there be much need (if any) of importing oats or barley for seed? If so, to what extent?
A. 9 yes; 16 no; 1 doubtful.

With conditions as I have described them in the district immediately south and west of where I live—and so far as I am aware conditions are no better in other districts in the constituency—we are asked to produce this year in excess of what we have ever produced before.

I am satisfied that the farmers, their wives and daughters will do everything humanly possible to accede to the request of the government. Farmers want to win the war. We have never gone on a sit-down strike; we do not intend to; if we were in the same class as some other people in Canada we would have been on a sit-down strike possibly seventy-five years ago, because during that time we have not received that to which we are entitled. We are asked to produce at below the cost of production. I ask, how many industries in Canada can carry on without getting the cost of production, and does any government expect industry to carry on upon that basis? It cannot be done; and, because agriculture is the basic industry in Canada, we cannot have a prosperous or a satisfied population until the wrongs of agriculture are set right. We are asked to produce large quantities of several farm products. We are asked, as I stated before, to pay our debts with interest. This again is an impossibility, because the restrictions placed upon farmers by the government will not allow us to deliver that which we

produce, so how are we going to pay up? And although we cannot deliver, we have to continue paying interest. This does not look like sound business.

Again, we have been and are still compelled to pay excessive prices for the things we have to buy. On February 3, in a previous speech, I stated that on a tractor valued at seventeen or eighteen hundred dollars we are compelled to pay approximately $85 more than we would have had to pay a little over a year ago. I do not know what Mr. Gordon and his officials are doing about that. There seems to be no objection to increases in the price of farm machinery, or of lumber, nails and other hardware needed to provide storage facilities for grains on the farms.

Another injustice of which we complain is that implement companies are allowed to go out and seize machinery while the farmer's crop is still in the field under the snow. The farmer has done everything possible; he has his crop to the stage where it is in the stook ready for the threshing machine, but because of weather conditions and shortage of help the threshers have not been able to carry out their work as they should, and the farmer is penalized to the extent that his implements are taken away from him. I wonder if the government intends to do anything about this question. If not, I fear that numbers of other farmers will be on relief in the very near future, because farmers, like others, have to eat, and if their machinery and farms are taken away they will have to do something else.

About a year ago, on the address in reply to the speech from the throne, I dealt with the question of education and the teachers. I am not satisfied that we are getting the best we can out of our educational system. It is entirely on a provincial basis, and there is a considerable variation in the amounts spent on education in the different provinces. Before we can have a prosperous Canada we must have an educated and enlightened people; for until people begin to think for themselves they will not get along as they should. Experience has taught us that when we allow the other fellow to do our thinking for us he does it in his own interests and not in ours. I have here the figures of amounts expended on education in the Canadian provinces in the year 1935:

Province	Amount per year per pupil
British Columbia	$69 70
Ontario	60 48
Alberta	55 58
Manitoba	48 08
Quebec	46 05
Nova Scotia	36 43
Saskatchewan	34 64
Prince Edward Island	31 55
New Brunswick	29 86

[Mr. Fair.]

Compare these figures with those of the United States. The highest expenditure per pupil is paid in New York State, with $124.32, and the lowest is Mississippi, with $18.93. Only nine states were below the New Brunswick average of $29.86. The Canadian average, including night schools and so forth, is $57.92, and that of the United States $74.22. If therefore we want a lead so far as education is concerned, and go across the line, as we have done in other cases, we shall find a very good lead in the direction of spending more on education. I am not suggesting that we should place additional taxes on the farmers, because already they are paying more than they can stand. Taxes at the present time are based on the assessed value rather than the production value, and unless some drastic change is made in our taxation system we shall not achieve the best results, or those which we should seek.

A number of people want to reduce the salaries of teachers. On the other hand, for a number of years I have advocated better qualified teachers and a higher rate of salary. Teachers are not nearly as well paid as are even labourers in industry, although they are compelled to dress well and to spend considerable time and money in securing the qualifications necessary to teaching. There are some who fail to see the importance of the teacher in the every-day life of our children, whom we entrust to them for five days a week.

I have here a table which shows the salaries of 14,259 of our male teachers in 1938, the latest period for which I have been able to obtain returns.

Number of teachers	Salary range
6	Less than $300
75	$ 300 to $ 400
666	400 to 500
1,181	500 to 600
1,404	600 to 700
1,255	700 to 800
1,240	800 to 900
736	900 to 1,000
661	1,000 to 1,100
491	1,100 to 1,200

I pause to say that 7,715 of our male teachers, or more than fifty per cent, received less than $100 per month. Under our present system of taxation I fear that we cannot do very much better; but I advocate a change of system which will give us better teachers and provide them with better pay and living conditions. The table continues:

Number of teachers	Salary range
522	$1,200 to $1,300
369	1,300 to 1,400
375	1,400 to 1,500
361	**1,500 to 1,600**
369	1,600 to 1,700
341	1,700 to 1,800
391	1,800 to 1,900
329	1,900 to 2,000

We find that in all of Canada we have 3,487 teachers receiving more than $2,000. This, I believe, is not good enough. There are far too many in the low-income brackets, and we cannot expect to get the best in the teaching profession under those conditions. A few months ago Saskatchewan was short to the extent of 145 teachers. In Alberta we are also short, after bringing back to the profession a number who had been out of it for a number of years. This is not helping, and is not adding to the betterment of our system of education. I understand teachers are leaving the profession every day and going into munitions factories or other government work, because of the better pay and something better to look forward to.

Of the teachers in the higher income brackets we find the division as follows:

Province	Number of teachers
Ontario	2,346
British Columbia	475
Alberta	261
Manitoba	163
Saskatchewan	117
New Brunswick	59
Nova Scotia	66
Prince Edward Island	0

Let us take the number I spoke about before, namely 7,715, and find out how they live. We will consider the man who has just been married, and my figures will be based on 1938 prices. To-day prices of things we buy are much higher, and the newlyweds would have to live on a much smaller and slimmer ration. This is the table of expenditures which would have been required in 1938:

Food	$ 268 00
Clothes	104 50
Shelter, light, fuel	503 00
Medical	30 00
Recreation	42 50
Insurance	120 00
	$1,068 00

Looking through this table one might assume, from the comparatively small amount for clothing, that the man and his wife must have had an ample supply of clothing before their marriage. The recreation item is small, and it would seem that they might depend upon their neighbours to furnish conveyances to take them around. Perhaps, too, they would rely upon their neighbours to take them to the Follies, or to other types of amusement. This total sum of $1,068 leaves approximately $132 as savings for the year.

This is not good enough. Something should be done to put our education on a different footing, a different basis. If we are going to have better conditions we must have better education and a more nearly even distribution of education costs. As I have already said, at the present time most of the cost is levied directly on the farms. Sometimes we find that merchants in small towns and cities claim they are paying a higher percentage of taxation than are the farmers. But when that statement is made I ask this question: Where do you get your revenues from which you pay that higher percentage? I find almost every time the taxation can be traced to the farmer. Those taxes are borne by the farmer either directly or indirectly.

As my time has almost expired I shall not say much more on this occasion. I hope to discuss other matters in more detail on a later occasion. Last night I listened with keen interest to the chairman of the committee of last year, the hon. member for Cariboo (Mr. Turgeon), and took particular interest in the part of his speech I am about to read:

> There is not any question that during the terrible and long years after the war which were known as the depression we let ourselves sink to depths of shame which only the courage, heroism and sacrifices of the men and women who are fighting for us overseas can wipe out. What the Prime Minister was saying to himself as well as to the men and women whom he was actually addressing was that the experiences of the war—and surely we must learn from the experiences of the war—have taught us that we, business men as well as the government, permitted certain things to be obstacles to full employment in the days of peace, when, had we only known it, those things were not real obstacles.

I was pleased to hear the hon. member say that. There may be some shifting of responsibility from Mr. Speaker's right to his left. But if that argument should arise I would say that those who are now to his right were to his left at one time, and vice versa. So that those who have been and those who are in office must accept full responsibility. Now that they know that the factors which held them back in the past were only imaginary, I hope something definite and far-reaching will be done to rectify those things.

We seem just a little slow to move unless somebody else takes the lead. In yesterday's evening *Journal* I noticed this brief article, which I shall read. Under date of London, February 25, it is headed "Britain Plans Vast Post-war Programme", and reads as follows:

Vast government plans for post-war building and town planning in Britain were outlined in a white paper published to-day.

The plans spread over 10 or 12 years and include the recruiting of 1,250,000 workers for rapid but orderly expansion of the building industry.

It is planned to establish conditions of work which will eliminate casual engagement of workers which formerly was the most unsatisfactory characteristic of the building industry.

The large deficiency in the labour force will be met by special training of adults by the state and it is estimated 200,000 could be trained during the first three or four years.

With a lead like that from Great Britain I feel quite satisfied we should be on our way; we should not wait until the war is over. It has been admitted on different occasions that obstacles in the past were only imaginary. Now let us see that those who have found that out convince their comrades in parliament that they should not stop, but should proceed at once to make things better. In order to do that, on behalf of agriculture I suggest that first of all an adjustment of our debt situation be made. Nice words are passed on to the farmers, but we still find creditors right on the farmers' shoulders. They will not get off, and until they do and thereby lighten the load, the farmers cannot make headway.

Because farms have been stripped of labour, and because, as has been pointed out here in the past few days, we have in the west unlimited sources of electricity, I suggest the electrification of agriculture. This does not apply only to my own province, although I understand they are proceeding with something along that line this year. But it should apply, and I believe in the very near future will apply, all across Canada. The power is there; all we have to do is to harness it and take the drudgery out of farming. Then we have large irrigation projects that could be put into effect. I will name just one, the William Pearce, which I understand can be put into operation for some $23,000,000. During the relief period when people were not given all the relief they should have had, something like $10,000,000 was spent in that dried-out territory.

Mr. MacNICOL: May I ask the hon. member how many acres the William Pearce plan is expected to irrigate?

Mr. FAIR: I have not the details of that. The hon. member for Acadia (Mr. Quelch), who is familiar with it, says about half a million acres in Alberta alone. If this irrigation project were put into effect we would be able to grow enough sugar to release a number of the staff of the wartime prices and trade board for more useful work and possibly save Mr. Gordon some sleepless nights, if he is experiencing such at the present time. It is far more in accord with common sense to spend money on something of that kind.

We should have an agricultural policy announced, not after the war but now, that would guarantee parity prices for the products of agriculture. We have in the past produced at far less than cost of production; why not start even now, years after it should have been done, to give us cost of production with a reasonable profit?

For income tax purposes one year should not be taken alone, because one year we may have a good crop and the next four or five years have crop failures. In some districts we have had crop failures for more years than that. The average income over a period of at least five years should be the basis.

For our pioneers, spoken of by the hon. member for York-Sunbury (Mr. Hanson) we should have an increase in the old age pensions and a lower starting age. I see you are going to call time on me, Mr. Speaker; I should like with the indulgence of the house to have just a couple of minutes to finish.

Some hon. MEMBERS: Go ahead.

Mr. FAIR: I would also ask that old age pensioners be allowed to receive $500 a year, instead of the $365 they are allowed at the present time, without having their pension cut down. We should adjust soldier settlers' debts in accordance with the proposal I made when I spoke here on February 3. A resolution to that effect is now on the order paper. And for the boys and girls fighting the present war we should give them a square deal right from the start, not twenty years after they come back, but immediately they come back. I believe my colleague the hon. member for Camrose (Mr. Marshall) has on the order paper a resolution dealing with that.

The question is bound to come up, where will you find the money? I would ask the Minister of Finance (Mr. Ilsley) to tell us where he is finding the money at the present time for the war. If he is unable to get an answer to the question among his officials and advisers, I would like him to come across to the left centre group pointed out by the hon. member for York-Sunbury and we can tell him how to get it.

Mr. G. E. WOOD (Brant): I hesitate to follow the hon. member for Battle River (Mr. Fair) in his remarks any further than the last he made in connection with old age pensions. I would suggest to him that if he or any of his friends wants an old age pension, provision already is made. Since 1908 we have had

government annuities under which by contributing to them at any time after five years of age one can have any kind of old age pension he wants. There is nothing to prevent anyone from having an old age pension even at twenty-one years of age if he pays for it.

In its approach to this important question of reconstruction I am satisfied that this parliament has before it one of the most difficult tasks that has ever faced any parliament, namely, to devise some programme whereby it can create a condition of affairs to carry us successfully through the post-war period. I rather take the view of the hon. member for York-Sunbury (Mr. Hanson) and also of the Prime Minister (Mr. Mackenzie King) that the winning of the war is the primary object. Whatever we do in the future will be more or less dependent on how this war is won and on the terms of the peace. No country to-day can live to itself; it will be dependent on the economic and other conditions that exist in other countries, because we shall have to dovetail our own economic life in a measure into their desires. Another thing that we should keep in mind is that while we are anxious to raise our standard of living we must not allow it to rise in excess of those of other countries because, if our standard of living is much higher than theirs it will be difficult for us to secure world trade and a proper world balance, inasmuch as we shall not be able to compete with them. That must be kept in mind. I know there are those who take the view that "as long as I get what I want I do not need to worry about the other fellow." But that philosophy is wrong; it cannot exist in this time; it could only lead to a repetition of the same disaster again. Furthermore, I say, as the Prime Minister said, that if the new order is not here and now we shall never have a new order.

I am prepared to say that the conduct of this war by this administration is making a great contribution to the post-war period in Canada. The conduct of this war, wise or otherwise, will leave an aftermath of difficulty and debt and disaster which, if not foreseen and avoided, will have to be paid for in the post-war period when the boys are returning. I would say that the wisdom of this government in introducing foreign exchange control, the excess profits tax and the regimenting more or less of industry in regard to price control, has had a great influence in maintaining an economy that will keep things on an even keel so that we shall not create loans which will only create disaster and depression afterwards. I believe that the contribution which this government is making will be very helpful in the post-war reconstruction period.

Unfortunately a great deal of pressure is being brought to bear by labour and even by our farmers to break this control system. While we do have to suffer some disabilities in consequence of control we should bear in mind that as consumers we enjoy the benefit of the holding down of our cost of living, and to that extent we should at least be fair enough to bring that side of the question to the attention of the public.

I was interested in the remarks of the hon. member for Vancouver East (Mr. MacInnis) last evening, in the course of which he stated that the depression of 1930 was caused by the selfishness of the great financial interests. I should like to approach that question from another point of view. I believe the depression of 1930 was caused more by the unusual prosperity that was enjoyed by a certain group of mediocre-minded people who had saved some money and who wanted to copy some of the richer people. They went into the stock market and took away control of many industries by bidding more for the stock than its earning power justified. As a result, a good deal of our industry got into the hands of men who did not know how to run it. They may have been good labour men but they were not capable of administering industry. Therefore I warn the committee, the house and the country that we must not permit any situation to exist under which people will administer affairs which they are not capable of administering. It seems to me that if we develop a nationalized industry there will be great danger of another depression, because the same element of society might obtain control of any government which would have the responsibility of nationalizing industry, and this would lead only to a repetition of the depression of 1930.

The hon. member for Vancouver East also had something to say about the accomplishments of our great ally Russia. I should like to direct attention to the fact that a great deal of the success Russia has achieved has been as a result of the help of the capitalistic, democratic countries, and that Russia is enjoying her present position because the capitalistic countries shared the knowledge and improvements that had been brought about under the system of free enterprise.

In these days we are subjected to many catch-phrases designed to have people believe that on account of the mercenary motives of some people, many in this country do not receive their fair share of the national income. It has been said that in 1942 we produced $9,000,000,000 worth of goods, of which we

have marketed about $7,500,000,000 worth. Who got that money? Well, labour got over $4,000,000,000; the farmers got over $1,000,000,000, and those who had their money invested in industry got only $318,000,000. To those who believe that labour is not getting its share I ask, if you took the $318,000,000 and added it to the $4,000,000,000, do you think that would satisfy labour? I yield to no man in my desire to serve labour, but I know that the sober-minded labour man realizes that he must have industry as a place where he can sell his labour, and that he would not be doing labour any kindness by draining off all the profits so that there would be nothing left to plough back into more factories and equipment to create more employment. I only hope and trust that this reconstruction committee will keep some of these fundamentals in mind, and not be carried away by those catch-phrases which are intended only to divert the attention of the people from the really important matters in order that those who wish to fool the people may gratify their own desires.

Then I hope the committee will give some consideration to our agricultural problems. In spite of all that has been said about farming I believe that, after all, the farm is a fairly good place to settle a large part of the population of Canada. In spite of all its disadvantages; in spite of all the hard work involved, I believe the farm offers a security that can be found nowhere else. If a man owns a farm he has a security which it would cost another man thousands of dollars of invested capital to obtain. If I may be allowed a personal word, the other day I sat down at my table on my own farm and enjoyed a meal cooked by my good wife. The only things on that table that were not grown on my farm were the pepper, salt, sugar and tea. Everything else was produced on my own land.

Mr. McIVOR: And grown well.

Mr. WOOD: It was certainly well cooked. Where else could a man get security to compare with that? I have reached the point where I deplore the practice of some who call themselves dirt farmers but who seem to talk about only the unfavourable aspects of farming. They have more or less discouraged our youth from wanting to go on the land, and now they wonder why they are short of help. If agriculture is to have its proper place in the national life of Canada we must give it some self-respect. I have no intention of shutting my eyes to its weaknesses, but at least I can be honest enough to give it the credit it deserves.

[Mr. Wood.]

On motion of Mr. Wood the debate was adjourned.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at six o'clock.

Monday, March 1, 1943

The house met at three o'clock.

MUNITIONS AND SUPPLY

AMENDMENT OF ACT CREATING DEPARTMENT—TABLING OF CHART OF DEPARTMENTAL ORGANIZATION

Hon. C. D. HOWE (Minister of Munitions and Supply): I desire to lay on the table the chart of organization of the Department of Munitions and Supply, and for the convenience of members when discussing the departmental bill I would ask that the chart be published in the *Votes and Proceedings*.

Mr. HANSON (York-Sunbury): If I might be permitted, Mr. Speaker, the chart is on a substantial scale and if it is incorporated in *Votes and Proceedings* it would have to appear on a very small scale. Could the minister have photostatic copies made so that each member might receive a copy on a separate sheet?

Mr. HOWE: On a previous occasion the chart was published in *Votes and Proceedings* as a folder. I presume the printing bureau did exactly what my hon. friend now suggests.

Mr. HANSON (York-Sunbury): It would be more convenient to have it on a separate sheet.

Mr. HOWE: I can bring in the desired number of sheets in that form, if my hon. friend so wishes.

Mr. HANSON (York-Sunbury): Thank you.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SOLDIER SETTLEMENT BOARD

Mr. ESLING:

1. Since the operation of the soldier settlement board in 1919, down to December 31, 1942, what sums of money have been placed at the disposal of the soldier settlement board for the purchase of lands?

2. How many separate parcels of land were purchased during that period?

3. To how many parcels of land does the board now retain title?

4. How many parcels of land are actually occupied and producing returns to the board?

5. What sum, on account of such parcels, was returned to the board in 1942?

6. Since the operation of the act, what is the total amount written off for (a) revaluation, (b) reduction under Farmers' Creditors Arrangement Act, (c) bonuses?

7. From 1918 to December 31, 1942, what is the total received from settlers by way of principal payments?

8. What is the total sum received by way of interest?

9. Since the operation of the board what is the aggregate sum paid in salaries for administration and what is the total amount incurred for expenses other than salaries?

Mr. CRERAR:

1. The sum of $61,205,617.92 has been disbursed for the purchase of lands.

2 and 3. Records are not maintained in a manner to answer these questions in the specific form asked. From 1918 to 1924—the active loaning period of soldier settlement operations—17,456 loans were made to purchase properties; 2,463 loans were made on security of first mortgage; 4,229 loans were made to settlers on dominion lands, the security being a first charge on such lands. As at December 31, 1942, there were 14,429 active loans of all classes, as follows: 6,824 soldier settlers; 6.338 civilian purchasers; 1,142 British family settlers; 125 New Brunswick family scheme settlers. There were 1,528 properties on hand for resale.

4. As at December 31, 1942, there were 15,742 active loans and properties leased. 215 properties were unoccupied.

5. The total repayments in 1942 were $2,595,366.29.

6. Since the operation of the Act the following total amounts have been written off to December 31, 1942:

(a) Revaluation, $7,479,344.75; (b) Reduction under Farmers' Creditors Arrangement Act, $13,233,393.13; (c) Bonuses, $5,321,414.98.

7. The total received by way of principal payments to December 31, 1942, was $43,-264,734.84.

8. The total sum received by way of interest to December 31, 1942, was $24,056,711.45.

9. Since the operation of the Board the aggregate sum paid in salaries for administration was—

Salaries, $20,325,246.85 to December 31/42; Expenses other than salaries, $10,243,534.48 to December 31/42. Total, $30,568,781.33.

GENERAL ENGINEERING COMPANY

Mr. WINKLER:

1. Are land, buildings and equipment of the fuse filling plant at Scarboro, Ontario, owned by the government?

2. If so, does it operate on a cost-plus basis?

3. Who supplied the land, and at what cost?

4. Who supplied the buildings, and at what cost?

5. Who supplied the machinery?

6. Who operates the cafeteria?

7. What salaries are paid in this plant at or in excess of $3,000 per annum, and to whom are they paid?

Mr. HOWE:

1. Yes.

2. This plant is operated by the General Engineering Company (Canada) Ltd. on a management-fee basis.

3. The land was acquired by expropriation on January 27th, 1941, April 1st, 1941, and additional land on December 17th, 1941, totalling 272 acres. It was acquired from seven proprietors, as follows:

	Total Price
A. S. Crichton	$27,000
E. A. Burke Estate	11,000
L. G. Hough	2,500
W. C. Hough	6,500
Hough Estate	10,000
Harris Estate	23,180

Settlement on a small parcel of about 8½ acres is still pending.

4. The British government supplied the buildings at a cost of $4,462,692.35 for new buildings.

5. The machinery was procured through Citadel Merchandizing Company from various machine tool contractors with funds supplied jointly by Canadian and British governments.

6. The government through its project management contractors, the General Engineering Company (Canada) Ltd.

7. No information.

WARTIME PRICES AND TRADE BOARD—ENFORCEMENT DIVISION

Mr. BENCE.

1. What are the names of the administrators and other officials of the enforcement division of the wartime prices and trade board situated in the city of Ottawa?

2. What were the addresses and occupations of such administrators and officials immediately prior to their appointments to this branch?

3. What is the salary and other remuneration of the said administrators and officials?

Mr. ILSLEY: F. A. McGregor, enforcement administrator, permanent official of the Department of Labour, Ottawa, no additional remuneration; H. M. Brown, deputy enforcement administrator, permanent official of the Department of Labour, Ottawa, no additional remuneration; P. J. Macdonald, enforcement counsel, Ottawa Region, formerly in private legal practice, Ottawa, salary $3,300 per annum.

POSTAL SERVICE—"LONDON ECHO"

Mr. NOSEWORTHY:

1. On what date and under what authority and regulations did the periodical known as the London *Echo* qualify as a newspaper for the postal rate of one cent per four ounces?

2. On what date and to whom was a copy of this periodical submitted for inspection, as required by section 47 of the Canada Official Postal Guide?

3. Is this periodical being addressed to local subscribers as required by section 40 of the Canada Official Postal Guide?

4. What is the annual subscription rate of this newspaper?

5. Is this newspaper being delivered by letter carriers to subscribers only or is it being delivered to householders on the carriers' route?

6. What extra weight does the delivery of this newspaper by letter carrier add, on the average, to the burden each letter carrier is required to deliver?

Mr. MULOCK:

1. In 1879. Section 22 of the Post Office Act of 1875. Records destroyed many years ago.

2. 1879. Postmaster General. Exact date not available. Case reviewed in 1937, by the then Postmaster General, who decided that the *Echo* should be considered a bona fide newspaper under the provisions of the Post Office Act.

3. Owing to the depleted Post Office staffs and the difficulty of finding replacements, it is considered undesirable to insist on the technical requirements of individual addressing. The absence of addresses greatly facilitates Post Office handling by eliminating entirely, the time ordinarily occupied in reading addresses in the usual process of sortation. This saves time and work for sortation clerks and letter carriers. Copies for delivery in the city of London not addressed to local subscribers are distributed to non subscribers and postage charged thereon at the rate applicable to such copies.

4. $1.

5. Householders. See answer to No. 3.

6. Approximately 85⅔ pounds spread over two and sometimes three deliveries. To reduce weight to be taken out by the carriers, papers are put up in several bundles which are distributed by truck to strategic points, where they are picked up by letter carriers in the course of delivery.

ST. HYACINTHE, QUE., NAVY BUILDINGS CONTRACT

Mr. BENCE:

1. Have contracts been awarded for navy buildings at St. Hyacinthe, Quebec?

2. If so, what is or will be the total cost thereof?

[Mr. Ilsley.]

3. When was construction commenced?

4. If construction has not been completed when is it anticipated that it will be?

5. Why was St. Hyacinthe selected for the erection of such building?

Mr. MACDONALD (Kingston City):

1. Yes. A contract for part of the proposed establishment at St. Hyacinthe has been let.

2. The contract let is in the amount of $612,514, and the total cost of the construction will be $2,624,000 (estimated).

3. Construction was commenced on the initial contract on January 5, 1943.

4. It is expected that the construction on the initial contract will be completed June 30, 1943. Plans and specifications for the remaining programme are now in the course of preparation, and tenders are expected about May 1, with the completion of this remaining programme on January 31, 1943.

5. The Naval signal school was moved from Halifax to St. Hyacinthe in October 1941 because buildings under the jurisdiction of the army were available in St. Hyacinthe and no other suitable accommodation could be found in eastern Canada. It is necessary to increase the capacity of the school from 800 to 2,600 and it is more economical to add to the existing plant than to build afresh in a new place.

RADIO BROADCASTING—"OUR CANADA"

Mr. GAUTHIER:

1. Is the dominion government responsible for or author of the sketch "Our Canada" broadcast over the French network of the Canadian Broadcasting Corporation?

2. Is the same sketch broadcast in the other provinces over the English network, and if so, what is its title?

3. On what day is the English version broadcast?

4. If the government is not responsible for the sketch what is the name of the author?

Mr. ILSLEY:

1. "Our Canada" is a programme of the national war finance committee broadcast over a French network.

2. Similar programmes under the title "Nazi Eyes on Canada" were broadcast over an English network, but have been replaced by another programme.

3. Answered by No. 2.

4. The basis of the programme is a translation of the book by Colin Ross.

VETERANS' LAND SETTLEMENT ACT

Mr. LEADER:

1. What action is the government taking towards setting up a working arrangement with

the municipalities in selecting lands for the reestablishment of our returned soldiers under the Veterans' Land Settlement Act?

2. How many veterans have made application for settlement under the Veterans' Land Settlement Act?

3. What number in each of the several provinces?

Mr. CRERAR:

1. The Veterans' Land Act 1942 and regulations made thereunder provide for the appointment of regional advisory committees in all provinces to advise the director in such matters as the selection of lands and the qualification of veterans. There will be several regional committees in each of the larger provinces. These committees will establish working contacts with municipalities and other agencies. In addition, each province has been invited to set up a small committee headed by its minister of agriculture to serve as a working contact with the director and his officers in such matters as areas suitable for veteran settlement.

2. 668.

3. British Columbia, 92; Alberta, 64; Saskatchewan, 41; Manitoba, 22; Ontario, 243; Quebec, 120; New Brunswick, 39; Nova Scotia, 42; Prince Edward Island, 5.

ROYAL CANADIAN AIR FORCE—RADIO TECHNICIANS

Mr. MARSHALL:

1. Has the Minister of National Defence for Air formulated any plans for the recognition, by way of promotion for merit, of radio technicians of the R.C.A.F. who are serving overseas?

2. If so, when will they be put into force?

Mr. MARSHALL: In view of the explanation made a day or so ago by the minister, I ask that this question be dropped.

Question dropped.

RATION BOOKS

Mr. CHURCH:

1. What action has the government taken with regard to new rationing books so as to secure an improvement in the complex system now in vogue?

2. Has the government consulted or secured advice from experts of public utilities or large industrial heads as to adopting a system of books to cover all rationing?

3. What is the estimated cost of mailing the new books as formerly, instead of having them picked up, and how are they now to be distributed?

4. What, if any, practical experience in the food industry have those who prepare these orders ever had?

5. What has been the practical experience, if any, in the food business, of those who prepare these orders?

Mr. ILSLEY:

1. The wartime prices and trade board is continually working towards the simplification of its rationing machinery. The new ration book embodies certain changes but only of minor character, as ration book 1 was essentially about as simple as any ration book could be.

2. The ration administration has been continually in touch with the trades who deal in rationed commodities. It has consulted not only the heads of these trades but also various technical men engaged in them as well as practical men who come into actual contact with the rationing machinery. Discussions and views respecting rationing are urged and sought from the various trade organizations and large and small units in the various industries.

3. The estimated cost of distributing the new ration books (approximately 13 million) by mail is $500,000 on the basis of one cent for the postcard and three cents for the book. Local ration boards now functioning in approximately 500 key communities across Canada have set up thousands of distribution centres where people may call for their ration book No. 2.

4 and 5. The ration administration is in continual close contact with representatives of the food industry and their advice is sought in the preparation of ration orders. These orders are prepared under the supervision of the senior solicitor of the wartime prices and trade board who consults with representatives from the Department of Agriculture. These representatives are thoroughly trained in the problems of the food industry.

DISPOSITION OF NAVAL OFFICERS

Mr. FRASER (Peterborough West):

1. What percentage of naval officers are, (a) at sea, (b) at headquarters, Ottawa, (c) on shore duty at Halifax, (d) on shore duty at Esquimalt, (e) on shore duty at training divisions?

Mr. MACDONALD (Kingston City):

1. (a) 38 per cent wholly employed at sea; (b) 9 per cent at N.S.H.Q.; (c) 22 per cent are based at Halifax, many of whom have both sea and shore duty; (d) 8 per cent are based at Esquimalt, many of whom have both sea and shore duty; (e) 6 per cent training divisions. The remaining 17 per cent of officer personnel are based at other shore points. Many of these have both sea and shore duties.

OLD-AGE PENSIONS—REQUESTS FOR INCREASE OF MONTHLY PAYMENTS

Mr. REID:

1. Have any representations been made by any of the provinces in regard to increasing the amount of twenty dollars per month under the provisions of the Old Age Pension Act?

2. If so, what province or provinces have made such request or representation during the year 1942, and to date in the present year?

Mr. ILSLEY:

1. Yes.

2. British Columbia, Manitoba, Saskatchewan and Ontario. (Alberta 1941).

MINESWEEPERS

Mr. O'BRIEN:

1. How many minesweepers have been built?
2. How many are now under construction?
3. How many are now in commission?

Mr. MACDONALD (Kingston City): A somewhat similar question was put the other day by another hon. member and I agreed to give him the information privately. I can do that in this case, if it will be satisfactory to my hon. friend.

Mr. O'BRIEN: That will be quite satisfactory. I would ask that this question and the next one be dropped.

Question dropped.

CORVETTES

Mr. O'BRIEN:

1. How many corvettes have been built in Canada?
2. How many are now under construction?
3. How many are now in commission?

Question dropped.

OIL TANKERS

Mr. ADAMSON:

1. Have any oil tankers been built in Canada?
2. If so, how many?
3. What was the capacity of each?

Mr. HOWE:

1. One 10,000-ton cargo vessel, built under the supervision of Wartime Merchant Shipping Limited, was converted into an oil tanker and delivered in August, 1942. Four more 10,000-ton vessels are now in process of being converted.

Contracts have recently been awarded for three 3,700-ton oil tankers.

Eight or more vessels have been built or converted as oil tankers by private companies since 1939.

2 and 3. Answered by 1.

[Mr. A. L. Macdonald.]

CARGO SHIPS

Mr. O'BRIEN:

1. How many cargo ships and of what capacity have been delivered to the government, giving dates of delivery?
2. How many are now in commission?
3. How many cargo ships are now under construction in Canada?
4. What is the gross tonnage in each case?
5. What is the net tonnage or cargo carrying capacities of each?

Mr. HOWE:

1. 97 cargo ships of 10,350 tons deadweight carrying capacity each have been delivered to the government, the dates of deliveries being as follows:—

1. *SS. Fort Ville Marie,* December 21, 1941.
2. *SS. Fort St. James,* January 29, 1942.
3. *SS. Fort Churchill,* February 21, 1942.
4. *SS. Fort Qu'Appelle,* March 21, 1942.
5. *SS. Fort Nipigon,* April 8, 1942.
6. *SS. Fort George,* April 9, 1942.
7. *SS. Fort Tadoussac,* April 18, 1942.
8. *SS. Fort Fraser,* April 25, 1942.
9. *SS. Fort Louisburg,* April 27, 1942.
10. *SS. Fort Chambly,* April 28, 1942.
11. *SS. Fort Good Hope,* May 9, 1942.
12. *SS. Fort McLoughlin,* May 20, 1942.
13. *SS. Fort La Maune,* May 25, 1942.
14. *SS. Fort Abitibi,* May 26, 1942.
15. *SS. Fort Alexandria,* May 27, 1942.
16. *SS. Fort Camosun,* June 2, 1942.
17. *SS. Fort Ellice,* June 4, 1942.
18. *SS. Fort Chilcotin,* June 6, 1942.
19. *SS. Fort Augustus,* June 13, 1942.
20. *SS. Fort Lac la Ronge,* June 18, 1942.
21. *SS. Fort Babine,* June 26, 1942.
22. *SS. Fort McLeod,* June 30, 1942.
23. *SS. Prince Albert Park,* June 30, 1942.
24. *SS. Fort La Reine,* July 8, 1942.
25. *SS. Fort Chipewyan,* July 9, 1942.
26. *SS. Fort Bourbon,* July 15, 1942.
27. *SS. Fort Pine,* July 19, 1942.
28. *SS. Gatineau Park,* July 22, 1942.
29. *SS. Fort Confidence,* July 27, 1942.
30. *SS. Fort Pitt,* July 28, 1942.
31. *SS. Fort Battle River,* July 29, 1942.
32. *SS. Fort Stikine,* July 31, 1942.
33. *SS. Fort Senneville,* August 3, 1942.
34. *SS. Fort Pembina,* August 6, 1942.
35. *SS. Fort Douglas,* August 8, 1942.
36. *SS. Fort A-la-Corne,* August 13, 1942.
37. *SS. Kootenay Park,* August 17, 1942.
38. *SS. Fort Kootenay,* August 18, 1942.
39. *SS. Point Pelee Park,* August 18, 1942.
40. *SS. Fort Pelly,* August 26, 1942.
41. *SS. Mount Robson Park,* August 27, 1942.
42. *SS. Fort McMurray,* August 28, 1942.
43. *SS. Banff Park,* September 3, 1942.
44. *SS. Fort Maurepas,* September 4, 1942.

45. *SS. Fort Rae,* September 9, 1942.
46. *SS. Fort Simpson,* September 11, 1942.
47. *SS. Fort Liard,* September 14, 1942.
48. *SS. Fort Fork,* September 19, 1942.
49. *SS. Fort Norman,* September 22, 1942.
50. *SS. Jasper Park,* September 24, 1942.
51. *SS. Fort Gibraltar,* September 26, 1942.
52. *SS. Fort Reliance,* September 29, 1942.
53. *SS. Fort Rupert,* October 5, 1942.
54. *SS. Fort Vermillion,* October 8, 1942.
55. *SS. Fort Slave,* October 10, 1942.
56. *SS. Fort Paskoyac,* October 14, 1942.
57. *SS. Fort Wedderburne,* October 16, 1942.
58. *SS. Fort Cataraqui,* October 22, 1942.
59. *SS. Fort Thompson,* October 24, 1942.
60. *SS. Fort Hudson Hope,* October 26, 1942.
61. *SS. Fort Souris,* October 27, 1942.
62. *SS. Fort La Montee,* October 29, 1942.
63. *SS. Fort Poplar,* October 31, 1942.
64. *SS. Fort Howe,* November 11, 1942.
65. *SS. Fort Brule,* November 15, 1942.
66. *SS. Fort Steele,* November 16, 1942.
67. *SS. Fort Concord,* November 16, 1942.
68. *SS. Fort Halkett,* November 20, 1942.
69. *SS. Fort Frederick,* November 28, 1942.
70. *SS. Port Royal Park,* November 28, 1942.
71. *SS. Fort Livingstone,* November 29, 1942.
72. *SS. Fort Franklin,* December 1, 1942.
73. *SS. Fort Yale,* December 8, 1942.
74. *SS. Fort Longueuil,* December 8, 1942.
75. *SS. Fort Tremblant,* December 11, 1942.
76. *SS. Cedar Lake,* December 12, 1942.
77. *SS. Fort Mumford,* December 12, 1942.
78. *SS. Fort St. Francois,* December 14, 1942.
79. *SS. Fort Lajoie,* December 16, 1942.
80. *SS. Fort La Traite,* December 18, 1942.
81. *SS. Fort Anne,* December 24, 1942.
82. *SS. Fort Drew,* December 29, 1942.
83. *SS. Fort Lawrence,* January 5, 1943.
84. *SS. Fort Finlay,* January 6, 1943.
85. *SS. Fort Gaspereau,* January 13, 1943.
86. *SS. Fort Fairford,* January 15, 1943.
87. *SS. Fort Jemseg,* January 22, 1943.
88. *SS. Fort Rampart,* January 23, 1943.
89. *SS. Fort Meductic,* January 30, 1943.
90. *SS. Fort Walsh,* January 31, 1943.
91. *SS. Fort Frobisher,* February 3, 1943.
92. *SS. Fort Nashwaak,* February 7, 1943.
93. *SS. Fort Remy,* February 15, 1943.
94. *SS. Fort Charnisay,* February 16, 1943.
95. *SS. Fort Stager,* February 17, 1943.
96. *SS. Fort Grahame,* February 19, 1943.
97. *SS. Fort Buckingham,* February 23, 1943.

One cargo ship of 4,700 tons deadweight carrying capacity was delivered to the government on February 15, 1943, as follows: *SS. Rockwood Park,* delivered February 15, 1943.

2. All ships mentioned in No. 1 are in commission, with the exception of those which have been lost at sea.

3. There are now in various stages of construction in Canada 58 ships of 10,350 tons deadweight each and 12 ships of 4,700 tons deadweight each.

4 and 5. A ship of 10,350 tons deadweight measures 7,134 tons gross; 4,243 tons net.

A ship of 4,700 tons deadweight measures 2,877 tons gross; 1,655 tons net.

The total deadweight tonnage of the ships delivered is 1,008,650 tons, and the total deadweight tonnage of the ships under construction is 656,700 tons.

HYDRO-ELECTRIC POWER

Mr. CHURCH:

1. What is the estimated total of hydro-electric power available in Canada?

2. How much, by provinces, is developed so far, (a) for all the year around use, (b) for seasonal use?

3. What action has been taken by the government to inaugurate a national hydro-electric policy for Canada since the debate on the Calgary bill of 1941 and the debates of 1923 and since on this matter?

4. How much direct current is now available in each province of Canada from developed hydro-electric power, (a) under public ownership, (b) under private ownership?

Mr. CRERAR:

1. The total water-power resources of Canada are estimated at 25,439,000 horse-power under conditions of ordinary minimum flow or 39,511,000 horse-power at flows ordinarily available for six months of the year. Based upon past practice these resources would support a total installed turbine capacity of approximately 51,350,000 horse-power.

2. (a), (b). The latest completed census of the central electric station industry in Canada, for the calendar year 1941, shows the installed capacity of hydro-electric stations by provinces as follows:

Province	Installed h.p.
British Columbia and Y.T.	637,837
Alberta	68,180
Saskatchewan	87,500
Manitoba	420,800
Ontario	2,284,389
Quebec	4,076,552
New Brunswick	105,760
Nova Scotia	102,990
Prince Edward Island	392
Canada	7,784,400

No definite statistics are available of the extent to which the foregoing installations are utilized (a) for all the year around use, (b) for seasonal use. This varies with seasonal and yearly stream flow and also in accordance with changing power demands.

3. The ownership, control and administration of the water power resources, except in the Northwest Territories and Yukon Territory and in national parks, belongs to the provinces. The dominion is continuing its policy of cooperation with the provinces in securing the basic water power records which are fundamentally necessary in the planning, development and operation of water power projects throughout Canada.

4. (a), (b).

For the calendar year 1941

Province	Under public ownership		Under private ownership	
	Hydro-electric installed capacity h.p.	Hydro-electric energy generated kilowatt hours (thousands)	Hydro-electric installed capacity h.p.	Hydro-electric energy generated kilowatt hours (thousands)
British Columbia and Yukon	9,770	14,610	628,067	2,410,087
Alberta	....	....	68,180	169,578
Saskatchewan	....	....	87,500	1,337,218
Manitoba	155,000	582,854	265,800	
Ontario	1,741,660	7,243,250	542,729	2,390,243
Quebec	30,710	86,088	4,045,842	17,649,252
New Brunswick	12,860	19,200	92,900	414,980
Nova Scotia	81,250	232,868	21,740	77,889
Prince Edward Island	....	....	392	451
Canada	2,031,250	8,178,870	5,753,150	24,449,628

CANADIAN NAVY—OFFICERS AND RATINGS

Mr. GILLIS:

1. What are the percentages of R.C.N., R.C.N.R., and R.C.N.V.R. officers and ratings presently in the navy?

2. Is it the intention of the navy board to grant these reserve officers and ratings representation by appointing one of their officers to the navy board?

Mr. MACDONALD (Kingston City):

1. The percentages of officers and ratings in the navy as of the 15th February, 1943, are as follows (W.R.C.N.S. not included):

R.C.N.—officers 10 per cent—ratings 7 per cent.

R.C.N.R.—officers 16 per cent—ratings 10 per cent.

R.C.N.V.R.—officers 74 per cent—ratings 83 per cent.

2. The secretary, naval board is an officer of the R.C.N.V.R.

MERCHANT SEAMEN—INCOME TAX

Mr. ISNOR:

Are merchant seamen subject to income tax, (a) when in port, (b) when acting in conjunction with convoys and ships carrying supplies to or through a theatre of war area?

[Mr. Crerar.]

Mr. GIBSON: (a) yes; (b) yes.

TRANSPORT CONTROL—SKI TRAINS

Mr. STOKES:

1. How many ski trains have been operated by the railways since January 1, 1943?

2. Is authority for the operation of such trains secured from the transport controller?

Mr. MICHAUD:

1. No special ski trains have been operated by the railways since January 1, 1943.

2. No permits have been issued for any such trains by the transport controller.

PAN-AMERICAN UNION

Mr. FRASER (Peterborough West):

1. Has Canada been asked to join the pan-American union? If so, when?

2. What country or countries have asked Canada to join?

3. Are there any negotiations under way between Canada and any other country or countries regarding the pan-American union?

Mr. MACKENZIE KING:

1. No.

2. Answered by No. 1

3. No.

DOMINION INDUSTRIES LIMITED—TRANSCONA CORDITE PLANT

Mr. KNOWLES:

1. Has the government approved the paying of cash awards to employees of the Transcona cordite plant of Dominion Industries Limited, who make suggestions the adoption of which may result in the reduction of operating expenses?

2. If so, has the government ruled as to what ranks are entitled to receive such awards?

3. If such a ruling has been made, what ranks are so entitled?

4. How is the amount of such cash awards determined?

Mr. HOWE:

1. Canadian government approval has not been given to the paying of cash awards to employees in war industries who make suggestions which may result in lower operating costs, but the Department of Munitions and Supply have approved of a plan to award war savings certificates or victory bonds to such employees.

2. Under the government plan, all employees are eligible for such reward except those whose regular duties fall in the line of creative work such as engineering, processing, tool designing, production planning and supervision. Such ideas for improvement have always been considered part of their regular duties.

3. Answered by No. 2.

4. Suggestions on which labour savings are affected are rewarded as follows:

(a) 1/16th of the annual savings on the employee's own job plus 1/12 of the annual savings on other jobs, subject to a maximum award of $750 (purchase value).

(b) Suggestions resulting in improving the quality of production or matters not directly concerned with a productive operation; a direct award, determined by the committee according to its judgment in each individual case, ranging from $5 to $25 in war savings certificates (maturity value).

AIR-CONDITIONING OF TANKS

Mr. FRASER (Peterborough West):

Is there any provision made to air-condition any of our tanks for use in hot climates?

Mr. RALSTON: The fabrication of tanks, including air-conditioning for use in any climate, is under continuous study by the proper technical officers. but details of the methods in use would be of value to the enemy and cannot be disclosed.

TAX ON BEER AND SPIRITS

Mr. FAIR:

1. What is the amount of tax levied and collected in the calendar year 1942 on (a) beer, (b) hard liquors?

2. What amount was spent in 1942 on (a) beer, (b) hard liquors?

Mr. GIBSON:

1. Excise duty collected on malt used in beer produced and on matured spirits, during the calendar year 1942:

(a) Malt in beer $33,372,828.40 — dutiable beer $561,278.09.

(b) Matured spirits $32,610,964.80.

2. No information.

TAX ON CIGARS, CIGARETTES AND TOBACCO

Mr. FAIR:

1. What is the total amount of tax levied and collected on (a) cigars, (b) cigarettes, (c) smoking tobacco, during the year 1942?

2. What is the amount of tax levied and collected on account of additional tax levied on June 23 last, from date of levy to December 31, 1942, on (a) cigars, (b) cigarettes, (c) smoking tobacco?

Mr. GIBSON:

1. Excise duty collected on cigars, cigarettes and manufactured tobacco during the year 1942:

(a) Cigars	$ 604,625.11
(b) Cigarettes	61,842,971.89
(c) Manufactured tobacco	10,033,362.66

2. Excise taxes collected on cigars, cigarettes and manufactured tobacco, from June 23 to December 31, 1942:

(a) Cigars	$ 221,400.57
(b) Cigarettes	12,350,440.32
(c) Manufactured tobacco	3,371,844.99

GLENCOE, N.S., IRON ORE DEPOSITS

Mr. GILLIS:

1. Did the Department of Munitions and Supply make an investigation into the possibility of developing the iron ore deposits at Glencoe, Inverness county, Nova Scotia? If so, what were the results?

2. How did the ore found there compare with the ore being brought from Newfoundland?

3. What steps are being taken to develop this field?

Mr. HOWE:

1. The Department of Munitions and Supply requested the Department of Mines and Resources to have this deposit investigated and the reports showed that there is no proven tonnage of ore of commercial interest. From the information available, and from previous exploration and development work, and from the geological associations of the ore, the probability of proving any attractive tonnage of commercial ore appears poor.

2. Thus far the exploration made does not indicate an ore body as chemically suitable as Newfoundland ore for the production of iron, nor in quantities which would be reliable and economic as a source of supply.

3. Answered by 1 and 2.

OPENING OF COAL MINE IN INVERNESS COUNTY, NOVA SCOTIA

Mr. GILLIS:

1. Is the government making a grant to a prospective coal operator, to open a coal mine in Inverness county, Nova Scotia? If so, what is the name of the operator?

2. What is the amount of the grant?

3. What agreement, if any, is there between those proposing to open this mine and the government?

Mr. ILSLEY:

1. No.

2 and 3. Answered by No. 1.

*LABRADOR

Mr. ROY:

1. Does the government consider the advisability of inviting the British government, in compensation for merchandise supplied by Canada, to secure the return to the dominion of that portion of Labrador which was awarded to Newfoundland by the decision of the privy council?

2. If so, (a) what action has been taken in that direction; (b) upon what date were the first representations made; (c) what progress has been made in the negotiations?

Mr. MACKENZIE KING: With respect to the first part of this question, the answer of course would be that the matter is one of government policy which would be disclosed in due course. I rise not to answer the question in any way, but rather to say to my hon. friend that I am inclined to believe the citizens of Newfoundland rather resent the idea that Labrador belongs to the British government; they regard Labrador as belonging to Newfoundland. Should it come to a question of our dominion seeking at any time to secure Labrador, I am sure the people of Newfoundland would expect that the negotiations in the first instance would be with their government rather than with the British government. I mention this because quite a little in the way of editorial comment and opinion expressed in the papers of Newfoundland has been brought to my attention.

Mr. SPEAKER: Answered.

*UNITED STATES AIR FORCE ON SOUTH SHORE OF ST. LAWRENCE

Mr. ROY:

1. Is there a detachment of the United States air force stationed on the south shore of the river St. Lawrence?

2. If so, (a) what are the concessions, privileges, obligations and conventions under which the arrangements were made between the two governments in this matter; (b) in this connection has Canada granted to the United States any of its territories, and if so, in what form and under what conditions?

Mr. MACKENZIE KING: There are on the order paper two consecutive questions by the hon. member which, I submit, should neither be answered nor should they have appeared on the order paper, because even if unanswered they might be interpreted as disclosing information which it would certainly be in the interests of the enemy to have and which would be against our national security.

The first question is, "Is there a detachment of the United States Air Force stationed on the south shore of the river St. Lawrence? The first part of the next question is, "Has the government of the United States constructed certain establishments or bases on the shores of the Saguenay?" There are other questions which arise out of these two, but I think my hon. friend will see that, were I to answer either question in the affirmative, assuming it was correct so to do, I would be disclosing information which should not be disclosed.

However, to relieve the minds of hon. members I shall make the following statement in regard to what the hon. member has in mind.

As a matter of fact there is no detachment of the United States Air Force stationed on the south shore of the St. Lawrence river, but from time to time and as occasion requires detachments of United States aircraft and personnel operate at various points in Canada with the consent and cooperation of the Cana-

dian government. The Canadian authorities have cooperated in making Canadian air facilities available to such United States detachments, as part of the agreed arrangements for our own defence. In a number of instances lands have been acquired by the Canadian government for the development of air fields by the United States government for military use under war conditions. In no case has any territory been ceded under any form or under any conditions. The text of our agreement with the United States government for the return at the close of hostilities of facilities in Canada which have been acquired or constructed by the United States during the prosecution of the war was tabled in the House of Commons on February 1 and may be found in the *Votes and Proceedings* for that date.

UNITED STATES ESTABLISHMENTS OR BASES ON SAGUENAY RIVER

Mr. ROY:

1. Has the government of the United States constructed certain establishments or bases on the shores of the Saguenay?

2. If so, (a) what conventions were agreed to prior to the arrangement under which the American government commenced the works, (b) has Canada ceded any of its territory; in what form, and under what conditions?

Mr. SPEAKER: Answered by the reply to the previous question.

WABANA IRON ORE WORKS

Mr. McGARRY:

Has it come to the attention of the Minister of Munitions and Supply that the Wabana Iron Ore Works has closed down, and will this closure be investigated?

Mr. HOWE: Answered by the minister February 22, 1943, *Hansard,* page 575.

*PRODUCTION OF MILITARY VEHICLES AND EQUIPMENT IN RELATION TO SHIPBUILDING

Mr. BRUCE:

1. Have plans been made for slowing down production of military vehicles, tanks, guns and other fighting equipment coincidental with the expansion of production of ships?

2. If so, when does this go into effect?

3. Will it result in releasing man-power for other work?

4. If so, how much?

Mr. HOWE: Perhaps I can answer this verbally. The question implies that one programme is being slowed down to release man-power for another programme. That is not the case. Certain programmes are being slowed down, for the reason that initial equipment has been provided and the demands are less than formerly. Each programme is being dealt with separately from any other programme. Therefore the answer is:

1. No.

2. Answered by No. 1.

R.C.A.F.—NON-FLYING LIST COMMISSIONS

Mr. HOBLITZELL:

1. How many categories of non-flying list commissions are there in the Royal Canadian Air Force?

2. What are these categories?

Mr. POWER:

1. Twenty-three.

2. Accountant Officer, Administrative Officer, Aeronautical Engineer, Armament Officer, Chaplain Officer, Educational Officer, Equipment Officer, Provost and Security Service Officer, Marine Craft Officer, Medical Officer, Non-pilot Air Navigation Instructor, Nursing Sister, Photographic Officer, Signals Officer, Works and Buildings Officer, Link Trainer Instructor, Regional Control Officer, Aerodrome Control Officer, Intelligence Officer, Radio Officer, P.T. and Drill Officer, Equipment Messing Officer, Auxiliary Services Officer.

IMMIGRANTS FROM EUROPE SINCE 1938

Mr. WINKLER:

1. How many Europeans who were residents in or citizens of any of the following countries, namely, Germany, Czechoslovakia, Austria or Poland, have been admitted to Canada since January 1, 1938, as immigrants?

2. What were their respective races?

3. What were their respective religions?

4. What were their sexes?

5. How many of them were over twenty-one years of age?

6. How many of them were under such age?

Mr. CRERAR:

*1 and 2. Immigration to Canada, from April 1, 1937, to March 31, 1942, showing German, Czechoslovakian, Austrian and Polish nationality by racial origin:

Racial origin	Nationality				
	German	Czecho-slovakian	Austrian	Polish	Totals
Albanian	....	....	....	3	3
Bohemian	1	334	....	6	341
Croatian	....	3	....	9	12
Czech	1	578	....	90	669
Dutch	1	1	....	....	2
French	....	1	....	....	1
German	410	671	59	332	1,472
Hebrew	699	415	8	724	1,846
Italian	....	1	....	....	1
Jugoslav	....	201	....	....	201
Magyar	7	146	5	....	158
Moravian	1	63	....	....	64
Norwegian	1	....	....	....	1
Polish	1	3	....	1,472	1,476
Russian	3	8	....	321	332
Ruthenian	....	401	....	4,097	4,498
Slovak	2	2,656	....	3	2,661
Swiss	....	1	....	....	1
Totals	1,127	5,483	72	7,057	13,739

3. No statistics are kept of the religious persuasion of immigrants.

4, 5 and 6. The following gives the sexes of persons of German, Czechoslovakian, Austrian and Polish citizenship. Information is not available as to the number twenty-one years of age or over but the number under eighteen is shown:

	(April 1, 1937, to March 31, 1942)		
	Adult Males	Adult Females	Children under Eighteen
German	386	457	284
Czechoslovakian	1,265	1,839	2,379
Austrian	13	31	28
Polish	1,279	2,296	3,482
Totals	2,943	4,623	6,173

*While not an exact answer, is the nearest possible from immigration statistics.

INTERNMENTS—CAMILLIEN HOUDE

Mr. LACOMBE:

1. Has the Minister of Justice ordered under certain circumstances, the liberation of any individuals detained under the defence of Canada regulations in internment camps or common jails, without such persons having presented a petition to an advisory committee competent to deal with such requests?

2. If so, who were the persons so liberated?

3. What is the maximum penalty under the defence of Canada regulations, which may be imposed by the tribunals having jurisdiction in such cases?

4. How many years and months has Mr. Camillien Houde, former mayor of Montreal, and member of the legislature of Quebec, been interned under the defence of Canada regulations?

[Mr. Winkler.]

5. Does the period of internment of Mr. Houde conform with the terms fixed by the regulations for the defence of Canada?

Mr. ST. LAURENT:

1. Not since December, 1940. Prior to that date there were seven cases in which the Minister of Justice made an order for release, in urgent circumstances, before an objection to detention was made to an advisory committee.

2. It is not considered to be in the public interest to disclose the names of the seven persons referred to in the answer to question 1.

3. Under regulation 63 of the Defence of Canada regulations, every person who has contravened any of these regulations is liable on

summary conviction of having been guilty of such contravention to a fine not exceeding five hundred dollars, or to imprisonment for a term not exceeding twelve months, or to both fine and imprisonment. Or if such person is prosecuted upon indictment and convicted, such person is liable to a fine not exceeding five thousand dollars, or to imprisonment for a term not exceeding five years, or to both fine and imprisonment. Under regulation 21 of the said regulations, if the Minister of Justice is satisfied that with a view to preventing any particular person from acting in the future in any manner prejudicial to the public safety or the safety of the state it is necessary so to do, he may direct that such person be detained in such place and under such conditions as the Minister of Justice may from time to time determine.

4. Since August 5th, 1940.

5. Yes.

CENSORS

Mr. ISNOR:

1. How many censors are employed at each of the following places, (a) Halifax, (b) Montreal, (c) Toronto, (d) Winnipeg, (e) Vancouver?

2. What is the number of working hours in effect at each of the above places?

3. Has each of the above places a chief censor? If so, give name, age and salary?

Mr. LaFLECHE:

1.

	Postal Censorship	Telegraph Censorship	Censorship of Publications
Halifax ..	31	15	1
Montreal .	14	27	2
Toronto ..	11	8	2
Winnipeg .	3	1	0
Vancouver	60	8	2

2. Postal censorship: 7½ hours per day.

Telegraph censorship: These offices (except Winnipeg) operate 24 hours a day and 7 days a week. The working hours per week vary slightly with the intensity of the particular day and the change-over of shift from week to week. They range from 40-48 hours per week. Senior censors are on call over much longer periods in addition to regular hours at the office.

Censorship of publications: Regional offices are staffed from 12 to 15 hours a day depending on newspaper and news service requirements, but censors are required to hold themselves available for telephone calls at any time in the 24 hours.

3. Postal censorship: No. General supervision exercised by district director of postal services.

Telegraph censorship: No. The only chief cable or telegraph censor is located in Ottawa.

Censorship of publications: No. Chief censors are stationed in Ottawa.

ROOT AND VEGETABLE SEED

Mr. WRIGHT:

1. What was the total amount of money paid to the various provinces under P.C. 1/4937 for the production of root and vegetable seed?

2. Were grants made to individual growers and to seed houses?

3. If so, to whom, for what amounts, and for what varieties of seeds?

4. What is the proposed distribution by provinces of the grant under P.C. 1/1050?

Mr. GARDINER:

1. The following amounts were paid to the growers of root and vegetable seeds in the various provinces; British Columbia, $296.60; Ontario $223.24; Quebec $95.18.

2. No.

3. See answer to No. 2.

4. No money is paid as grants under these orders in council. Under the authority of the orders, growers grow seeds of specified kinds under contract at a guaranteed price which is below current market price. Growers sell this contract seed in Canada through usual commercial channels, and any surplus not sold in this way is purchased by the government. The object is to assure that sufficient seed of the kinds likely to be in short supply is grown. Comparatively small quantities of seed have had to be purchased by the government to date.

*NATIONALIZATION OF BREWERIES

Mr. LACOMBE:

1. Is it the intention of the government to nationalize the breweries of Canada?

2. If so, what are the reasons to justify the government in adopting such a course?

Mr. MACKENZIE KING: This question concerns a matter of policy which will be made known in due course.

INTERNMENT—ERNST HANFSTAENGL

Mr. ROSS (St. Paul's):

At whose request, by whose authority and under what conditions, was Ernst Hanfstaengl released from a Canadian civil internment camp and transferred to the custody of the United States, and was the assent of the British government obtained before this prisoner was transferred?

Mr. RALSTON: I would point out to my hon. friend that other allied governments are interested in this matter. It has been carefully considered and the conclusion has been come to that it is not in the public interest, at least at the present time, to give the information asked for.

YARROW SHIPYARDS—FRIGATES

Mr. MacINNIS:

1. Are the "frigates" under construction in the Yarrow shipbuilding yards at Victoria being built on the cost-plus contract system?
2. Is work on the said "frigates" hindered by shortages of material?

Mr. HOWE:

1. The contract was placed on a cost basis with a bonus covering reduction of costs under a target estimate on direct labour and material, and also on a time bonus for quick delivery, the total not to exceed a fixed amount per vessel.

2. There has been no hold-up in the work of the shipyard due to shortages of material. The schedule of work was arranged to conform to the delivery of components to the shipyard.

R.C.A.F.—NON-FLYING LIST COMMISSIONS

Mr. HOBLITZELL:

1. What are the qualifications for appointment to a non-flying list commission in the Royal Canadian Air Force as an (a) administrative officer, (b) aeronautical engineer, (c) armament officer, (d) accountant, (e) chaplain, (f) educational officer, (g) equipment officer, (h) marine craft officer, (i) guard and discipline officer, (j) medical officer, (k) non-pilot air navigation instructor, (l) nursing sister, (m) photographic officer, (n) signals officer, (o) works and buildings officer, (p) link trainer instructor, (q) regional control officer, (r) aerodrome control officer, (s) intelligence officer, (t) radio officer, (u) equipment messing officer, (v) auxiliary service officer, (w) P.T. and drill officer?
2. Are appointments ever given to persons who do not meet these qualifications?
3. If so, under what circumstances?

Mr. POWER:

(*a*) ADMINISTRATIVE OFFICER

1. (a) Minimum age to be over the normal flying age, i.e. 32 years. Maximum age to be 50 years.

(b) Senior Matriculation.

(c) Proven record of executive ability.

(d) Previous service with Air Force or Army preferred.

2. Yes.

3. If candidate has previously held a commission senior matriculation is not absolutely necessary.

(*d*) ACCOUNTANT OFFICER

1. (a) Minimum age to be over the normal flying age i.e. 32 years. Maximum age to be 50 years.

(b) Chartered accountant's degree preferred; absolute minimum Senior Matriculation if combined with Accountant's Course and practical experience; successful accounting experience essential.

[Mr. Ralston.]

2. Yes.

3. Candidates under 32 years of age may be appointed if unfit for flying duties and possessors of exceptionally high professional qualifications.

(*e*) CHAPLAIN

1. (a) Minimum age to be 28 years. Maximum age to be 50 years.

(b) Ordained clergyman or priest.

(c) (i) Has approval and recommendation of the head of his church; (ii) Successful record as a clergyman.

2. No.

3. Not applicable.

(*f*) EDUCATIONAL OFFICER

1. (a) Minimum age to be over the normal flying age i.e. 32 years. Maximum age to be 50 years.

(b) University degree and certificates to qualify for teaching of higher mathematics or radio.

(c) Proven record of successful teaching.

2. No.

3. Not applicable.

(*g*) EQUIPMENT OFFICER

1. (a) Minimum age to be over the normal flying age i.e. 32 years. Maximum age to be 50 years.

(b) Senior Matriculation or its equivalent.

(c) Executive experience in large business concern, with knowledge of purchasing requirements, distribution, stock control, etc. Knowledge of engineering desirable.

2. No.

3. Not applicable.

(*h*) MARINE CRAFT OFFICER

1. (a) Maximum age to be 50 years.

(b) Board of Trade Coastal Masters Certificate.

(c) Two full years recent deep sea or coastal merchant marine service.

2. No.

3. Not applicable.

(*i*) GUARD AND DISCIPLINE OFFICER (Now called PROVOST AND SECURITY SERVICES OFFICER)

1. (a) Minimum age to be over the normal flying age, i.e., 32 years. Maximum age to be 50 years.

(b) Senior Matriculation.

(c) Previous military service.

(d) Preferably previous police service.

2. Yes.

3. If previously commissioned, Senior Matriculation not demanded.

(*j*) MEDICAL OFFICER

1. (a) Maximum age 50 years.

(b) Licentiate of Medical College of Canada or a registered practitioner in one of the provinces.

Note: Both of these require graduation from a recognized medical college.

(c) Two years civilian practice preferred.

Note: All candidates must satisfy the Principal Medical Officer of the Command as to their qualifications.

2. Yes.

3. If exceptionally qualified maximum age may be up to 55 years.

(*k*) NON-PILOT AIR NAVIGATION INSTRUCTOR

1. (a) Minimum age to be 23 years. Maximum age to be 45 years.

(b) University degree in engineering or mathematics and physics, or a qualified land surveyor well versed in mathematics and astronomy.

(c) Must be good physique.

Note: Though categorized as non-flying list, these officers are required to do considerable flying.

2. No.

3. Not applicable.

(*l*) NURSING SISTER

1. (a) A woman—under 45 years of age.

(b) A graduate of a school of nursing accredited by the Canadian Nurses Association and registered in a Provincial Registered Nurses Association.

Note: All candidates must be interviewed and recommended by the Principal Medical Officer of the Command.

2. No.

3. Not applicable.

(*m*) PHOTOGRAPHIC OFFICER

1. (a) Minimum age to be 35 years, i.e., three years above the normal flying age limit. Maximum age to be 50 years.

(b) Senior Matriculation and specialized training in photography.

(c) Production work in camera or photographic supply manufacturing company; or experience in chemistry or photography; or knowledge of modern aerial photographic technique.

2. No.

3. Not applicable.

Note: No photographic officers have been given direct entry commissions for approximately one year. It is not proposed to make any further direct entry appointments.

(*o*) WORKS AND BUILDINGS OFFICER

1. (a) Minimum age to be over the normal flying age i.e. 32 years.

(b) University degree in civil or mechanical engineering.

(c) Major construction experience.

(d) Ability to organize personnel and knowledge of engineering office routine.

Note: Appointments in this branch are of two types, works and buildings officer, and buildings engineer officer, qualifications for which are the same.

2. Yes.

3. (a) Minimum age may be 23 years. Maximum age may be 60 years, if possessor of special qualifications.

(b) Practical experience on specialized general construction or engineering work over a period of years, would qualify.

(*p*) LINK TRAINER INSTRUCTOR

1. (a) Minimum age to be over the normal flying age i.e. 32 years. Maximum age to be 50 years.

(b) Junior matriculation.

(c) Previous flying experience and possession of pilot's flying badge preferable.

2. Yes.

3. If previously commissioned, educational standard not essential.

Note: No link trainer officers have been given direct entry commissions for approximately one year. It is not proposed to make any further direct entry appointments.

(*q*) REGIONAL CONTROL OFFICER

1. (a) Minimum age to be 28 years. Maximum age to be 40 years.

Note: Candidates under the maximum flying age of 32 years will not be appointed unless physically unfit for flying duties.

(b) Some university training preferred; absolute minimum junior matriculation.

(c) Actual flying experience preferable.

(d) Very high standard of visual acuity and good speaking voice required by all applicants.

2. No.

3. Not applicable.

Note: No regional control officers have been given direct entry commissions for approximately one year. It is not proposed to make any further direct entry appointments.

(*r*) AERODROME CONTROL OFFICER

1. (a) Minimum age to be over the normal flying age, i.e. 32 years. Maximum age to be

50 years. (b) Senior Matriculation. (c) Ex-war pilots or observer preferable. (d) Clear speaking voice essential.

2. Yes.

3. If formerly commissioned, educational standard may be lowered.

(*t*) RADIO OFFICER

1. (a) Minimum age to be 18 years. Maximum age to be 50 years. (b) University degree in Communication or Electrical Engineering plus considerable experience in radio.

2. Yes.

3. If sufficiently experienced in radio, Junior Matriculation may be accepted—these appointees must be either: (i) Amateurs who have passed a government test and been allotted a call sign, or (ii) Radio Engineers or service men with extensive experience.

(*u*) EQUIPMENT MESSING OFFICER

1. (a) A woman—minimum age to be 21 years—maximum age to be 40 years. (b) Degree in Household Science or Household Economics recognized by the Canadian Dietetics Association. (c) Practical experience.

2. No.

3. Not applicable.

(*v*) AUXILIARY SERVICES OFFICER

1. (a) Minimum age to be over the normal flying age, i.e. 32 years. Maximum age to be 50 years. (b) Possessor of high degree of intelligence, resourcefulness and energy, and above all tact. (c) Successful experience in welfare work.

2. Yes.

3. If exceptionally highly qualified may be accepted even if of low medical category.

(*w*) P.T. AND DRILL OFFICER

1. (a) Minimum age to be over the normal flying age, i.e. 32 years. Maximum age to be 50 years. (b) Junior Matriculation. (c) Proven record of success as physical director or long experience in athletics. (d) Former P.T. and Drill Officers or N.C.Os. preferred.

2. Yes.

3. If previously commissioned, educational standard may be lowered.

Note: The qualifications given above are for direct entry commissions. It is not proposed, at the moment, to make any further direct entry appointments in the following categories: administrative, aerodrome control, equipment, physical training and drill, provost and security services, works and buildings and radio.

[Mr. Power.]

PUBLIC HOLIDAYS

Mr. GREEN:

1. What public holidays have been cancelled by the government since the outbreak of the present war?

2. What were the respective dates of the cancellation of each of these holidays and on what authority were they cancelled?

3. What public holidays are recognized by the government at the present time?

Mr. MACKENZIE KING: By order in council P.C. 8682 of September 25, 1942, passed under authority of the War Measures Act, it was provided that the following statutory holidays and these holidays only should be observed by employers and employees during the present war, namely: (a) New Year's day; (b) Good Friday; (c) the first Monday in July; (d) Labour day; (e) Christmas day; (f) Thanksgiving day.

The order in council does not specifically cancel other statutory holidays by name, but has the effect of limiting observance to those specified in the order.

An additional order in council, P.C. 1181, of February 15, 1943, was passed, amending the Bills of Exchange Act, to make the observance of statutory holidays under that Act correspond as nearly as possible with that authorized in the order in council P.C. 8682.

* ST. HYACINTHE, QUE., NAVAL ESTABLISHMENT

Mr. McGREGOR:

In connection with the naval establishment at St. Hyacinthe, Quebec, (a) is the hon. Minister for Highways in the province of Quebec (Mr. Damien Bouchard) in any way connected with the contractors who are erecting these buildings; (b) was Damien Bouchard or his associates owner of this property at any time?

Mr. HOWE: The government has no information on this subject. The best information we have is that the answer is No.

QUESTIONS PASSED AS ORDERS FOR RETURNS

RADIO BROADCASTING—SPEECHES OF MEMBERS OF PARLIAMENT

Mr. CHURCH:

1. What members of the houses of parliament have been given free time on the radio by the Canadian Broadcasting Corporation from January 1, 1935, to the end of January, 1942, for what purposes and by whose authority, or under what rules or regulations of the Canadian Broadcasting Corporation?

2. Was there any censorship of such addresses?

3. What free time was allowed by the corporation for reports of their speeches delivered in Canada before community clubs or other civilian or military meetings?

4. What number of such speeches were printed and distributed by the Canadian Broadcasting Corporation, and at what cost?

ALBERTA IRRIGATION, DRAINAGE AND STORAGE

Mr. BLACK (Cumberland):

1. What is the total amount which has been expended for irrigation, drainage and water storage in the province of Alberta since the commencement of such projects?

2. What is the total amount expended for such purposes during each fiscal year since such projects were first undertaken?

3. What is the total amount, by fiscal years, which has been expended for, (a) construction, giving in each case the name of the project, and (b) for subsidies or other similar assistance, giving in each case the name of the project?

MOBILIZATION ACT—RECRUITS AS OF JANUARY 1, 1943

Mr. PURDY:

1. As at January 31, 1943, and by the military districts in which they first reported, how many recruits called under the provisions of the National Resources Mobilization Act were in the armed forces and not available for service anywhere?

2. Since full-time service has become effective, how many recruits have been requisitioned under the National Resources Mobilization Act from each military district, and how many have reported from each of such districts?

R.C.A.F.—ADMINISTRATION

Mr. HOBLITZELL:

1. How many administrative officers are there in the Royal Canadian Air Force?

2. In what proportion is the total of question 1 to, (a) general list officers, (b) all other branches of the non-flying list?

3. How many administrative officers are, (a) permanent or auxiliary forces, (b) direct entry, (c) commissioned from ranks?

4. How many direct entry administrative officers are serving (a) overseas or in home war units in Canada, Alaska and Newfoundland, (b) in training units, command H.Q., and A.F.H.Q.?

5. How many administrative officers are, (a) over the accepted aircrew age of 32, (b) under the age of 32?

6. How many administrative officers have, (a) graduated from university, (b) graduated from high school, (c) less education than high school?

7. What percentage held positions in civilian life entailing administrative duties?

8. How many, (a) are veterans of the last war, (b) could have served in the last war on the basis of age, (c) have served in the reserve forces of three armed services since the last war, and are veterans of the last war, (d) have transferred from the other active services?

9. How many branches of the R.C.A.F. comprise the non-flying list?

10. How many administrative officers are there in the R.C.A.F (W.D.), (a) in all other branches of the W.D.?

11. Is there a general list in the R.C.A.F. (W.D.)?

12. How many officers on the strength of, (a) air force headquarters, (b) command headquarters who flew more than 100 hours in the years, (i) 1941, (ii) 1942?

13. What are the names of said officers?

RATION OFFICES

Mr. FRASER (Peterborough West):

1. How many ration offices have been set up in Canada?

2. Where are they located?

3. How many men and women are on the staff of each office?

SALVATION ARMY CHAPLAINS

Mr. FRASER (Peterborough West):

1. Are there any Salvation Army chaplains in the armed forces?

2. If not, why not?

OIL CONTROL—WINNIPEG BRANCH—PROSECUTIONS

Mr. DIEFENBAKER:

1. Is Mr. Slocomb employed with the oil controller's branch in Winnipeg? If so, in what capacity?

2. If not, when did he cease to be, and for what reason?

3. Have divisional oil controllers the authority to launch prosecutions for infractions of the regulations?

4. How many prosecutions did he recommend and how many were proceeded with?

CANADIAN ARMED FORCES—MEN DISCHARGED AS PHYSICALLY UNFIT

Mr. DIEFENBAKER:

1. How many men, by provinces, military districts and/or administrative divisions have been discharged as medically unfit since the commencement of this war?

2. Of these, how many served (a) overseas, (b) in Canada?

3. Of these, how many were (a) members of the active army, (b) men called under the provisions of the National Resources Mobilization Act?

4. (a) How many men so discharged are in receipt of a pension; (b) how many cases remain undecided?

OIL CONTROL—PROSECUTIONS

Mr. DIEFENBAKER:

1. How many prosecutions, by provinces, have been (a) recommended by divisional controllers or other officials for infringement of oil regulations since the 15th day of July, 1942; (b) proceeded with?

2. How many convictions, by provinces, have been secured?

3. What have been the highest and lowest penalties imposed?

WAR SAVINGS STAMPS AND CERTIFICATES

Mr. CASSELMAN:

1. How much have the people of Canada invested monthly in war savings stamps and certificates since February 28, 1942?

2. What amount have the citizens of each province so invested?

3. What amount of war savings certificates have been redeemed monthly since February 28, 1942?

4. What amount of unredeemed war savings stamps are in the hands of the public?

LIFE INSURANCE

Mr. FAIR:

1. What is the amount of life insurance written in Canada in the calendar years 1937, 1938, 1939, 1940, 1941 and 1942, by (a) Canadian companies, (b) British companies, (c) other companies?

2. What is the amount of premiums paid on the above policies during each of these years?

3. How many policies have lapsed or been surrendered for cash surrender value during the above period?

4. What is the value of such lapsed or surrendered policies?

WARTIME PRICES AND TRADE BOARD—INCREASE IN PRICE OF TEA AND COFFEE SERVED IN RESTAURANTS

Mr. FAIR:

1. What are the names of the members of the wartime prices and trade board?

2. How many of these men have a direct or indirect interest in the catering or restaurant business?

3. Were any requests received by the board for an increase in the price of tea and coffee served with (a) meals, (b) without meals?

4. If so, how many, and from whom?

5. Were restaurant operators given the benefit of the subsidy on tea and coffee recently announced by the Minister of Finance?

6. Has the board given authority to increase the price of milk as a beverage with meals?

7. If so, when was such authority given?

8. What percentage of the increased cost of meals is distributed among restaurant employees?

9. Will the increase in the cost of meals be reflected in the cost-of-living index?

10. Will the government provide a cost-of-living bonus of $4.50 per month to offset the increased cost of meals?

11. Does the government consider this increase inflationary?

*ENEMY ALIEN STUDENTS IN CANADIAN UNIVERSITIES

Mr. BOUCHER:

1. How many enemy alien students are in attendance at Canadian universities?

2. Are these aliens required to take the oath of allegiance before joining the C.O.T.C. and wearing the King's uniform?

3. Is the enemy alien who broke parole requirements in Toronto and was picked up by the authorities still in attendance at the University of Toronto and wearing the King's uniform?

4. Are these enemy alien students attending various Canadian universities permitted to work in munitions plants or on farms during vacation?

[Mr. Casselman.]

5. How many students are there in each of the Canadian universities taking arts courses? How many of these are 18 years of age or over?

6. Do students enrolled in these courses receive instructions which enable them to give greater assistance in the war effort?

7. Are such students subject to call under the National Resources Mobilization Act, and if so, are they granted postponement?

8. In cases where such postponement is given, for what period is deferment granted?

Mr. RALSTON: In connection with this question, which should be made an order for return, I want to point out that some of the information is not in the hands of the government; and of course the order for return will be subject to this, that only information officially in the hands of the government will be produced.

Mr. HANSON (York-Sunbury): A previous question, relating to Salvation Army chaplains, has been made an order for return, and it has to do with only one department.

Mr. RALSTON: I did not say "one department"; my hon. friend misunderstood me. I point out that one question is, "How many students are there in each of the Canadian universities taking arts courses? How many of these are eighteen years of age or over?" These are not matters which are within the knowledge of the government or the departments. The same applies to paragraph 6. I was reserving on these questions and on any other question in respect of which the government has not information the right to decline to furnish that information even though the order passes.

ATLANTIC FISHERIES EXPERIMENTAL STATION

Mr. ISNOR:

1. Is there a branch of the fisheries department located in Halifax known as the Atlantic fisheries experimental station? If so, state, (a) location, (b) when built, (c) cost of construction, (d) cost of the equipment, (e) the purpose for which it was constructed, (f) how long has it been in operation, (g) is it considered essential to the development of the fishing industry of the Atlantic coast?

2. Has the Department of National Defence under consideration plans to take over this building? If so, for what purpose?

3. Has the Department of National Defence property and buildings on, (a) the south side adjacent to the fisheries building, (b) on the north side old unused buildings and vacant land?

4. What steps have been taken towards using the vacant lands and buildings north of the experimental station instead of taking over the fisheries property?

5. Has permission been requested by the Department of National Defence from the Department of Fisheries to use the beforementioned experimental station's property? If so, has the fisheries department given approval and authority?

NAVAL SERVICES—MEDICAL SERVICE

Mr. BLACK (Cumberland):

1. Is it obligatory for naval men while in port requiring medical service to obtain same from the port doctor?
2. Are men of the naval service directed to such special doctor and, if so, by whom?
3. Who appoints such port doctor or person to give medical treatment to men in the naval service?
4. Why are the other doctors residing and practising in such ports not permitted to share in this medical wartime work?
5. Does the port doctor who provides medical service for men in the naval service receive a salary or is he paid fees, stating the amount and basis of payment?
6. From what fund or appropriation are such payments made for account of, (a) Canadian naval service, (b) British naval service, (c) United States naval service?

NATIONAL RESOURCES MOBILIZATION

Mr. DIEFENBAKER:

1. How many (i) single men or widowers without children, (ii) married men or widowers with children, between the ages of 18 and 45 are there in, (a) each province, (b) each military district, (c) each national services administrative division?
2. How many men by provinces, military districts and/or administrative divisions have been, (a) called up for service under the National Resources Mobilization Act; (b) found unfit after medical examination; (c) applied for postponement of military training; (d) granted postponement of military training; (e) actually accepted for service at basic training centres; (f) how many notices for medical examination have been sent out; (g) how many have been returned uncalled for; (h) how many notices of call have been sent out; (i) how many have been returned uncalled for?
3. (a) How many prosecutions have been laid in each administrative division for infractions of the regulations of the National Resources Mobilization Act; (b) how many convictions have taken place?
4. What is the number of transfers registered with the different registrars of the administrative divisions?

Mr. MITCHELL: I ask that this question stand as an order for return. I think my hon. friend will agree that the ramifications of the question are such that it would entail a great deal of work to have it answered. He can rest assured that it will be completed as quickly as is humanly possible to prepare the return.

Mr. DIEFENBAKER: I would point out that the question was answered last year, covering the period up to June 1. There is no reason why this information should not be available.

Mr. MITCHELL: I am not objecting.

Mr. SPEAKER: In the meantime, stands.

Mr. HANSON (York-Sunbury): It ought to be answered.

Mr. HOWE: Order for return.

Mr. HANSON (York-Sunbury): Why an order for return?

Mr. MacKINNON (Edmonton West): Because we want it.

Mr. HANSON (York-Sunbury): That is not according to the rules of the house.

Mr. SPEAKER: Did the minister say "order for return"?

Mr. MITCHELL: Yes.

Mr. HANSON (York-Sunbury): No.

Mr. SPEAKER: Order for return.

OCEAN-GOING VESSELS—WORKMEN'S COMPENSATION

Mr. WINKLER:

1. Do men employed on ocean-going vessels come under the workmen's compensation laws of the province in which the vessel is registered?
2. Regardless of nationality, are these employees entitled to such benefits, if any?
3. Who pays for their hospitalization in case of marine accident?
4. In cases of accident, is there any provision for dependents?
5. Would unemployment insurance take the place of pension in case of incapacity from marine accident?

PURCHASE OF VESSELS

Mr. FRASER (Peterborough West):

1. How many privately owned merchant and other vessels have been purchased by the government since the outbreak of war?
2. What was the price paid in each case and from whom were the vessels purchased?

INCOME TAX—FARMERS

Mr. FAIR:

1. How many farmers paid income tax each year since 1930 to date?
2. What is the amount of such tax paid each year during the above period?
3. How many farmers operated at a loss during the period 1930 to 1942?
4. How many farmers were forced to leave their farms during the above years?

SOLDIER SETTLEMENT

Mr. FAIR:

1. How many soldier settlers under the soldier settlement board scheme have signed quit claim deeds during the years 1930 to 1942, inclusive?
2. How many parcels of land are held for sale or rent at the present time by the soldier settlement board?
3. How many soldier settlers acquired title to their farms during the period 1930 to 1942 inclusive?
4. What is the amount of, (a) principal, (b) interest paid by soldier settlers during the above period?

5. What is the cost of administration of the board during each of the years referred to above?

Mr. CRERAR: This question cannot be answered without taking some little time to get the data together. I would remind the house again that the soldier settlement board is working to-day under considerable pressure. I cannot tell my hon. friend when the information will be brought down, but it will be brought down in due course.

Mr. FAIR: I am asking for this information because, as I think the minister understands, the soldier settlers have been working under pressure for a considerable number of years and I think we ought to do something to relieve that pressure.

CANADIAN ARMED FORCES—SNOW CLEANING

Mr. KNOWLES:

1. Were men of his majesty's forces ordered to assist in the clearing of snow from the yards of the Canadian Pacific Railway, in the city of Winnipeg, in the early part of February, 1943?

2. If so, by whose authority?

3. What amount, if any, was paid by the Canadian Pacific Railway to the Department of National Defence for the services thus rendered?

4. On what basis was this amount, if any, determined?

5. Was additional remuneration given to the men who did this work and, if so, on what basis was it determined?

6. Have men of his majesty's forces been ordered on any other occasion to assist private companies at particular tasks?

7. What is the policy of the Department of National Defence in this matter?

RATION OFFICES—SALARIES

Mr. FRASER (Peterborough West):

What are the salaries of the men and women in each ration office in Canada?

SOLDIERS STATIONED AT CANADIAN LEGATION IN WASHINGTON

Mr. FRASER (Peterborough West):

1. Are there any soldiers stationed at the Canadian legation in Washington?

2. If so, how many are there and what are their ranks?

3. What are their duties?

4. Do they receive any remuneration in addition to their pay of rank?

5. If so, how much do they receive?

6. Are there any deductions made from the extra remuneration? If so, what for?

PROCEDURE IN QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, a number of questions have been allowed to stand to-day as orders for returns. For instance, the first question, which has to do with the Canadian Broadcasting Corporation, strikes me as one which should not have been passed as an order for return. It is a simple question, the answer to which could have appeared in *Hansard* in a form which would be readable. Others that have been answered to-day seem to me to come under an entirely different category. A question having to do with the investments monthly in war savings stamps and certificates was passed as an order for return. In all fairness to us in the opposition we ought to have on *Hansard* the answers to questions which are not of the type which obviously would be subject to the restricted limitations of *Hansard,* or which must be answered by several departments. I ask the government to reconsider the whole matter of orders for returns, because at the moment much of this information is being given in that form and is therefore buried in an office here, so that it is sometimes difficult to get the information.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not think there is any intention on the part of the government to answer questions in a manner which will result in the information being buried before it reaches the questioner. The government must decide itself in what form it wishes to answer a question. It is, of course, open to criticism if it uses a form which it cannot defend, but as to answering a question by an immediate answer or by an order for return, that is entirely within the discretion of the government and always has been. There are occasions when a question should be answered immediately rather than have it stand as an order for return. There is one question on the order paper to-day concerning which I made inquiry as to why it could not be answered at the moment. I found that the reply related to two different departments of the government. Each department had a separate order in council to consider before the answer could be made. If the information is not available at once, the choice lies between leaving a question on the order paper, or having it made as an order for return, the information to be brought down at the earliest opportunity.

Perhaps if hon. members would frame their questions a little differently it would be possible to have more information placed upon *Hansard* than is sometimes the case. Where a question covers nearly a page of *Hansard* it is natural that the government would wish to have a careful survey made of the matters that have to be looked into before the question can be answered. So far as the government is concerned it is usually a matter of employing

the method which is regarded as being the more expeditious. That is what has governed thus far.

My attention has been drawn to one question to which my hon. friend referred, which reads:

1. How much have the people of Canada invested monthly in war savings stamps and certificates since February 28, 1942?
2. What amount have the citizens of each province so invested?
3. What amount of war savings certificates have been redeemed monthly since February 28, 1942?
4. What amount of unredeemed war savings stamps are in the hands of the public?

Calculations have to be made to answer a question of this kind. All I wish to say at the moment is that while there may be reasons why hon. gentlemen opposite wish to have replies made immediately rather than later in the form of orders for return, if they will take care to have their questions so framed as to permit of an immediate answer, the answer will probably be given in that form.

Mr. GRAYDON: Some of these questions which we think might properly be passed as orders for returns are answered in the usual way, while others which we felt could be answered at once and go into *Hansard* are passed as orders for returns. There does not seem to be much reason why the question as to war savings stamps and certificates should not stand so that the department would have opportunity of answering and the answer could appear in *Hansard,* because it would come much more quickly than on an order for return.

Mr. MACKENZIE KING: I am not at all sure that the questions asked there are not questions which should be asked when the committee on radio broadcasting meets.

Mr. HANSON (York-Sunbury): That is no reason why it should not be asked here. We are not all on the committee.

Mr. MACKENZIE KING: But the information can be brought out before the committee appointed to inquire into the affairs of a corporation which is a separate organization and not a part of a government department.

Mr. HANSON (York-Sunbury): Is it or is it not a government organization?

Mr. GRAYDON: May I point out that one of the ministers who appeared to know something about the corporation stated last year in committee that it was an emanation of the crown, and being an emanation of the crown I do not think the Prime Minister's argument in this respect is on very solid ground.

MOTIONS FOR PAPERS

TIMBER CONTROLLER—A. S. NICHOLSON

Mr. BLACK (Cumberland):

For a copy of all correspondence between Mr. A. S. Nicholson, who recently retired as timber controller, and the Prime Minister, the Minister of Munitions and Supply, Minister of Finance, deputy timber controller or his successors as timber controller, during the years 1941 and 1942.

Mr. HOWE: May I point out that correspondence between Mr. Nicholson and the minister and his officers during the period in which he was an officer of the Department of Munitions and Supply is obviously privileged. He may have written a letter to the minister after he resigned from the department. As to correspondence with the Prime Minister and the Minister of Finance, there is none that we can find. I suggest that this motion should not pass.

Mr. SPEAKER: Dropped.

Mr. BLACK (Cumberland): Before it is dropped may I ask the minister whether there was any correspondence between Mr. Nicholson and himself subsequent to or at the time of his resignation?

Mr. HOWE: There was one letter, I think. I shall be glad to bring that letter down, if the order can pass with the reservation that anything which is privileged will not be brought down.

MARKETING AND HANDLING OF 1942-43 AND 1943-44 GRAIN CROPS

Mr. PERLEY:

For a copy of any agreements entered into by the Canadian wheat board with (a) elevator companies, interior or terminal, (b) mills, (c) pools, (d) exporters, (e) brokers, with respect to the marketing and handling of the 1942-1943 and 1943-1944 crops.

Mr. MacKINNON (Edmonton West): Return tabled.

WARTIME HOUSING LIMITED—PERMANENT HOUSES

Mr. NICHOLSON:

For a copy of specifications and plans of the proposed permanent houses to be built by Wartime Housing Limited at Hamilton, Ontario.

Mr. HOWE: These plans and specifications are documents of the department. The houses were not built and will not be built so far as present plans go, and I think these are hardly documents to be brought down in the House of Commons. The same remarks apply to the next motion.

Mr. NICHOLSON: If the taxpayers' money is spent preparing these plans I see no reason why members of the house should not have a chance to examine them.

Mr. HOWE: The fact that the taxpayers' money was spent preparing plans does not make them available to any individual who may apply for them. They are the property of the federal government, prepared for the government's use.

Mr. HANSON (York-Sunbury): Parliament is entitled to see them.

Mr. HOWE: I doubt it very much.

Mr. HANSON (York-Sunbury): If the minister takes that stand I think there will be trouble. The minister denies access to a public document?

Mr. HOWE: As a consulting engineer in past years, I have prepared plans for this government that I consider my property, as well as the property of the government. If they had been given to any member of the house who applied for them I would have had legitimate ground for protest.

Mr. SPEAKER: Dropped?

Some hon. MEMBERS: No.

Some hon. MEMBERS: Dropped.

Mr. SPEAKER: Those in favour of the motion please say "aye".

Some hon. MEMBERS: Aye.

Mr. SPEAKER: Those against please say "nay".

Some hon. MEMBERS: Nay.

Mr. SPEAKER: In my opinion the nays have it.

Motion negatived.

WARTIME HOUSING LIMITED—ST. CATHARINES WOMEN'S HOSTEL

Mr. NICHOLSON:

For a copy of plans, specifications, and all other documents in possession of Wartime Housing Limited in connection with the erection of the proposed women's hostel at St. Catharines.

Mr. HOWE: Dropped.

Mr. GRAYDON: Does the position that the minister is taking in connection with both these matters mean that the house is to be denied the right to see the plans and specifications of any building erected by Wartime Housing Limited?

Mr. HOWE: My hon. friend is putting foward quite a different situation. Neither of these buildings was erected or will be erected. The plans are the property of the government. Of course they can be seen by anyone who wishes to see them in the office where they were prepared, but I see no reason why they should be made a public document, so that anyone can use them for a building. They are prepared for the purposes of the government, not the purposes of members of parliament.

Mr. COLDWELL: The minister raises the point that these plans are the property of the government. If they are the property of the government a member has the right to ask that they be tabled in this house. If they are not the property of the government, the situation is different. I should like to be clear on that.

Mr. HOWE: They are the property of the government; nevertheless I hardly think they can be taken out in this house and possibly copied. They are something that cost a good deal of money, and they can be easily copied. Let them stay in the government vaults. My hon. friend has been many times to the office of Wartime Housing Limited; he can see them there.

Mr. NICHOLSON: I see no reason why a member of the house should be put to the expense of travelling to Toronto to examine plans and specifications paid for by the taxpayers of Canada. The men who prepared them are on the payroll of Wartime Housing Limited and we are going to pay for them.

Mr. COLDWELL: There is a principle involved.

The house divided on the motion (Mr. Nicholson) which was negatived on the following division:

YEAS

Messrs:

Adamson	Johnston (Bow River)
Bence	Knowles
Black (Cumberland)	Kuhl
Black (Yukon)	LaCroix (Quebec-Montmorency)
Blackmore	Leader
Boucher	McGregor
Cardiff	MacInnis
Casselman (Grenville-Dundas)	MacKinnon (Kootenay East)
Castleden	MacNicol
Coldwell	Marshall
Diefenbaker	Nicholson
Dorion	Nielsen, Mrs.
Douglas (Weyburn)	Noseworthy
Fair	O'Brien
Graydon	Perley
Green	Quelch
Hanson (York-Sunbury)	Ross (St. Paul's)
Harris (Danforth)	Ross (Souris)
Hazen	Roy
Hlynka	Senn
Homuth	Shaw
Jackman	Stirling
Jaques	Wright—46.

NAYS

Messrs:

Abbott	McDonald (Pontiac)
Bertrand (Prescott)	McGarry
Blair	McGibbon
Blanchette	McIlraith
Bradette	McIvor
Brunelle	MacKenzie (Neepawa)
Casselman, Mrs. (Edmonton East)	Mackenzie (Vancouver Centre)
Corman	MacKinnon (Edmonton West)
Crerar	McKinnon (Kenora-Rainy River)
Dechene	McLarty
Donnelly	McLean (Simcoe East)
Douglas (Queens)	McNiven (Regina City)
Edwards	Martin
Evans	Matthews
Fournier (Hull)	Mayhew
Furniss	Michaud
Gardiner	Mitchell
Gershaw	Mulock
Gibson	Neill
Gladstone	O'Neill
Golding	Pinard
Goulet	Pottier
Graham	Power
Grant	Purdy
Gregory	Ralston
Hanson (Skeena)	Reid
Henderson	Rennie
Howden	Roebuck
Howe	Ross (Calgary East)
Hurtubise	Ross (Moose Jaw)
Ilsley	St. Laurent
Isnor	Sissons
King, Mackenzie	Taylor
Kinley	Telford
LaFleche	Tripp
Leger	Turgeon
McCann	Turner
McCuaig	Veniot
McCubbin	Ward
McCulloch	Weir
Macdonald (Brantford City)	Whitman
Macdonald (Halifax)	Winkler—85.
Macdonald (Kingston City)	

WAINWRIGHT, ALTA., POSTMASTERSHIP

Mr. FAIR:

For a copy of all applications, letters, telegrams, references and any other correspondence or documents in the possession of the Post Office Department, the civil service commission, or any other department of government dated from January, 1941, to the present, in connection with the appointment of postmaster at Wainwright, Alberta.

SASKATCHEWAN STOCK WATERING AND IRRIGATION PROJECTS

Mr. QUELCH:

For a copy of recent reports or surveys made with regard to, (a) the William Pearce stock watering project or any modification thereof, (b) the raising of the level of Buffalo lake, (c) a dam site in connection with either of the above projects on the Red Deer river.

MOBILIZATION ACT INTERPRETATIVE LETTER NO. 1

Mr. DIEFENBAKER:

For a copy of all letters, telegrams, correspondence, and other documents received by the Minister of Labour or by Mr. MacNamara in answer to mobilization act interpretative letter No. 1, dated February, 1943.

Mr. MITCHELL: It is understood that the material will be tabled with the exception of correspondence or documents that are privileged.

Mr. HANSON (York-Sunbury): What would they be? What privilege could possibly attach to answers to that letter? The minister placed the original letter on record. I happen to have seen a copy of one of the replies, which was most constructive, and I cannot see that there is any privilege attaching to this at all.

Mr. MITCHELL: If there is not, then of course they will all come down.

Motion agreed to.

PLANT LABOUR-MANAGEMENT COMMITTEES

Mr. COLDWELL:

For a statement showing the names and locations of all plants in which labour-management committees are functioning in Canada to-day.

Mr. MITCHELL: As my hon. friend is aware, these committees are on a voluntary basis. Since there are over a hundred thousand firms in Canada, he will appreciate the difficulty of getting the information he desires. Recently I had a check made of the number of committees of this kind functioning to-day, and there would be some difficulty, I should imagine, in getting all the information he would like, and I would like, in this connection. He can rest assured, however, that I will do the best I can.

Mr. COLDWELL: The minister was good enough a few days ago to give the number of such committees. I thought it would be a simple matter for him also to give the names, even if the locations were not given. That is all I wish.

Mr. MITCHELL: I shall try to get it.

Motion agreed to.

BUTTER

APPEAL OF TORONTO GROCERS FOR RESTORATION OF HALF-POUND RATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): The Minister of Finance will recall that on Friday I made an inquiry with respect to a press dispatch appearing in the Ottawa *Journal* under date of February 25, stating that Toronto grocers had on the previous day appealed to Ottawa in connection with a butter surplus. I asked the minister to

make a statement at that time, and he was good enough to indicate that he would do so a little later.

Hon. J. L. ILSLEY (Minister of Finance): I had a statement I intended to bring to the house, but I did not bring it. Would to-morrow be all right?

Mr. GRAYDON: Yes, unless the minister would like to speak from memory.

Mr. HANSON (York-Sunbury): Why not send for it?

Mr. ILSLEY: It is several paragraphs in length, and I am afraid I do not remember all that is in it.

Mr. GRAYDON: Perhaps the minister would be good enough to get it to-day some time. I do not wish to press him, though, because I know he has been busy with his budget.

Mr. ILSLEY: I shall get it before six o'clock.

[*Later:*]

Mr. ILSLEY: Mr. Speaker, I should like to make a statement to which reference was made earlier in the day. Last Friday the leader of the opposition (Mr. Graydon) asked a question on the orders of the day relating to certain appeals from grocers in the city of Toronto to restore the butter ration to one-half pound per week on March 1 instead of March 15.

I would call the attention of members of the house to a press announcement of the same day by the wartime prices and trade board regarding butter rationing, in which the current supply situation was dealt with at some length. In view of that announcement I do not think it is necessary for me to give more than a brief statement.

It is true that over the last week or ten days, stocks of butter in retailers' hands in Toronto, as in other markets, were being replenished or built up to meet coupon No. 9, good for one-half pound, which becomes valid to-day, March 1. Retail stocks, however, form a relatively small part of total butter stocks at any time, or in any market, being normally about one week's consumption. On the other hand, stocks in wholesalers' hands to-day in Toronto being prepared for distribution to the retail trade amount to considerably less than one-half the quantity held at this time last year. A similar situation prevails in all the large markets throughout Canada.

In view of this situation the wartime prices and trade board decided that it would be impossible to restore the full ration as from March 1, but another coupon, the first in the new ration book, has been made valid for March 10, and a further coupon, the second in the new book, for March 20, after which date it is planned that coupons, each good for eight ounces, will become valid each Saturday until such time as supplies reach a point where two coupons can be made valid at the same time to facilitate buying.

MADAM CHIANG KAI-SHEK

PROPOSED VISIT TO CANADA—POSSIBILITY OF ADDRESS TO MEMBERS OF PARLIAMENT

On the orders of the day:

Mr. G. A. CRUICKSHANK (Fraser Valley): I should like to ask a question of the Prime Minister. I must apologize for not having put my question in writing, but my stenographer is away to-day and no one else can read my writing. I am particularly interested in this matter, and I believe it is urgent. Could the Prime Minister give us any information as to whether Madam Chiang Kai-Shek will address this house?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member is most courteous. No apology is required for his question. I must however apologize to him for not being able to answer it in exact terms. It is our hope and expectation that Madam Chiang Kai-Shek will visit Canada before she returns to China. If she visits Canada it will be, I think, toward the end of this month or the early part of April. An effort is being made to persuade Madam Chiang Kai-Shek to make not only the one address I understand she has promised to give in Canada, but also if possible to address the members of both houses of parliament when she visits this city. Whether or not Madam Chiang Kai-Shek will be able to meet the latter request, I cannot say. I very much hope she may be able to do so.

RATIONING

ADDITIONAL CHARGE BY PUBLIC CATERERS FOR TEA, COFFEE OR MILK

On the orders of the day:

Mr. D. K. HAZEN (St. John-Albert): Mr. Speaker, I should like to ask a question of the Minister of Finance. I have in my hand a clipping taken last week from the Ottawa *Journal*, which reads:

> A prices board spokesman said last night a recent board order permits public caterers to charge five cents extra for cups of tea or coffee or glasses of milk where these beverages are ordered with meals.

Will the minister inform the house what purpose this order is intended to serve?

Hon. J. L. ILSLEY (Minister of Finance): I shall try to do so to-morrow or next day.

FOOD

SUBSIDIES TO MAINTAIN SUPPLY—REPORT AS TO APPOINTMENT OF SUBSIDIES OFFICER

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I should like to ask a question of the Minister of Agriculture, based on a report in the Regina *Leader-Post* of February 24. It bears the heading, in large type, "Farm Subsidy Coming Soon", and is as follows:

Ottawa, February 24, creation of subsidy machinery to serve the farmers of Canada and maintain the nation's war programme on the food front is actually under way and soon will be completed, officials of the federal Department of Agriculture said Tuesday.

It says further:

Departmental sources stated that a subsidies officer would probably be named within the agricultural department to supervise all agricultural aid. The possibility of the appointment to this post of Dean A. M. Shaw, head of the agricultural supplies board, was suggested.

And further:

It was further stated that the recent Washington conference of Canadian and United States agricultural officials had succeeded in fully integrating the 1943 food programme of both nations.

Why was this policy announced by officials in the minister's department rather than by the minister himself to members of the House of Commons? Further, when will the minister make a statement to the house with respect to this very important new programme?

Hon. J. G. GARDINER (Minister of Agriculture): I shall be making a statement in due course.

Mr. HANSON (York-Sunbury): That is not good enough.

Mr. PERLEY: Why did an official in the minister's department make the announcement, rather than the minister?

Mr. GARDINER: I would want to make inquiries first, and find out whether it was made.

Mr. PERLEY: Has the minister no confidence in the *Leader-Post* press report? It is the mouthpiece of this government in Saskatchewan.

NEWSPRINT

PARTICIPATION BY INDEPENDENT PRIMARY PRODUCERS IN INCREASED PRICE

On the orders of the day:

Mr. J. L. O'BRIEN (Northumberland, N.B.): I should like to ask a question of the Minister of Finance. In view of the announcement in to-day's press by the wartime prices and trade board that an increase of $4 per ton has been allowed on newsprint, will the minister state what provision, if any, has been made so that the independent primary producers of pulpwood may be permitted to participate, covering wood held by the mills as inventory?

Hon. J. L. ILSLEY: (Minister of Finance): I suggest that a question such as this should be placed upon the order paper.

CANADIAN ARMED FORCES

FINDING OF CHIEF CORONER AT INQUEST IN CASE OF DEATH OF PRIVATE

On the orders of the day:

Hon. J. L. RALSTON (Minister of National Defence): On Friday a question was asked by the hon. member for Souris (Mr. Ross) with respect to the findings of the coroner's jury which inquired into the death on January 29, 1943, of Private John H. Somerville. This unfortunate happening took place when I was away from my office, and was dealt with in my absence. Immediately after the death, the chief coroner of Ontario was notified and on the same day an autopsy was performed by Doctor Erb, pathologist, at the coroner's direction.

A court of inquiry was convened on February 5, at which eighteen witnesses gave evidence, including Doctor Erb, whose evidence before the coroner's jury is quoted in the newspaper, and including also the medical officers who attended the deceased. A copy of the proceedings of the court of inquiry was sent to the attorney general of Ontario. The attorney general directed an inquest, which was held; and the finding referred to by the hon. member was made on February 25. Copy of this finding was forwarded to me by the premier and attorney general of Ontario. The validity or otherwise of these findings cannot of course be appraised without a full examination of the evidence, the relevant circumstances, and competent opinion regarding appropriate treatment in the case referred to.

I immediately gave instructions to obtain a copy of the evidence taken before the coroner's jury. It is reported to me however that this evidence will not be transcribed by the court

reporter until probably next Thursday. Meantime I had the director-general of medical services communicate personally with the chief coroner of Ontario, and the latter is co-operating by furnishing, as quickly as it is transcribed, a copy of the evidence taken before the coroner's jury, and also a copy of the report of the autopsy.

Just as soon as this material is received, the matter will have the most complete and thorough examination, with a view to whatever action may be found to be called for.

POST-WAR RECONSTRUCTION

APPOINTMENT OF SPECIAL COMMITTEE ON RECONSTRUCTION AND REESTABLISHMENT

The house resumed, from Friday, February 26, consideration of the motion of Mr. Mackenzie (Vancouver Centre) for the appointment of a select committee to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war.

Mr. J. A. ROSS (Souris): Mr. Speaker, we have yet to win this war in which we are now engaged. I agree with the hon. members for Cape Breton South (Mr. Gillis) and Cariboo (Mr. Turgeon) when they say that our first duty should be to the members of our armed forces now overseas. It has been said, and we must realize, that many of those gallant people will not return to their civilian lives after the fray. Therefore the government should now be in a position to assure those in the armed forces that their dependents will be properly cared for in the future. Those who will come back should be now assured that every opportunity will be provided to make certain that they and their dependents will have a respectable standard of living in this country. If this is done it will do much to develop and maintain the morale of the armed forces and of people in Canada in these critical times.

I was deeply impressed on Friday, I believe it was, by the speech of the Minister of National Defence for Air (Mr. Power). I know something about the conditions which confronted many ex-service men after the last war. As the minister said, how different for the boys of the air force to-day, many of them still in their teens experiencing all the thrills of actual air combat. Many of these boys did not know what an occupation was when they left for overseas. How vastly different and more difficult it will be to find places for them, with their fine academic training, when this war is over. I trust that the speech which was made on this subject by the Minister of National Defence for Air will be distributed by the wartime information board. It will do a great deal more good than much of the propaganda that has come from that board for circulation amongst the people.

I have never been one of those who think that the state owes a man or a woman a living whether he or she is prepared to work for it or not. But I have always considered that the state owes every man and every woman an opportunity to work for a respectable standard of living. Given that opportunity, coupled with certain social legislation respecting health and old age, I think that we should have a contented and prosperous people in a land so rich in resources as Canada is.

A great deal has been accomplished in reconstruction for agriculture during the past few years under the Prairie Farm Rehabilitation Act. This act was set up in 1935 by the late Hon. Robert Weir, and I am happy to say it has been carried on up to the present by successive governments. Under this act a great deal has been accomplished in water conservation, community pastures, regrassing, reclamation and reforestation, and matters of the kind. The possibilities for reforestation in many parts of Canada are immense. The operations which have been carried on under the Prairie Farm Rehabilitation Act have made possible a greater diversified production in many sections of western Canada, which could not have been accomplished without the benefit of this act. I should like to quote from an article appearing in the magazine *Canadian Business*. It states:

> Things have been looking up lately for the western farmer, with good crops, good weather and a more diversified production. Cash income from sale of farm products in the four western provinces in 1941 was $418,700,000, the highest since 1929. If the various government bonuses are added, this means, according to a recent bulletin of the *Country Guide*, a cash income per farm of $1,447 or $255 more than the average for all Canada. Ontario had the highest income per farm, followed by Alberta, then Manitoba. But western Canada, with 44 per cent of the farms of the dominion, received over 51 per cent of the total farm income.
>
> The picture is so much brighter in the west partly because of more diversified production. In the 20's, wheat represented over 70 per cent of the prairie farmers' cash income; last year it was only 43 per cent. Major factor is the increased interest in raising hogs, live stock and poultry, and no longer does the west consist only of acres of wheat fields. These provinces now have 51 per cent of the hogs in the dominion and 45 per cent of all the cattle. These are 1941 figures, but by June 1942 the percentage increase in the number of hogs was 41 per cent in Manitoba, 40 per cent in Saskatchewan, 23 per cent in Alberta. Eastern Canada in 1941 had an average of 7·6 hogs

per farm; western Canada 10·1. Average number of cattle per farm was 11·6 in eastern Canada and 11·8 in western Canada. Hog and cattle production has been aided by a huge reserve of feed grains and the only limiting factor is lack of farm labour.

May I digress for a moment to say that the statement on farm labour made by the Minister of Labour (Mr. Mitchell) on February 26 is far from satisfactory to the farmers. It just proves the lack of governmental coordination and continued muddling in our man-power policy, with agriculture taking what is left. We had during the fall of 1942 a movement of university students from eastern Canada to the west to assist with the harvest. This was far from satisfactory; yet according to a return brought down on February 15 last this undertaking cost the taxpayers approximately one-quarter of a million dollars—to be exact $235,521.99. This was the amount paid by the federal government to the railway companies in connection with the movement of students to the west. I quote further from the same article:

> What about sheep and poultry production? In the raising of sheep, the west is definitely a leader; with 44 per cent of the total farms in Canada, it has 50 per cent of the sheep production, with an average of 5 per farm. In the east, the figure is 3 per farm. Bulk of sheep raising is done in Alberta (8·7 per farm), followed by British Columbia (5·7) and Quebec and Nova Scotia (3·2). Value of wool production in the four western provinces in 1941 was $1,563,000.

The article goes on to mention other branches of agriculture:

> Poultry raising is another important industry, and sale of poultry and eggs brought to the western farmer $29,673,000 in 1941. Forty-seven per cent of total poultry in the dominion is in the west—71·3 is the average number of poultry per farm in the west, and 63 in the east. British Columbia leads in this branch of farming, with 82·9 per farm, followed by Ontario, 80·1.
>
> Other sources of income in 1941 were grains and hay, $200,864,000, and vegetables $4,900,000. Production of oats, barley and flax is still on the increase, as wheat acreage is more and more reduced.

This development has been made possible in many sections of the country solely through the work that was done under the Prairie Farm Rehabilitation Act. Canada has been prodigal of its agricultural resources, as has been pointed out by officials in charge of administering that act, and this is no less true of Ontario than it is of the prairies. In many parts of the east, ruthless cutting of timber from the watersheds of small streams has created conditions most serious to stable agriculture. Spring floods, it is also pointed out, have caused a serious problem in soil erosion

I quote from the Saskatoon *Star-Phoenix* of February 24, 1943:

> In the west, P.F.R.A. has done a splendid job within the limits of its resources. Its restoration of grasslands, the construction of small dams and the few small irrigation projects it has undertaken have all paid dividends in better agriculture. But more important still, it has begun a real programme of soil conservation which must be a continuing campaign if this country is to maintain a prosperous agriculture.

Many other projects are possible under that act. I trust that the reconstruction committee will make a study of what has already been accomplished under the act and of its much wider application to agriculture throughout the dominion.

In the province of Manitoba we have an abundance of cheap electrical power. Over a year ago, I am happy to be able to say, the provincial government appointed a commission to investigate the possibility and feasibility of rural farm electrification throughout Manitoba. Since then the commission have issued their report recommending that immediately after the war, in cooperation with the federal authorities, this electrification be proceeded with.

Last year this house passed the Veterans' Land Act, which is a great improvement on the old soldier settlement acts. But before any veterans' land settlement undertaking or reconstruction scheme can be a success, we must all be in agreement on one point—that parity prices must be established and maintained for all products and services essential to the welfare of the human family.

May I quote just a sentence or two from the *Commercial Intelligence Journal* of February 27, 1943, which in an article headed "Agriculture" says:

> The year 1942 is generally regarded as a good one for the agricultural community. This was due in no small degree to the increased dependence of the country as a whole on domestic output of various raw materials and foodstuffs. The government took numerous steps to encourage improved production of grains and other foods, such as the provision of seed, the issue of loans for the purchase of implements and fertilizers, the guaranteeing of minimum prices, and the outright purchase of certain crops. Prices of agricultural produce did not in general keep in pace with those of many consumer goods, and the farmer has suffered some loss in income.

It is estimated that the farmers of Canada, who compose 33 per cent of the population, will have received about 15 per cent of the national income for 1942. They received 30 per cent of the national income in the years 1915 to 1919. During the present war, farm prices in Canada have been substantially below prices obtaining in practically every one of the

warring nations. Thus we have approximately one-third of the people of Canada actually engaged in farming and receiving under one-sixth of the national income. Agricultural foodstuffs are now recognized by everyone as essential munitions of war, yet at present the lot of the farmer is not a particularly happy one. I suggest to the reconstruction committee that the recommendations of the Rowell-Sirois commission report be given careful and detailed study. Not only will many of the recommendations mean a great deal to the future of the provinces, but if put in operation they will affect in detail the future welfare and lives of many of the citizens of the dominion. I trust that the report will receive the serious consideration of the committee, and that it will be favourably recommended in their report to this house.

Mr. BLACKMORE: Will my hon. friend permit a question? Will he tell us whether he believes that the implementation of the recommendations of the Sirois report would aid the provinces?

Mr. ROSS (Souris): Yes, I believe in many respects they would. I am not saying I agree entirely with all the recommendations in that report, but I ask that the committee study it in detail and that such recommendations as are considered to be of assistance to the provinces and to the citizens in general be commended to the house. I agree wholeheartedly with many of them.

Mr. BLACKMORE: Would my hon. friend mind telling us with which ones he agrees, and—?

Mr. ROSS (Souris): I do not intend to go at the present time into a detailed discussion such as the hon. member for Lethbridge proposes. I shall be glad to do so on some other occasion. There are many recommendations in that report which, he knows as well as I do, would be of distinct benefit to the citizens of this country.

Mr. BLACKMORE: On the contrary, Mr. Speaker, I do not know that any of them would do any good to the provinces.

Mr. ROSS (Souris): I do not think that the views expressed by the hon. member for Lethbridge (Mr. Blackmore) are any argument why the committee should not give favourable consideration to the report, and if they decide to recommend certain of its proposals, I trust that they will be implemented in the statutes of Canada.

Before those in the armed forces and those engaged in war industry are released, adequate training and suitable work must be provided for them. In doing this, we must keep uppermost in our minds at all times the fact that anything we decide upon must be based upon parity prices for all products and services. I have already pointed out that this is essential to the welfare of the human family, and if we follow that principle we shall not go very far astray.

I shall have more to say on the subject of reconstruction as it applies under the resolution for social security and health insurance, and with particular reference also to agriculture throughout the dominion, but I do not think I should take up more of the time of the house at this stage.

Mr. DANIEL McIVOR (Fort William): I wish to give, for the use of the minister and his committee when they get down to work, a few facts about the head of the lakes which I think they should have and which may be helpful in the reconstruction period.

The first fact is that at the head of the lakes we have hundreds of square miles of virgin timber, good for lumber, firewood, pulp and shipbuilding. I found out the other day that we have in the Thunder bay district the western white spruce *picea glauca*. Its existence there was not known until recently, because nobody had explored the full extent of our timber. A tree is of little value until it is cut down. I have not very much patience with those who want to revert to such primitive processes as the burning of peat, when we have all kinds of good coal and wood. So that the first point which should be borne in mind by the committee is that we have timber in abundance.

In the second place we are rich in mines. We have gold, silver, copper, zinc, chromium, and also iron in abundance, ready to be mined and put on the market. If the Department of Mines and Resources can make money out of the socialization of their muskrats, they can turn loose some of their experts in the Thunder bay district, and soon the rest of Canada will hum as a result of what we have in that section.

Remember also that we have an excellent harbour. It is well protected; it is needed for shipbuilding; when the minister and his committee make as an outstanding factor in reconstruction the development of the St. Lawrence waterway, the dream of so many people at the head of the lakes will come true, and the head of the lakes will become the Chicago of the west. We shall have there a great distributing centre, which will mean much to the whole of Canada.

But the best thing to be found at the head of the lakes, and something which is perhaps

not very well known, is our farming area. Some people think we have no farms, and thereby show their lack of knowledge. We have in the Port Arthur and Fort William districts 25,000 acres of farm land, of which 12,784 acres are assessed. This is a greater area than will be found round the city of Hamilton, which has only 9,694 acres, or Windsor, with 8,251 acres, or Sudbury, with 1,522 acres; and anyone who has gone through these districts and knows anything about soils and what they can produce will admit that ours is the coming farming district, not even second to Manitoba.

What are these farms capable of producing? All kinds of grain, apples and other fruits; in fact the best strawberries with the finest flavour of which I have any knowledge are grown in our district. This is on account of the cool atmosphere during the summer; they are not subject to frost as in some other places. The climate is damp and cool in summer because of our proximity to a great cold fresh-water lake. This, too, is favourable to the growth of abundant grass, and the lakehead during the past years has become a feeding centre for fat cattle. The soil has been tested by the chamber of commerce and by our experts at the experimental farm substation, and has been found to be capable of producing sugar beet of a very high grade.

Our district is also distinguished by its ability to produce poultry and eggs. There are those who say that our hens can lay more and bigger eggs than any others. The climate is cool and the hens do not have to sweat at their job to the same extent as elsewhere. During the past week our poultry association passed a resolution asking that eggs from the head of the lakes be marked accordingly to show that they are better eggs and have more flavour.

We are also known for our fisheries. Lake Superior trout is known all over Canada and in some places in the United States. The only trouble is that there is not enough to go around. Fresh herring is just beginning to come into its own.

The municipal air field was taken over by the Department of National Defence when the war broke out. Originally this field was intended to be on a feeder line to the Trans-Canada Air Lines but it will now be on the Trans-Canada Air Lines when the war is over.

We have power at the head of the lakes. We do not have to depend upon Niagara falls because we have the Cameron falls ninety miles from Fort William. We also have the Kakabeka falls which are known for their beauty and usefulness. We have a water system second to none. Loch Lomond is situated 400 feet above the level of the lake. All that needed to be done was to put in a pipe and the water flowed down sweet and clean. In order to have the right type of development, we must have the right kind of laws. We must have progressive laws. There are men and women who want to use the talents that God has given to them and not hide them under the earth.

This committee should see to it that the right of free enterprise and the right of the worker to cooperate are continued. I have a legal adviser who sometimes comes to my room to give me some free advice. His advice is good, and he says that it would be a good thing if we could look down at the world from above, see ourselves as the good Lord sees us. That of course caused my mind to go back into the realm of the queen of sciences, namely, theology. There are two phases that are used a good deal in connection with the new social order. One is, "the banishment of fear" and the other is, "the banishment of poverty." I think of fear as one of the great blessings of mankind. There are men in this house who are afraid of their own conduct, afraid of their own speeches. Fear is often protective. It is a blessing to us from the time we first got burned by touching something we should not have touched.

There are those who will say that we should banish fear, but there is only one way to cure fear. Work cannot cure fear. Success is no cure for fear. Quite often the man who has the most money has the greatest fear that he will lose it or that someone will get the better of a deal with him. The only cure for fear must come from that great Teacher, who said:

> But perfect love casteth out fear.

If you have not love of the right thing, then you are not going to get rid of fear. Poverty is a relative term. There are people on relief in Ottawa who in the days of King Tut would have been considered as living most luxuriously. But there will always be people at the bottom of the human way of living, people who will be called poor. Again I hear the Master Workman coming out with this clear statement:

> For ye have the poor always with you.

He was one to whom the future was an open book.

This committee should obtain brief statements from the different reconstruction committees which have been set up across Canada. I can give the name of Alderman Fryer, who is head of our committee, to the minister. I am sure that Alderman Fryer will be able to provide some useful information because

at the head of the lakes we have resources which, if put to proper use, would be a blessing to mankind.

Mr. WILFRID LaCROIX (Quebec-Montmorency) (Translation): Mr. Speaker, I wish to take advantage of this debate on post-war problems to voice my views and those of my electors on the financial burden which is being laid upon the wage-earners of this country and the effects of which will necessarily be felt after the war.

In this connection I desire to offer to the government a suggestion for the better apportionment of the taxes necessitated by our participation in the present world war, a participation which takes into account neither our population nor the limit of our possibilities. I feel that in the financing of our war effort, capital should be called upon to supply a substantial share of the required funds. Since the outbreak of this war, many wealthy people in this country have undoubtedly invested their money in securities or real estate so as to put their capital outside the reach of the government.

In many cases, such investments produce no income, but the capital is protected for the future. The men who risk their lives on land, at sea and in the air are also fighting for the protection of those investors' property.

Here is what I would suggest for compelling those people to assume a greater share of our war effort. The government should decide to force them to lend the money needed by this country, even though they might say that they have none available. The government might thus say to those investors: "You own securities or real estate unmortgaged in a definite proportion. An act of parliament will compel you to file an application with the Bank of Canada, which will lend you the funds needed by the government for the war effort." They would give to the Bank of Canada, or to the latter's agents, a mortgage on their securities or real estate, and would file with those banks guarantees for the amount loaned, and they would lend to the dominion government the money thus obtained from the bank. In return they would receive a dominion bond which would be deposited with the Bank of Canada or its agents. After the war, the dominion government would, at a certain date fixed by them according to the development, the resources and the income of the country, say within about thirty years, redeem those bonds, the holders then paying back the banks.

Such a plan would enable the government to obtain billions of dollars for our war effort.

In order to protect modest fortunes, which will never be too numerous in this country since they ensure a better distribution of public wealth, only the owners of securities or real estate worth more than $25,000 would be called upon to lend money to the government according to the above plan.

The plan would not apply to properties used for religious, charitable or educational or hospitalization purposes. I may point out, Mr. Speaker, that this plan would not mean confiscation. For our war expenditures of 1943, 10 per cent of the value of all securities or real estate in Canada could be loaned, and should the war be still going on in 1944, another loan of 10 per cent might be required. Through such a plan the government could considerably reduce the income tax now being paid by the people in the lower and medium salary brackets, because the latter have no capital other than their salary, and it would enable us to honour their obligations, which they cannot do at the present time.

It should not be forgotten that the greater part of the revenue derived by the Canadian government from income tax is levied on the lower or medium salary brackets, as few people draw large salaries and the income tax on salaries is much higher here than in the United States. To my mind, it is not fair that a single generation should have to pay the whole cost of this war, because the benefits of peace will be enjoyed as much by future generations as by ourselves.

Our soldiers make great sacrifices and wealthy people have no right to elude the financial sacrifices that are necessary. The guarantee they would receive from the government is certainly greater than that given to the army as regards the opportunity of finding employment after the war. Such a plan would make billions of dollars available to the dominion treasury. One can imagine the meaning of a 10 per cent levy on all securities or real estate in Canada. One cause for strikes lies in the fact that so much money is now taken from the small wage earners because they find it difficult to make both ends meet and to cope with the cost of living, which notwithstanding what is said, shows a considerable increase.

Moreover, the banks would not take the slightest risk for it must not be forgotten that they have lent up to 75 per cent of the value of stock exchange securities which were certainly not worth as much as the guarantees to which I am referring.

To-day, Mr. Speaker, capitalists take advantage of the difficulties which beset the small land owner, to confiscate his properties. Here is an example. Lieutenant-Colonel Jack

Price, of Quebec, has been a prisoner of war in Japan since the fall of Hong Kong. He was the owner of a property that cost him $75,000. His wife had to sell it for the amount of the mortgage, $13,000, because she did not have the money necessary to meet her obligations. So, while some of our men are making the supreme sacrifice on the battlefields of Africa, Europe or Asia, these greedy capitalists take advantage of this fact to confiscate properties, even though they be non-revenue bearing, so that, after the war, their capital will remain intact even if our dollar becomes devalorized. Every one knows, of course, that in the event of such a devalorization, the price of commodities and properties would increase in proportion to the decrease in value of the dollar. Mr. Speaker, I point out to the government that they are at present discriminating against the great majority of wage-earners. They force them to loan part of their salary without interest, while the capitalists who subscribe to a loan make sure that they will draw interest on their investment.

Often, the capitalist's subscription to a Victory Loan is nothing but a publicity stunt; as soon as the contribution has been publicly announced, he repairs to the bank to sell his bonds and buy more and more property. At the present time we are witnessing the monopolizing of real estate by the trusts and, at the close of hostilities, we shall be a country of unevenly distributed wealth, a condition favourable to the development of subversive ideas inviting communism.

It may be claimed that a reduction of taxes on salaries might very well provoke inflation, by virtue of the consequent increase in the purchasing power of the public. My answer is that the government has the necessary means of preventing this increased purchasing power. Indeed, they have, at the present time, let us not forget it, all the necessary power to control both prices and wages and the additional power to freeze at the 1942 level all production deemed as non-essential to the war effort, thereby preventing the purchasing power from exceeding that of 1942. The government is empowered to set a ceiling at the 1942 level, on the amount of goods obtainable by both retailers and wholesalers, at the same time preventing the consumer from buying more than he could buy in 1942. Thus, no increase in the purchasing power could provoke inflation by an increased demand for goods as a consequence of an increased supply of money. The exercise of the above powers by the government would necessarily compel the wage-earner to save money for the post-war period, for, let us not forget it, after the war, this class will not have the same opportunities as the capitalists, their only capital, in most cases, being their salary.

The adoption of such a policy will prevent the worker from becoming a public liability. It is imperative, by a reduction of taxes on the small and medium salaries, to compel their recipients to accumulate savings for the post-war period and thus lighten the burden of the administration when the time comes for them to face this problem. The harder the wage-earner finds it to spend his earnings the lighter will be the burden of the government after the war.

We must not overlook the fact that, for 25 years, the capitalist has been in the position of increasing his holdings, because our soldiers gave their lives for him from 1914 to 1918, and that, in the course of most of these 25 years, the workers and a considerable proportion of the wage-earners have been unemployed, through the depression which we all remember, and that, only since the beginning of the war have they been able to afford the luxury of life insurance to protect their families and insure some degree of future social security for their children.

I have discussed this plan with a number of my colleagues, Mr. Speaker, and some have suggested that, by striking at capital I would alienate the Anglo-Canadian element of the population for, they said, they own most of the capital, the French Canadians making up the greater portion of the wage-earning class of our country.

My answer to them, Mr. Speaker, is that we, French Canadians, are not to blame for the fact that a certain group of English-speaking Canadians, especially those known as the "Two Hundred," in Toronto, have raised imperialism to the dignity of a dogma It is much more important that the same fair treatment be meted out to every one and the financial burden of the war be evenly distributed. Furthermore, let those who subscribe to the dogma of imperialism pay for the expensive consequences of their opinions to the benefit of the large class of wage-earners.

I know that, at the present time, the Minister of Finance (Mr. Ilsley) is seriously considering this plan. Allow me, Mr. Speaker, to express the fond hope that it will be implemented, for we must remember that our professional and labouring classes are the main props of our nation and that their whole capital is the salary they draw every week or every month.

Mr. J. W. NOSEWORTHY (York South): I hesitate to prolong this debate which has already run into the second or third day.

There is, however, one subject pertaining to reconstruction that I think deserves more attention than it has received to date, namely, the subject of education, and I shall confine my remarks this afternoon to the importance of education as part of our reconstruction programme. So far only one hon. member in this debate, the hon. member for Battle River (Mr. Fair) has made any reference to the importance of that subject.

First I should like to congratulate the government upon the Vocational Training Act that was passed in this house last year. In my opinion it is the most progressive piece of legislation in the field of education that has ever been passed in this house. It is far-reaching in its effect. I wish to congratulate the minister also. It is not very often that I have the opportunity to congratulate the Minister of Labour (Mr. Mitchell) but I want to take this opportunity of congratulating him upon the committee that he has set up to advise him under the authority of last year's act.

That act, however, is limited in its scope to vocational training. It provides for the education of those who are being trained in our war emergency classes for some place in the armed forces, for the education of our men who return from overseas, and it makes possible cooperation with the provincial governments for education on the secondary school level after the war is over. I suggest that the special committee appoint a subcommittee, not for labour and education as was done last year, but to study the importance of education and its bearing on our post-war problems; and in the few moments at my disposal I should like to suggest four definite subjects which I think might very well come up for study by the committee.

In the first place I consider that there is need for a vocational guidance committee in the federal field. Under the Department of Labour we have employment offices and placement officers in all the important centres across this country. We have heard some criticism of these employment offices. It may be true that they are staffed with personnel who have had little training for their jobs, but if they could be staffed with well trained personnel, when the war is over these offices should be very important in preventing an employment muddle. At the same time we have tens of thousands of our boys and girls being trained in vocational schools, and I am satisfied that in view of the nature of employment, in view of the fact that employment and trade and commerce are national in their scope, only a committee which can view this field from a national point of view can adequately advise our young people on the courses to study and provide them with guidance in securing employment. In England such offices were set up thirty years ago, and there is a place for the guidance of young people in the labour set-up there. The employment offices are staffed with trained personnel. Juvenile vocational councils have been established. Officers from those councils do not wait for boys and girls to come to them for guidance; they go into the schools and advise the young people on the courses they should follow, and assist the parents in placing these young people in employment after they have left school. One thing I fear we are likely to get in Canada after the war is a federal office of education superimposed upon and working independently of the present nine provincial departments of education. I believe it is important that some federal bureau or committee be set up which will coordinate or correlate the work being done in the educational field by the federal authorities with what is being done in the schools of the provinces, particularly in the field of vocational guidance.

A second matter which I think might well come before the committee—and I am passing over these points rapidly this afternoon in the hope that there may be an opportunity of discussing them in further detail with the committee—is the setting up of a federal bureau of education. In the United States, where education is a state matter as in Canada it is a provincial matter, a federal bureau of education has functioned since 1887, and never once during all those years has any question been raised as to its infringement upon the rights of the states. That bureau serves to coordinate all the educational research work being done throughout the nation. It serves as a clearing-house for information, and is regarded by educationists of that country as being of immense value. We have in Canada, under the bureau of statistics, an educational office which educational authorities across this country consider has done a remarkably good job. Almost every educational association and authority in this country has recommended from year to year that the services of this bureau should be extended. We now have an opportunity of extending the work being done by that office until it becomes something similar to the bureau of education which functions in the United States. There is no intention that such a committee or bureau should in any way usurp the authority of the provincial departments of education. Its function should be, as it is now, to

correlate all the research work being done, to give some leadership in directing research work along educational lines, and to serve as a clearing-house for the dissemination of such research as has been carried out. We talk a great deal about Canadian unity, and its lack. Anything we can do through a central bureau that will enable the boys and girls of one province to become better acquainted with those in the schools of the other provinces; anything we can do that will enable the work being done in the schools of one province to be made known to the authorities of the other provinces—all will help in building Canadian instead of provincial citizenship.

A third field to which the committee should give some consideration is that of providing federal bursaries and scholarships at both secondary school and university levels. To-day it is a fact that the educational opportunities accorded our young people are to a large extent determined by the economic status of the family. Recent research in the United States covering many hundreds of thousands of students has shown that more than fifty per cent of boys and girls who leave the secondary schools before completing their courses do so on account of economic reasons. They leave because their families cannot afford to keep them at school until they have finished. That is taking place continually in our Canadian schools. In a survey made a few years ago in Toronto and suburban areas it was found that more than fifty per cent of the brightest boys and girls in the schools in that section were forced out of school before completing their matriculation, or before graduating from secondary schools, as a result of lack of finances to keep them in school. It is a well known fact that a boy's opportunity of attending university to-day is to a large extent dependent upon the financial ability of his family to assist him. As a consequence we are losing in Canada some of the brightest of our young people. Thousands of them who could best profit by education have no opportunity of acquiring it. This incidentally is no innovation. In Great Britain and in other parts of the British empire scholarships such as I have mentioned are provided, at both secondary school and university levels, for capable but indigent pupils.

As a fourth matter for the study of the committee I would sugest a subject bristling with difficulty, namely, federal financial support to the provinces for primary and secondary education in the schools of the province. I suggest furthermore that such federal assistance must of necessity be given on the basis of provincial needs. Any assistance which has heretofore been given in the field of education to the provinces has been given on a basis of population, or on a basis whereby the province contributed fifty per cent and the dominion the other 50 per cent. As a result, with regard to grants made for technical education in past years, only the wealthiest provinces were able to make adequate use of those grants within the time specified by the act. And even in those provinces only the larger urban centres could take advantage of the grants. The result is that to-day we have fairly adequate vocational education opportunities in our larger centres, but throughout the rural areas and in the smaller towns and villages we find inadequate opportunity for anything in the nature of vocational training.

Whatever else the Rowell-Sirois report revealed, it did reveal the great differences in the ability of the several provinces to bear their share, or to bear an adequate share of the cost of education and other social programmes. For instance, if Prince Edward Island were to provide from the provincial treasury an adequate system of education it would require the expenditure of nearly eighty per cent of the income of that provincial government. There are provinces which can provide out of provincial revenue an adequate educational programme, but there are others—and I have in mind the situation in Saskatchewan a few years ago—which find it simply impossible. So that if effective federal aid is to be given in respect of education, and if that aid is to serve the purpose for which it is given, it should be allocated on a basis of provincial need.

Speaking for the moment with regard to the need for federal support, may I remind hon. members that in Canada we began to finance education by a tax on real estate levied by small municipalities. We did that because in those days there was nothing else to tax. We have continued from that day to this to ask real estate in local communities to bear about 80 per cent of the cost of education in Canada. We are the only part of the British empire where education is supported by a tax on municipal real estate. In every other part of the empire the cost of education is borne by governments corresponding with our provincial and federal governments. In every other instance throughout the empire not less than 50 per cent of the cost of education is borne by the central government.

Let us for a moment ask ourselves the result of our present method of financing education. The type of school a boy attends, the nature of equipment provided, the library facilities

available, the qualifications of the teacher and in many instances even the length of time the school is open are determined to a great extent by the value of real estate assessment in a local municipality. The result is that a boy living on one side of a street, in one municipality, in many instances has an opportunity of gaining a much superior education than can be gained by another boy who may live on the opposite side of the same street, but who lives in another muncipality or another school section.

Surely the time has come in Canada when we must realize that education is a matter of vital national importance, and, being so, surely some means should be taken whereby the provinces and the federal government working in cooperation could be made to bear the major share of the cost. Granted, I know, that by the British North America Act education is a matter of provincial concern, there is no reason whatever why the federal government should interfere in any way with the programme of a provincial department of education, because the assistance would be by way of financial support.

The one great need from the federal point of view is to see to it that no boy or girl in Canada is deprived of an educational opportunity because his or her parents are poor. Under present conditions many boys and girls lack that opportunity, and that is a situation which should be remedied.

Subject to your approval, Mr. Speaker, I move, seconded by the hon. member for Yorkton (Mr. Castleden) the following amendment:

That this motion be amended by inserting after the word "committees" in line 6 the following words: "including a subcommittee on education".

Mr. G. H. CASTLEDEN (Yorkton): Mr. Speaker, as a member of the reconstruction committee of the house last year, I should like to make a few constructive observations. There are two or three fields in which I believe that committee failed to make sufficient progress. If reports and words would reconstruct Canada I feel as a result of the experience of that committee that the job would be pretty well done by now.

The purpose of the James committee and the work of the reconstruction committee and of its subcommittees has been to study problems which face Canada under the present set-up. It seemed to me that one of the first things we should have done was to make a study of why it was that Canada had not provided that life which she was capable of providing in the years prior to the war But we were told rather bluntly in the committee that no such study was being made. We wanted to find out what had been wrong with our national set-up. Then possibly we could have found some basis from which to effect a cure. We have not, it seems, clarified our aims. We are pretty much in the position of a physician who has been called upon to administer treatment to a sick man, and who is unwilling to make a diagnosis in order to find out what is wrong with him. Very often I felt that we were trying to administer some sort of temporary palliative instead of getting down to the root of the evil and finding out what was really wrong. Canada in the past few decades has not made much progress. We have sunk to what I think could properly be termed a C 3 nation. Our living standards, our health and housing standards, our educational standards in most of the dominion have been low, and unemployment and insecurity have been our lot.

I believe that the committee would do well first to make a survey of the things which our twelve million people approximately, and we hope twenty million within a few years, require. Then it should make a survey of the resources and the materials we have in the dominion in the way of natural resources, machinery of production, labour, brains and ability, to provide our people with these things which they need. After we have made those two surveys our big problem will be to bring the two together. In other words, how can we so arrange our national economy that our people who need those things, and are willing to make their contribution in the way of effort toward obtaining them, shall have them? Frankly, I find in the reports of the committee which have so far been submitted much which causes me to feel that we have not touched the real problem of making these services and goods available to the people.

One of the particular fields which I wish to discuss is agriculture. To-day agriculture is the forgotten industry in this land. It seems to be looked upon as the legitimate prey of business. We find that the grain exchanges are carrying on their gambling operations.

We find millers and packers waxing wealthy on the farmers' products, and we find money lenders who have loaned the farmers into debt. We find machinery companies and others charging what they like for what the farmer has to buy, and the prices he receives for his products bear no relation to the cost of production. The only attempt at freezing those prices has been to freeze them down at a level

which can ultimately lead only to a sort of pauperized peasantry. The farmer now finds himself regulated almost to death.

The subcommittee set out to study something in the field of agriculture, and their studies led them into the field of trying to ascertain a proper balance between agricultural and industrial populations. They proposed to investigate the whole field of the industrial use of agricultural products, internal trade within Canada, and external trade between Canada and other parts of the world. A study of the external trade should include a careful gauging of the requirements of foreign markets and a planning of Canadian agriculture so that the surpluses we have can best be disposed of. We believe that the national marketing boards should to a certain extent take the place of grain exchanges and food exchanges, and through these boards there should be set up machinery for establishing a proper parity price within the dominion, and for effecting a proper exchange of goods within the various parts of the dominion.

In the foreign field we should be finding out what things Canada will require and how we can best provide the things which other nations will require and which we can offer in exchange. In both these fields we believe that the committee has failed to study properly the place for wholesale and retail cooperative organizations. In the internal economy of Canada there are many things which must startle us as we look at them. There is the fact that we in the west have such boundless abundance of grains and foodstuffs which seem to be lacking in other parts of the dominion.

I am glad that the committee is studying the field of nutrition. I have often considered, when thinking of the large wheat surpluses of western Canada, that it was shameful the way in which that grain with all its nutritive qualities had been changed in its manufacture until all the good was taken out of it and these nutritive properties were not made available to the people who should have them. Again, there is an abundance of fruit growing as in the Okanagan valley, but the children on the western prairies are unable to get fruit as a part of their necessary nutritive supply.

Another problem which is a part of the agricultural problem is that of debt. Agriculture cannot expect to be restored until there is a proper attack on this debt problem throughout the whole dominion. There can be no security until the people on the land are placed in a position of solvency and given an opportunity to provide themselves with security. I should like to recommend for the committee's study the work of the farm security administration in the United States. Under the circumstances which exist in Canada to-day, the agricultural burden of debt deprives about eighty-five per cent of those engaged in agriculture of a decent livelihood, of health and of hope. We believe that the foundation of any good national life is the agricultural industry. In Canada that foundation is failing, as is evidenced by the movement of so many people in recent years from the farms into the cities. This is not just a war-time phenomenon; it has existed during the past forty years, being accelerated by the difficulties placed in the way of those who try to make a living by toiling on the land, so that to-day less than thirty-three per cent of our population is engaged in agriculture. That is not a healthy condition in any national economy.

The other field in which we are failing is that of education. On this subject I have the honour to second the amendment which is at present before the house. Sir William Beveridge in his report says, at page 6, that there are five giants to be overcome on the road to reconstruction. Want is only one of those; the others are disease, ignorance, squalour and idleness. Education is the first and the natural attack on that giant of ignorance. The attack on ignorance is the basis, we believe, for solving most of the other problems; and this amendment provides for a special subcommittee to devote its time to that vital phase of reconstruction.

We are of opinion that knowledge should be socialized across the whole of the dominion. We mean that it must be made available to everyone. The committee would be required to study education from the national viewpoint. We believe that education should be a national concern.

Mr. MacNICOL: The British North America Act states that it belongs to the provinces.

Mr. CASTLEDEN: If Canada had had a national educational policy, properly carried out, we would not have suffered from the degeneration which had been our lot for the past twenty years. We would not now be a C3 nation; we might have been able to make a greater contribution in the battle for freedom in which we are now engaged. We must be prepared to equal the social improvements which have been established in our sister dominion of New Zealand. Unless we have a national programme of training and education we cannot hope to make Canada one of the first nations of the world. I am doubtful whether we are likely to overtake some of the nations which are now leading the world

in this direction, and which look upon the brains of the young people as being the greatest natural resource they have.

The committee could make a complete investigation of the educational needs of Canada, surveying the possibilities of federal assistance to provincial departments of education. I do not believe there is any necessity for interfering with the powers or authority of the provincial education departments. We propose merely to give federal assistance to those provinces which, on account of their economic condition, are unable to maintain a decently high and minimum standard of education. We believe that a federal educational programme assisting the provinces to maintain that minimum standard in respect of primary, secondary and adult education would benefit the whole dominion, and that we as a nation can no longer afford to neglect this problem. I cannot imagine a proposal of this kind being opposed excepting by those who fear real social reform.

In closing, I would just say that we believe Canadians must be trained in leadership so that they can develop confidence in themselves and be enabled to make their contribution in a society with a cooperative outlook, while maintaining that sturdy independence which is so essentially a part of the common man.

Mr. MACKENZIE (Vancouver Centre): Mr. Speaker, I rise to a point of order. I submit that the amendment which has been moved is not in accordance with the established rule as set out in Beauchesne's Parliamentary Rules and Forms, paragraph 422, and in May, 13th edition, page 473. This committee has already the power to set up subcommittees as it may decide; and this is a specialized instruction from this house to a committee of this house not yet formed.

Mr. SPEAKER: I have considered the amendment which is moved by the hon. member for York South (Mr. Noseworthy) and seconded by the hon. member for Yorkton (Mr. Castleden):

> That this motion be amended by inserting after the word "committees" in line 6 the following words: "including a subcommittee on education".

The house will realize that the motion is:

> That a select committee of the house be appointed to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war, and all questions pertaining thereto; with power to such select committee to appoint, from among the members of the committee, such subcommittees as may be deemed advisable or necessary, to deal with specific phases of the problems aforementioned, with power to said select committee and to such subcommittees as may be formed therefrom, to call for persons, papers and records, to examine witnesses under oath . . .

[Mr. Castleden.]

In the first place, the proposition as stated in the motion is general in its terms, and there is no power for the house to instruct a committee which has not yet been formed. It is only after the committee is formed that instructions can be given to a committee to deal with some matter which the house thinks ought to be included in the terms of reference to the committee.

In the second place, it seems to me that the inclusion of the amendment is only giving such powers as the committee shall have when the motion is adopted by the house. They will have the general power to study and report upon problems of reconstruction and reestablishment, and also the power to appoint subcommittees to deal with any specific matters which are included or could be considered as included within the general terms of "reconstruction and reestablishment." For that reason, if any hon. member wished, and the amendment was relevant, he could propose a subcommittee on agriculture, or a subcommittee on any other phase of our activities, and the house would then be directing the committee on matters which are already included and governed by the general terms of the motion which is before the house. Further, if in the committee some effort is made to have included within it a subcommittee on education, that is certainly a matter which can be raised within the committee, and if the committee so decide the subcommittee can then be appointed. If the hon. members of the committee are not satisfied or there is refusal of a request to appoint a subcommittee, there is nothing to prevent hon. members of the committee from bringing the matter back to the house, and then instructions might be given by the house to include among the subcommittees a subcommittee on education.

For these reasons I rule the amendment out of order.

Mr. NEIL (Comox-Alberni): May I say a word? It is customary, Mr. Speaker, before you give your decision to ask members of the house if they wish to express their opinion. Your Honour did not follow that practice in this case. May I suggest that a few days ago the house was permitted to do something entirely similar to that to which objection is now being taken. At that time the hon. member for Vancouver South (Mr. Green) moved an amendment, almost identical with what has been moved to-day, and the Minister of Justice (Mr. St. Laurent) accepted it.

At that time the hon. member wished to add to the matters which a committee would be permitted to go into and the government accepted his suggestion.

Mr. SPEAKER: The hon. member is perfectly correct in what he states with regard to the amendment moved by the hon. member for Vancouver South, but the house will also remember that I took exception from the Chair to that amendment. I did not think it was relevant to the matter then before the house, and I stated that I must not be bound by what the house did, and that it should not be considered as a precedent. The house agreed to it unanimously, but I am now faced with this amendment which involves the same principle that was contained in the amendment of several days ago. I am now asked to give my ruling, and I think if I had been called upon for a ruling at that time I would certainly have ruled it out of order, as I am doing in connection with this particular amendment.

Mr. R. W. MAYHEW (Victoria, B.C.): Mr. Speaker, I do not apologize for rising at this time to speak on rehabilitation, although I realize it is not the unanimous opinion of the people of Canada that when we are in the throes of a struggle, the outcome of which no one can definitely foretell, is the time to talk of rehabilitation. However, I do not think time can be divided into compartments of war and peace. In peacetime we should try to plan for war, and in war we should plan for peace. If we had made adequate plans for peace and for the development of this country during the last war, we would not have been in the position we are in to-day. I think in all probability this war might have been postponed. Had we during the twenty years between the end of the last war and the beginning of this one planned for this war, fewer of our men and ships would now be at the bottom of the Atlantic.

I think we should plan for peace at the present time even though we are in the midst of the desperate struggle which I mentioned. Hope is about the only antidote for fear that we have. Unless we can plan for peace as earnestly and as sincerely as we are planning for war, unless we can assure those who are fighting our battles that they can look forward to something fairly definite when they come home, or to something fairly definite for their families should they not come home, I think we shall be making a great mistake.

I am glad the government is assuming this role. I am glad to be associated with a government that is ready to put forth a programme which I consider necessary for Canada at the present time. I thought that the minister from British Columbia would be the man to head up this rehabilitation programme because he started it, but I understand now that it is to be a matter for the whole cabinet. I think that is a mistake. If we are to rebuild Canada as we want to rebuild it, this plan will require a driving force greater than has ever been presented to the government before.

This programme will not be completed by the building of a few public buildings here and there, although the building of such buildings may form part of the programme. It will not be sufficient to say that we will build some roads here and there, even though we complete the long dreamed of main highway from the Atlantic to the Pacific. That is necessary, but of itself it is only a means to an end. We must clear the slums from our cities; we must rebuild the homes on the prairies which are now quite inadequate and which I am sure make us all feel most uncomfortable when we pass through the prairies these cold wintry days. These things are necessary, but of themselves they are only items in the programme.

We shall need the construction of power dams, the creating of power from the Fraser river, the Thompson, the Mackenzie, the Saskatchewan, the Ottawa, the St. Lawrence and the Saguenay; these are all necessary, they may form part of the total plan, but they are not the total plan. I was glad to hear the hon. member for Davenport (Mr. MacNicol) refer to the need of power in the west. We may be able to put electric lights into the homes and make power available to everyone in Canada at cheap rates, but that will be only part of the plan. The electrification of our railways to use the power of which there is no end instead of oil which must be brought from the United States, should be another feature in this plan. The creation of a merchant marine will not be sufficient in itself, nor will the providing of adequate air transport. A proper foreign policy is also necessary, as well as an immigration policy. These undertakings constitute a programme which is a challenge to the people of Canada and to this government, a challenge which I hope they will be able to meet.

I have no intention of dealing with each of these items individually and telling the government what should be done. I was glad to hear the hon. member for York South (Mr. Noseworthy) speak of education. I

think that, too, has to come in on our general plan. The little red schoolhouse was red at one time; to-day we do not know what colour it is because they have not had enough money to give it a coat of paint. Unattractive schoolyards, poorly-paid teachers, all have to come in. The youth of this country is the rock on which the country will be built solidly, or it will perish. We must pay proper attention to the education of our children.

But there are four things that I rose specially to mention to-day. I mention these because they relate to war time as well as peace. One is our merchant marine. During peace time Canada had no merchant marine worthy of the name. Are we to have one when this war is over? I think the Minister of Transport (Mr. Michaud) should announce to the house before this session is over whether it is the policy of the government to have a merchant marine in Canada or not. I should like to ask him whether the present boats we are building are adequate to compete in marine service when this war is over, if our eight- or ten-knot boats will fill the bill, or if we shall need larger and faster boats to compete with other countries. Yesterday I picked up a little book published by the Swedish Traffic Association in which I find this statement:

> At the turn of the century Sweden was still to a great extent dependent on intermediaries abroad for her foreign trade and regular Swedish shipping lines extended only to the Baltic, the North sea and down to the Mediterranean.
>
> Conditions have changed with amazing rapidity. Nowadays about 45 per cent of the direct shipping between Sweden and other countries, which in 1937 comprised 47·4 million net tons (incoming and outgoing vessels), is accounted for by Swedish tonnage, and of the total tonnage of the Swedish mercantile marine about half is employed on transoceanic routes. There are now direct Swedish routes to all parts of the world, with regular sailings several times a month, and the extension of these shipping lines has led to the opening up of valuable new markets for Swedish wares. So the truth of the maxim "Trade follows the flag" has been confirmed once again by experience.

I wonder whether Canada's trade will follow Canada's flag or follow the flag of some other country. Are we to let this service be given to us by outside people or to conserve it for the boys who are risking their lives to get our goods to the other nations of the world? Before this session is over, the minister should announce some policy as to our merchant marine.

Another matter I would speak about is air transport. Here again I could quote from the same book telling what has been done in the way of air transport in the little country of Sweden. In 1937 they put us to shame. Here are we in Canada at the top of the world, the one place where we should be giving every consideration to air transport. In peace days we were running our ships, the fastest we had, from the far east to connect with the fastest trains in Canada and pushing them across to the Atlantic to farther east, the shortest and fastest route. Are we to lose that trade, hand it over to someone else to develop, or to develop it for Canada and for the boys who are to-day learning to fly and defending us? This government should now appoint a committee to go into the whole matter of air transport and where we stand in connection with transport for the world.

I say the same thing about our navy. These things should be declared now, for the benefit and the encouragement of our young men. Are we to have a Canadian navy, and in what proportions? The boys serving in our navy to-day want to know whether it is to be their life work. They do not want to feel that when the war is over we are going to have a few skiffs on the east coast and a few on the west coast. No matter what the size of it, the policy should be announced now by the government as to whether there is to be a Canadian navy or whether we are still to be sheltered under the Monroe doctrine or by Great Britain. Canadians want to stand on their own feet and they have a right to do so. Out of our strength we should help the others. If we want to be a good neighbour to our two closest neighbours then Canada must be developed with the greatest possible optimism and energy. I would not want to be the hon. member who spoke just before me. I cannot understand a man who is young and looks so full of energy and strength being so pessimistic about Canada as I know it and see it. There never was a time in my life when I could not see fifty jobs to do for every time I had one to do. For any man to rise in his place here and say that we have not this, or we have not that, I cannot understand it. What is more, we shall never have it without cooperation, no matter who is heading up our programme.

The same announcement of policy should be made as far as our air force is concerned. Are we to have an air force in Canada? Our policy should be announced this year, to encourage the boys who want to stay in this kind of work. To those who say we should wait until the war is over before deciding these things, I say now is the time for us to decide on these policies. I know our foreign trade is something we have to develop, but Canadians have a good reputation for honest dealing, for good merchandise; we have something to build on. We can cultivate that spirit and go ahead building on it. I see only

two obstacles in our way. The first obstacle to the development of our foreign policy is the growth of hatred between all nations.

I cannot see a world at peace for very long unless we can build on the foundation that all men are brothers. I cannot envision a world peace that will last very long if even to-day we are afraid to include our enemies. St. Paul said, "Feed thine enemies" and I think there is a good lesson in economics in that statement. I do not mean to say that we should do the foolish things we did after the last war, that we should give our enemies money hoping they will spend it on butter and allowing them to spend it on guns, but we can give to them out of the surpluses which we are sure to have, and see to it that they use it for butter and not for ammunition. The other obstacle in our way is perhaps our political prejudice in that we will not follow a lead when it is presented to us in all sincerity. The development of Canada should be our objective.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I desire to express my hearty support of the purpose behind the appointment of this select committee which we are discussing now and which we discussed on Friday afternoon. He would be a poor politician and an unworthy citizen who would want to throw any obstacle in the way of discussing anything that would improve economic and financial conditions in the post-war period. Many of the speeches that have been made have been highly constructive, sensible and valuable. Perhaps some hon. members fell into the habit, inevitably, of picturing a utopia without telling us how to arrive at it. We all put forward our ideas of what the post-war world should be like, but we are all rather vague in describing the method of reaching that objective. I suppose it will be the purpose of the committee to endeavour to reconcile these divergent views as to what may be best for the future.

I should like to present a couple of ideas which I think may be useful to the committee, but before doing so I wish to voice a mild protest at the hide-bound party political machinery that is used, and has been used of late years, in the appointment of select committees. Perhaps for the benefit of any new members I might explain the difference between the standing committees of the house and these select committees. Ever since confederation, I suppose, there have been standing committees of the house appointed for the purpose of considering relevant matters which may be referred to them by the house. Those committees have been struck for this year, and they may be found set out at page 407 of *Hansard*. They number thirteen. I need not mention them all, but they include the banking and commerce committee, the public accounts committee, the committee on industrial and international relations, the committee on agriculture, the committee on marine and fisheries, the committee on mines and so on. That indicates the idea of the thing, does it not; and the procedure was that when specific matters came up in the house which should be discussed at greater length than was possible in this chamber, they were referred to the appropriate committees. Any hon. member who so demands may be placed upon one or more of these standing committees appointed under the rules of the house. In 1922, when I first came here, I had myself appointed to two committees; and since they dealt with various subjects I have been able through the years, I hope, to contribute some useful effort to the benefit of the district which I represent. But this has been changed by the government, not suddenly and violently, which would give one an opportunity to protest, but subtly and quietly. Of the thirteen standing committees of the house I think six or seven did not sit at all last year. Of the two to which I belong, one has not sat for four years and the other has not met for seven years. Standing committees, forsooth! They have just died a sort of natural death, or perhaps it could not be called natural; perhaps it was an inspired death. It was not that occasion did not arise from time to time when subjects came up which should have been sent to the appropriate committees. Not at all; the government simply did not refer matters to these committees, but began this system of select committees. I think that is a nice, appropriate word, too; they were selected by the various parties in this house, particularly the larger ones. What the idea is, I do not know; but if one wanted to be cynical—of course I would not—one might suggest that when a subject came up in the house which the government felt could not be safely entrusted to the proper standing committee, that committee was sidetracked and a special, hand-picked select committee was appointed solely by those on the government benches and desiring to stay there, and by those on this side of the house equally willing to take up the reins of office. But the common herd, to which I shall refer presently, did not come into the picture at all.

Look at the order paper. It contains five resolutions to appoint select committees to consider matters all of which could and should have been sent to standing committees. Take the first resolution on the

order paper, dealing with social insurance. Could that not have gone and should it not have gone to the committee on industrial and international relations? Would it not have gone there ten years ago? That is the committee which always has dealt with anything of this kind. I remember spending weeks in that committee dealing with old age pensions, and later we considered the matter of family allowances in the province of Quebec, which was brought up by someone coming from that province. That was the appropriate place for a discussion of that kind; but that is not the case any more; this subject is to be sent to a special, hand-picked select committee. What about the public accounts committee? Should that not have been the place to send matters in connection with the expenditures of the government? It always used to be. What about the radio investigation? Should that not have gone to the banking and commerce committee?

In my own case—and I am using this as an illustration only for the moment, because presently I want to give the broader application—in twenty-one years I have never had an opportunity of serving on any of those select committees; and since the standing committees of which I was a member have not been meeting, I have been prohibited from serving in that way at all. It may be asked why I did not complain. Well, I remember that a president of the United States said something about being too proud to fight, and it might be that I was too proud to beg as a favour that which I could not demand as a right. Any hon. member can demand to be placed on a standing committee, but it is an entirely different story in connection with these select committees. To get on them you must have party pull.

Mr. MacNICOL: Being Scotch you would not beg.

Mr. NEILL: In any event it was only one man's grievance, and I was willing to pay that as part of the price for not being attached to any party; perhaps it was worth it. But now the situation is different; it is open to objection on broader lines. I want to refer to the aggregation of members—I cannot call them a group or a party—in the southeast corner; they are not all here now but perhaps they will read my remarks in *Hansard*. I do not speak for them, for I have no authority to do so; I have not consulted them nor have they instructed me to put forward their case, but since their case happens to be mine, since regrettably they find themselves in same situation, I will speak of them. They are being neglected in this matter for the same reason, that they are not affiliated with any of the larger parties. My sympathies do not extend to the political doctrines of those gentlemen. I think one or two call themselves independent, while the others have given themselves titles more descriptive of their political views, but they are all independent in the sense that they are not attached to any of the larger parties. A great statesman once said to his opponent, I abhor your sentiments but I will fight to the death that you may have the privilege of expressing them. I do not abhor the sentiments of hon. gentlemen in the corner, though I do not agree with them; but I think they should be allowed to express their views and given an opportunity to share in the life of parliament. There has grown up in that corner what I might call a cave of Adullam.

To those hon. members who were not brought up on the Scotch shorter catechism I might mention that the cave of Adullam is a place to which David, when he was out of luck, retired. It was a dirty old cave, and of it the Scriptures say:

> And every one that was in distress, and every one that was in debt, and every one that was discontented, gathered themselves unto him; and he became a captain over them: and there were with him about four hundred men.

In case it might be thought that I am reflecting upon that group I might remind them that David lived to be a very great king, the greatest of his times, and one who will always be remembered and respected as long as the Christian religion is taught. So that it is in no sense a reflection upon them if I refer to them as being a bunch of Adullamites; and if they will allow me I will include myself with them.

They number nine members in the house, a group about as large as that of the Cooperative Commonwealth Federation, or the Social Credit party. On the committee on social insurance to which I referred a moment ago there are two members of the Social Credit party, and two from the Cooperative Commonwealth Federation. Together those two groups number nineteen, but there are four of them on the committee, or twenty-one per cent. We Adullamites also number nine, but we have no representation on that committee. And we never shall have, for the reason I have already given.

After all, we were elected by the people. We are responsible only to them for the wisdom of our action, and to our God for the integrity of our motives. I do not think we should be held responsible to any political party with which we are not amalgamated, or to which we do not wish to be attached.

Mr. MacNICOL: The Adullamites have no leaders.

Mr. NEILL: Did the British North America Act, when it formed Canadian confederation seventy years ago, contemplate that? Was that the idea of the democracy about which we talk so much? I do not believe it was. There would be no danger to the government if they put one or two of these Adullamites on a committee, because the government always keeps a huge majority—and quite properly. If they form a committee of twenty-five they would have eighteen members from the government side of the house. So that it would do no harm if they did recognize occasionally—and only occasionally, perhaps—the right of members of parliament to be members of parliament, and not just to be automatic recorders of the views of a party in office, or of another party which would very much like to be in office. The very fact that we have no hope of or aspiration to office suggests that it might be a good thing to have some of us on that committee, with the assurance that we at least would not be governed by party considerations.

It is notorious in committees of the house that politics is played. If there is an investigation of some alleged action by the government, government followers try to develop a clear record, and members of the opposition try to do the opposite. Of course they play politics. And when a report comes to be written one can see the political complexion of a committee. If that is not so, then why does the government insist upon having a majority on committees? So that if one or two of these political Adullamites who are not committed to any party were put on, it would not hamper the work of the committee. It might even have a good effect upon it; it might even prove beneficial. There are some good men in the group in the corner. One of them is new, and I am informed he is an able man. How is he to demonstrate his ability or gain experience if he is not allowed to sit on a committee? I suggest that the government should be more tolerant in dealing with those who are not attached to one of the larger parties.

I would advise those hon. members sitting in the corner seats to insist upon their rights; and to insist upon them now because—and I speak from experience—they will find, as time goes on, it is a great deal easier to lose a privilege in the house than to regain one.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. NEILL: Mr. Speaker, I now turn to the work of the reconstruction committee and I hope to make a couple of suggestions that may be worthy of their consideration.

I want to support strongly those members who have advocated that the government or the committee should consider and put into effect an increase in the old age pension and a reduction in the age limit. I need not reiterate the reasons for that because they have been often given to the house and are so obvious. The feeling seems to be almost unanimous both in this chamber and in the country in favour of an increased old age pension and a reduced age limit. The minister told us to-day that representations had been received from five of the provinces, through their legislatures, I presume, begging for action in connection with this increase. I am surprised that the government does not realize the force of public opinion. It has become a positive demand for this legislation. I notice that in Great Britain the government is far more responsive to public feeling than it is here. Apparently here we need an impending general election or a vital defeat or something of that kind before the government of the day—I mean any government—realizes and responds to public feeling.

There is one angle that has not yet been touched upon which makes it important that this action should be taken and taken quickly. Several members have emphasized the point that this committee should take action quickly, recommend measures and have parliament pass them—pass them, they emphasized—in order that our soldiers at the front might see definitely in front of them some evidence that we were really in earnest, that we were not simply contenting ourselves with talking and making promises. They stressed that we should present our soldiers with an accomplished fact.

The hon. member for Brant (Mr. Wood) said the other night that it would be difficult for us to go very far with any post-war rehabilitation plans until peace was declared because we would not know into what scheme of general things we would have to fit our proposals. There is a great deal in that. Peace certainly will not be signed before six months and probably eighteen months after the armistice, and eighteen months is quite a long time. Also the peace treaty, when formulated and signed, will purely be a peace treaty. It will consist of an ultimatum laid down by the victorious allies telling the defeated nations what they have to do, and it will not go much

beyond that. There might be some proposal of a general character for maintaining an international allied police force. But that treaty will not go into details of economic or social reform. So that this committee, if it is to wait until peace comes, will have to wait still longer before we can adopt any forward-looking policy. A great deal of the policy we must adopt after the war will depend upon the treaties that will have to be made between us and other nations or possibly other groups of nations. It is upon the progress we make with them that our own changes in organization will depend. That will take a long time, and the boys at the front—they are not boys, they are men now—will be looking with very suspicious eyes upon any delays and saying, "What is this? Is it all talk?"

The question of the tariff, for instance, is a very large one. The government of the day is traditionally free trade in its outlook on the tariff, and when I say "free trade" I mean not bigotedly so. The Progressive Conservative party on this side have recently announced their very strong trend toward free trade, and I presume that they would go as far as they have announced. Many people believe in free trade, but many people believe that free trade would be fatal if it were not universal. Suppose that Canada went all-out for free trade and announced that she would throw down her tariff barriers, trade with the whole world and allow any imports to come in. Suppose our two big customers, Britain and the United States, decided in favour of the closed-door, putting up their barriers and keeping our goods out. It would be impossible in that event for us to adopt a policy of complete free trade. These things will not be expressed in the terms of a peace treaty. We shall have to make these treaties after the war with the different nations, and that again will take time. It is partly for that reason, and partly for the political advantage that would obviously accrue, that I would anticipate that the present government, when it goes to the country, as it will do this fall or next spring, would rather adopt the policy of dangling before the electors a pleasing platform of promised reforms, instead of putting them into legislative effect and presenting them as a *fait accompli* to the people. That is always more dangerous than to talk nicely in connection with promised reforms at election time. Will the men at the front accept such a course? Will they not say in regard to your promises, "Oh, heck; we have heard that before. Why don't you do something?". They will ask us to deliver the goods. These men are used to the grim realities of life, of sorrow and of death, and I am afraid they will be at least impatient of measures that are only dangled before their eyes. They will be impatient of any talk that we shall do such and so when we can get around to it.

I know an action which can be taken, and it can be taken now. The expression has been used in connection with national debt of making a token payment. Suppose we take a token action now, and not attempt to carry out the whole policy of rehabilitation at once because that would be impossible now. But let us give the men at the front a token of our good faith. Here is something that will not require to be embodied in the terms of the peace treaty. Here is something that is not dependent upon other nations. Other nations have gone far ahead of us in this regard. Here is something we can do now, and therefore I say, let us pass legislation now, increasing the amount of the old age pension and lowering the age limit. If we did that now, the soldiers would say, "They have done what they could. They have given us an earnest of their good faith. It looks as though we could trust them." And they will trust us. But if we continue to try to beguile or cajole them with pleasing-looking programmes, they will lose faith in constitutional parliament and might go to lengths—for want of having any other place to go—that would be disastrous for Canada.

It is a notorious fact that any government that I have seen in these halls is ruled by expediency. First and last, expediency is the deciding factor. Very often it is expediency that has the final word in the decision as to what policy shall be carried out. But here is a case where justice, fairness and expediency would all go together. It certainly would be most expedient to give the men a guarantee that this thing is being done for the aged people about whom so much has been said, and would also be just and fair. Therefore I urge this committee to recommend this to the government—and that the government should implement the recommendation this session—an adjustment in the amount of the old age pension and in the age limit.

I have time to speak on one more subject, one on which I have discoursed so often in the last twenty years. I refer to the Jap situation, and I note that everything I have predicted has come true. What I suggest now—unlike the old age pension—must be written into the peace terms or it will not take place at all. I refer to the deportation of the Japs and a guarantee that there will be a total refusal to allow any more oriental immigration into Canada. I say it must be embodied in the terms of peace, for this

reason. Do not believe when you are told —I have been told already, and I do not believe it—"Oh, well, this is a matter for after the war; win the war first and then we will deal with this question; we will be glad to take it up with you." It cannot be done after the war because it will then be too late. These people whom we want to deport are, or many of them are, British subjects ostensibly, and you cannot deport British subjects after the war. You can do so before the war is over or as part of the terms of peace.

No matter how slim the allegiance of these Japanese-British subjects may be to the British crown; no matter how obvious the fraudulence of their dual nationality—because they may be good British subjects and at the same time loyal Japanese subjects; that is their creed and custom and what they adhere to—no matter how designedly they were sent here—for it was not casual immigration; they were sent here by the Japanese government to start a system of infiltration into the most desirable province of Canada, from both climatic and geographical considerations, and as being useful for the purposes of aggression later on—yet they are ostensibly British subjects and cannot be deported. Therefore, if there is any deportation to be done it should be done as part of the terms of peace.

But we are told that big business interests, the big business men of whom it is said with bated breath that they are the spawn of the devil, or very near it, want these men because they want cheap labour. I have seen no evidence in recent years of anything of the kind so far as big business is concerned, and we must assume that big business is fairly shrewd or it would not maintain itself in these days of keen competition. And big business has seen within the last year that when cheap labour—if it was cheap labour—or labour of any kind was most needed, we lost it all because we had to take it away from the British Columbia coast for our own security. When we needed labour the most we lost it, and spent five million dollars in taking care of it; and before we have finished repairing boats, building houses, and paying for keeping these people idle, the cost will be twice as much. Call it anything you like, but do not call that cheap labour which disappears as soon as you need it, in case of war.

I have in my hand a copy of a bargain—or rather it was not a bargain, it was a benediction—made by the British Columbia security commission with the province of Alberta, under which they agreed to put a number of Japanese on farms in Alberta, under very stringent, named conditions. We talk about the Jews being the favoured people of God; they could never have had a look-in with the Japs, in so far as the British Columbia security commission is concerned. The commission heaped favours on them. It guaranteed them transportation; it guaranteed that they would never go on relief; it guaranteed them medical services galore, even dental service; hospitalization, education, housing. Each house had to have a garden, and it had to be guaranteed that if the man went out of work temporarily he should not be disturbed in the possession of his house and his garden plot. This was much better than was done for our unemployed during the depression. I will quote section 10 of this remarkable document:

> The commission agrees to remove or to have removed from the province, upon the termination of the state of war . . . the Japanese temporarily placed or maintained within the province pursuant to the terms of this agreement, as requested so to do by the province.

What about these people being British subjects? You cannot deport British subjects after the war is over; you cannot even move them from one province to another. The "British subject" status seems to have disappeared when it comes to the matter of their continuance in residence. I am no lawyer, but I should like to know if any government can delegate its sovereign powers to an outfit calling itself a security commission. It may delegate the commission to do certain things under its jurisdiction. But the commission apparently considers itself an independent state; it assumes it can take the Japs back or do anything it likes of that kind. I should like to see this question investigated. In addition, similar deals were made with Manitoba and Ontario before the Japs were allowed to go there, and they have all to go back to British Columbia. After the war we shall have twenty-four thousand Japanese unloaded on the people of British Columbia, who do not want one of them, any more than you do in Ontario, or anywhere else.

It may be, Mr. Speaker—it is no use my disguising facts—that in British Columbia there are a few who, from ignorance, or hopes of votes, or hopes of campaign funds, champion their "little brown brothers." Oh, they are very, very few, I can assure you. These enemies have to be given work when they come back, have they not, either by government authority, which is compulsion, or by a system of undercutting the white man—and they can easily do it, because their standard of living is much lower—and these jobs will either be given to or obtained by them in the manner I have indicated, at the expense of returned men. By that time our men or

what is left of them will have drifted back from the Pacific and from the orient, and they will be telling tales—true tales, I am afraid—of what was done to our women and men, how they were treated by these sons of—sons of Belial, Mr. Speaker, although I might have used a coarser and more appropriately descriptive word, and we shall be expected to receive them with open arms and brotherly love. It is apt to make one spit when one hears people use these fulsome terms of hypocritical affection toward these "brown brothers." No wonder that a member of the local house, the member for the west coast of Vancouver island, where my home is, used this language the other day in the legislature:

"There will be serious trouble on the west coast of Vancouver island after the war if any attempt is made to permit the Japanese to return to their former occupations there," declared James Mowat, M.L.A., Alberni. "I have received many letters", he said, "from returned men's organizations, fishermen's associations and workers in the lumber business on our coast stating that if the Japanese are allowed to come back to this coast it will start a civil war."

I will not go as far as that, for we are a law-abiding people, but that gives at least an idea of the sentiments which are prevalent there.

By the way, it has been suggested by the Japanese—and do not take it that the Japs are a dull, sodden people who want to be only hewers of wood and drawers of water; they are smart people and want to dominate this country—that they should take another course; shrewdly enough, they have turned the whole thing around. They realize how unpopular they are in British Columbia and that they will never get the vote in that province. They say this openly in their press—for they maintain a press—"There are a few thousands of us in Ontario, a few thousands in Manitoba, and so on. Stay there. You will hardly be noticed. Keep quiet. By and by you will commence down there to put forward a plea for the vote." And by that time, they expect, some sucker will be prepared to give them the vote in the dominion; the combined pressure of these people will ultimately compel, they believe, the government of British Columbia to give them the vote; and then good-bye to British Columbia, for it will be wholly in the camp of the Philistines. Once that comes to pass, the immediate consequence will be to do away with all restrictions—restrictions on fishing, restrictions on entrance to every occupation, and above all, restrictions on immigration, as I will tell you presently. When that comes about, good-bye to British Columbia.

[Mr. Neill.]

Remember this, if it had not been for pressure put on between 1921 and 1929 the whole fishing of the Pacific coast would be in the hands of these Japanese. Off my own bat, I think I can say, I got a reduction in 1922 of forty per cent of the Jap licences; a year after that, fifteen per cent, and the year after that, ten per cent. That quota in the existing licences was cut down to that extent and has been maintained ever since. I also had the immigration quota cut down from 1,700 a year to 150, and that still stands. What would the result be if it had not been for that? Instead of having 24,000 Japs, we would have had 50,000. This is only a conjecture, but I think it is reasonable to say that had there been 50,000 trained Japanese soldiers or their dependents in British Columbia, that fact might have been the major deciding factor in the Japanese deciding to invade Canada.

There are people who call them "little brown brothers," but they do not seem to think of such things as Pearl Harbor. When Hitler was about to invade a neutral and friendly country, he always said that he was doing it to protect them from the British. We did not hear that the British were going to seize Pearl Harbor, and I do not suppose that has ever been suggested. It was just an example of their ruthlessness. Let these 24,000 Japs come back to British Columbia; give them the vote as they are demanding, and in twenty years all the country west of the Rockies will be controlled economically, financially and in a business way by these Japanese, just the same as they have done in Hawaii.

It is not often that an individual, still less a nation, has a chance to turn back the pages of history and correct the errors of the past. What would the United States not have given a few years ago, or perhaps even now, not to have made the mistake they did when they established the black man in that country? At that time it was considered cheap labour, but what a terrible price they have paid! We shall pay a terrible price if we do not take advantage of this oppportunity.

This chance is before us. The war has brought untold suffering and pain. We have lost thousands of our young men, and I am afraid that thousands more will yet go. There have been huge losses of property, which matters less, and we have upon us a huge debt which will hang over us for all time to come. Let us at least take advantage of this one opportunity to correct our error and make for all time a white British Columbia and a civilized, Christian Canada. I use the word "Christian" advisedly. There are a number of ministers of the gospel in this

house, and I appeal to them. I do not appeal to them very often. They have pledged themselves to promote the cause of Christ. Missionaries have been sent out to the far Pacific to convert these people. Are my hon. friends going to lift their voices in this house in favour of establishing a heathen civilization in this country?

Do not have any doubts about it. These people are not the dying remnants of a burned-out heathenism. A number of years ago the Japanese government sat down to consider whether it was better to abandon the heathenism they had carried on up to that time and adopt Christianity, or whether they should continue as heathens. It was a question of which was the better bet, which was the best business bargain. They decided, with the best knowledge they had, to continue with their heathenism. They are heathen now. This is the fixed policy of that government, and the government is the whole thing there.

Are we to establish in Ontario and Manitoba and Alberta nucleus groups of 5,000 or 6,000 Japanese, groups that will be ever growing? Do not forget that they breed about three to one as compared with the white population. Are we to establish these heathens right in Canada? All this is only a sort of interjection, but surely the day has gone past when we should encourage the starting of these heathen groups in our midst. We should think well before taking this action.

We must consider whether we want a white Christian Canada in the future for our children. We shall never have another chance to correct the mistake that was made. This opportunity has been given us by a series of unforeseen events, so that I say, let us, for God's sake, take advantage of this opportunity when we have the chance.

Mr. D. G. ROSS (St. Paul's): Mr. Speaker, I quite agree with the hon. gentleman (Mr. Neill) who has just spoken. Something must be done at once. Theories are all right for the long-range plan, but we must act immediately. I am not sure that I understand the hon. gentleman correctly, but I believe he said that some suckers in Ontario might give the Japanese the vote. There are no suckers in Ontario because we shall not give them the vote. This afternoon the hon. member for Yorkton (Mr. Castleden) said that the people of Canada were sick and tired of being regimented. Since the hon. gentleman belongs to the socialist party, I am glad to hear him say that. If they ever get a chance, there will be nothing but regimentation in this country.

I rise to support the resolution. I was interested in the remarks made yesterday by the Minister of National Defence for Air (Mr. Power). He gave the public of Canada a real idea of the problems that will have to be faced when our boys come back to Canada. We shall have to be careful what is done with and for them. They deserve the best because we owe a great deal to them for what they have done in defence of the British isles. We can never repay them for that. Make no mistake about it; when they were defending the British isles they were defending Canada as well. However, I think there are many opportunities for them in this country. Much of Canada is still undiscovered. The spirit of enterprise shown by these young men will be the spirit that can be used to discover those great parts of Canada which have not yet been discovered.

The war is just beginning to be won. We must not relax one minute in the prosecution of the war. We must do everything we can to win this war, and we must not let talks of peace, talks of reconstruction and all that sort of thing take our thoughts away from the winning of this war. However, it is our duty to think of the future, to think of the period immediately after the war. These men expect us to be doing something like that. They expect that something will be ready for them when they are demobilized. My opinion is that it will take some little time to demobilize our forces. We should not let them go until we have something for them to go to. We shall have to have a gradual relaxation of the controls now exercised.

There is great hope for Canada. I am a believer in the future of Canada. For some time we have had an agricultural, an industrial and a scientific revolution going on in this country. The war has been responsible for the spurring on of this movement. Not only has there been a scientific revolution in agriculture and industry; it has occurred in the domestic field as well. Many new materials have been coming out. Science must not be overlooked in connection with reconstruction and planning for the future. In that connection I recommend a booklet containing a paper by J. K. Robertson on that very subject, read before the Royal Society of Canada. On page 10 he says:

> According to the fourth clause in the Atlantic charter, the United States and the British commonwealth "will endeavour . . . to further enjoyment by all states, great or small, victor and vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity."

We certainly shall have to put a great deal of money into research and the scientific development of this country. Think of what is happening in Canada, new materials being developed from time to time in connection with the war, replacing old ones which were uneconomic. Increased use of forests and coal can be looked forward to; we shall have nylon and similar products made from coal, air and water; rayon and plastics replacing metals, plastic automobiles. To-day we have need for the plastic plumber, the installation of plastic pipes. All these things are new; why can we not develop new sources of raw materials to be used, for instance, to produce aluminum instead of importing material from British Guinea? Science will enter into the reduction of costs of production by scientific methods instead of by sweated labour. New methods, new materials will reduce the actual time necessary just to live, giving a more balanced day between work, study, recreation and sleep. All these things are possible. Science will influence the future prosperity of Canada more than anything else. Many times as much money will have to be diverted to research in conjunction with the industries of this country than has ever been spent before. That is where we have fallen down so badly in the past. When we think of what the national research council has already done in conjunction with industry, and in the prosecution of the war, we can easily see the need to increase this marvellous work of research in the future.

The post-war problem of Canada is not beyond solution, but all classes in the community must work together. Enlightened leaders of industry and intelligent labour leaders will have to cooperate in the solution of their problems. In the days to come I am sure that industrial leaders will welcome the organization of labour unions. It will be to their advantage to do that. It is only when people work together in organized fashion that they can bring to bear their potential strength most effectively on the solution of any problem. Our problem is so to gear our productive machinery and plan our national economy that we create and utilize our capacity to labour for the enrichment and enjoyment of our way of life. Many people look askance at the expression "planned economy", but I would point out that the oldest planned economy in the world was that of Egypt. Joseph was the first minister of agriculture in a capitalist country; he planned in the seven good years for the seven bad years. Every big corporation, every extensive enterprise makes its plans and plans its campaigns months and even years ahead. Perhaps in the past there has not been enough of this planning in conjunction with the state. A planned economy does not mean regimentation or submission to bureaucracy; it is a way to give individual enterprise greater freedom of action and incentive for the exercise of its ingenuity and industry. Organized industry and organized labour, each recognizing the rights and prerogatives of the other, should give leadership, guaranteeing freedom from want for all. They should encourage the government to assure at least a minimum of security for all. If the citizens of the country are strong, independent and secure, what follows is a strong but flexible government, strong enough to protect the people but not so powerful as to dominate them. The government does not own and drive every machine, but its function should be to regulate the flow of industry so as to avoid snarls and collisions. Free enterprise without constraint and without pressure will invite labour to take counsel with it in planning work so that there will be employment at all times and a decent level of income for all. But it is going to be a long time before plans can be put into effect, and "the best-laid schemes o' mice an' men gang aft a-gley". The impact of the termination of the war may be sudden and great. Now is the time to plan for the day when the war ceases.

There is a solution in part as far as my own city is concerned. Many problems are facing it. A tremendous increase has taken place in the productive capacity of the city and in the population. Not only that, but the day-time population has increased very largely, and with that the problem of public services has become exceedingly acute. The question of sewage disposal is serious; the present plant was built with a capacity for less than two-thirds of the present population, and there is already a real danger to the health of the citizens and also to the other cities bordering on lake Ontario. Something will have to be done. It cannot be done very well while the war is on, although if the war lasts years more something will have to be done. At the present time raw sewage is going into the lake; the plant is not big enough to treat it. Water is being well filtered and treated; there is a fine system, but any breakdown in that system would be very serious for the citizens of greater Toronto and of the other cities bordering on lake Ontario. The problem of supplying water is difficult at the present time, and the problem of transporting the people has also to be met. I must say that the Toronto transportation

commission is doing a very good job, and if the service is not everything that might be wished it is no fault of that organization. The city must provide still more fire protection and police protection, more health services and so on. Again, at the present time we need two thousand houses; we could use that number in Toronto without any difficulty. To-day people living in Toronto are working in such places as Leaside, East York, Malton, New Toronto, Weston and other municipalities bordering on Toronto. Facilities other than public services are also severely taxed and private enterprise is doing its best to maintain such facilities.

The point I am coming to is this. How does this problem fit into the picture? Will our industries in Toronto be converted to the production of peace-time goods, and how quickly will that be done? Large investments in plant and equipment are involved, which no one wants to throw away; and if those plants are to be converted, as many will be, undoubtedly there will be many projects in connection with the services to which I have been referring which will have to be completed very quickly in order to bring those services up to reasonable requirements. Already the city of Toronto is planning for a rapid transit subway, and certain research work in that connection is being carried on at the present time. There are questions of new sewers, new streets, slum clearance, a new disposal plant, public and private housing, all of which will have to be constructed if these industries are to remain in the city of Toronto, for if we do not have the proper accommodation they will not remain.

All this will provide a great deal of work which will help take up the slack in whatever readjustment period may be necessary. The trouble is that in Toronto the tax rate is already so high that it is out of all proportion, and the assessment is high as well. These services will be required not only for Toronto; they will be required by those living in the metropolitan area and even further away. How do these projects fit into the picture of reconstruction? Well, these are matters that can be planned now. Certainly they will give employment to men at present in the army. Every class of worker will be required when these projects are carried out. Men would be given work in the manufacture of the equipment necessary for these undertakings as well as in the actual undertakings themselves. Almost every class of material, and no doubt new materials as well, will be required. The employment will be far-reaching, but then comes the question of financing. Funds will have to be provided on an equitable basis by the dominion government, the provincial government, the city of Toronto and the municipalities in the metropolitan area, all of which will benefit. They are all interested, in many ways.

My suggestion is that this is a problem in connection with which we can make plans now, so that it may be started almost as soon as the materials can be made available. All these people should get together at once and lay plans which could be put into operation without delay when the war is over. It would be time and money well spent. I believe the question of financing is the only thing that stands in the way, and it is my opinion that the dominion government must give some assurance to the people of Toronto and district that it will be prepared to do a certain amount of financing in connection with that work, which certainly will provide a great deal of employment.

Mr. F. D. SHAW (Red Deer): Mr. Speaker, one cannot approach the subject of rehabilitation and reconstruction without reflecting upon the fact that last year we had a committee of this house charged with the responsibility of looking into the various aspects of this subject. I was not so fortunate as to be a member of that committee, but I am informed that it held approximately sixteen meetings. From time to time interim reports were submitted to this house, but I am under the impression that all in all very little was accomplished by that committee. In fact I rather fancy, putting it in my own way, that our good ship reconstruction and rehabilitation, after passing through very stormy weather, foundered somewhere near the isle of nutrition. I was rather disappointed in that connection, but I trust that I shall not be disappointed with the result of the deliberations of the committee this year.

Before proceeding further may I say in all fairness that I have been impressed to some extent by the attitude of the Minister of Pensions and National Health (Mr. Mackenzie during this debate. He has not spoken, it is true, but he has been very patient. Whether or not he has absorbed what has been said we have no way of determining, but it is encouraging to see the apparent interest which he shows. I believe our plans for rehabilitation and reconstruction are predicated upon the assumption of an allied victory; there can be no question about that fact. Therefore I am inclined to the belief that any person who feels that we should not be discussing this subject at the present

time has not very much faith in the outcome of the war. When we have achieved that victory we shall do honour to the men of our army, our navy—including the men of the merchant marine—and our air force; but I wonder if it is going to be more than lip-service, which is pleasant to hear but hardly adequate to meet the situation. We who are at home are expected to make Canada worthy of the high democratic ideals for which our boys are fighting, and any plan for rehabilitation must be determined in the light of their heroic achievements.

I am satisfied that we shall be chastised for devoting to this subject the time we are taking. A certain cross-section of the press has chastised us, and I know, too, that many others across this country consider that we have no business whatsoever in devoting our energies toward this subject at the present time. But I am not worried, and I believe hon. members will not be worried about the things which may be said about us for doing what we know to be right, and doing it at this time.

History records one very important fact, namely that the enormous expenditures entailed in the financing of a war invariably lead to business recession, industrial stagnation and general unemployment. History has proven that fact. Those conditions have been accepted in the past as being the inevitable outcome of these huge expenditures. But I say that under the present system, while they may be inevitable, the time has arrived when we, the Canadian people, must declare that we must remove those things which have made this condition inevitable. And when I speak of business recession or depression or panic, I am obliged to refer to a copy of a newspaper I have before me, in which I find this definition. It says:

> A recession is a period in which you tighten up your belt. A depression is a time in which you have not a belt to tighten. When you have no pants to hold up it is a panic.

So that we want no recession, no depression and no panic.

Another point upon which I should like to lay emphasis is this: I have been appalled to have some of our men in uniform actually say to me that they hope the war will not end soon. There can be only one reason for any young man making an assertion of that kind, namely, that he fears the conditions which may prevail following the cessation of hostilities. That is not good morale, and I say it is our duty to do everything possible to stimulate the high degree of national morale essential for total war. Our boys in the fighting forces and our citizens engaged in producing the tools of war must be imbued with confidence regarding the democratic post-war order. That is essential. Any such proposal must reflect the will of the Canadian people, and not the will of someone or some group of people far removed from this fair dominion. I say, furthermore, that our plans for the post-war period must embody the desires of those fighting forces. We must lay the basis for a truly reconstructed democracy. If in establishing the basis for what some people believe may be a reconstructed democracy we infringe upon the democratic rights of our people, then I say we shall have failed, and failed most miserably.

For a moment or two I wish to deal with some of the suggestions which have been advanced during the debate by various hon. members. I was rather disappointed to-day when the hon. member for Victoria (Mr. Mayhew) had finished speaking, because during the course of his speech he stated that all of these local projects which have been enumerated by various members are fine, but that they are only part of a great scheme. But he left me in the air, because he did not tell us what the great scheme is that he has in mind.

Then just a few days ago the hon. member for Essex East (Mr. Martin) who, I am forced to conclude, is a faithful disciple of Clarence Streit, who advocates federal union, indicated his belief that we should establish a world police force. In fact he recommended, in my judgment, that Canada and this parliament be deprived of the sovereignty they now possess. I cannot tolerate that type of philosophy. Are we in Canada making the sacrifices we are making only to find, after the war, that some other government, somewhere, is dictating what we the Canadian people shall do in our own country? If that is the purpose of the war we might just as well quit to-day, because Adolf Hitler has a similar proposal in the back of his mind.

We then listened to the hon. member for Cariboo (Mr. Turgeon) who is always a delightful speaker. I enjoy listening to him. However he made an admission to the effect that we, and we alone, are responsible for the deplorable conditions which prevailed during the depression. I am putting what he said in my own words, as I understood him. We agree. Social Crediters have been telling the house that ever since the first session they attended, in 1936. It was not new at all, namely, that we the Canadian people are responsible for the conditions which prevailed in Canada during that time. Unfortunately, however, the hon. member for Cariboo, who

happens to be the chairman of the committee on reconstruction and rehabilitation, did not go far enough to indicate how we who are responsible might change our course of action so as to remove the shame which necessarily rests upon our shoulders, and not upon the shoulders of others.

The hon. member for Brant (Mr. Wood) advanced some rich philosophy—and I use the word "rich" advisedly, coming from a farming community. As I interpreted it, the hon. member for Brant indicated that the million unemployed in Canada and the hundreds of thousands who secured wages enough only to meet the bare necessities might have had their whole condition corrected had they purchased annuities. Out of what, Mr. Speaker? Then he advanced a theory which was slightly more preposterous, namely, that if we remained in our own little bivouacs and produced sufficient for our own needs all the troubles which have confronted the Canadian people would automatically disappear.

I now move on to the hon. member for York-Sunbury (Mr. Hanson), the former leader of the Conservative party, and a member, I understand of the Progressive Conservative party. But he did not show himself to be very progressive the other day. He said, Yes, I am in favour of reform, as long as you do not divorce yourselves from the status quo, and as long as you use as your course of instruction grandma's old book of etiquette.

That is all it amounts to. I want to retain everything, he intimated, and yet I want to change everything. But he will change nothing. That is the inevitable outcome of such a philosophy as he harbours.

There were others in the Progressive Conservative party who spoke who devoted a great deal of their time to local projects. All fine, I grant you, sir, but not one of those local projects will reconstruct Canada or rehabilitate the men who are coming back from overseas or are discharged from the armed services here in Canada.

I want to refer to a suggestion that was made by the hon. member for Vancouver East (Mr. MacInnis). I must confess that I am not completely in agreement with the hon. member inasmuch as I am thoroughly convinced that government monopoly can easily become much more vicious than private monopoly. Under a system of government ownership of the productive industries of the country I rather fancy that the government of the day might be motivated by political considerations unless, of course, opposition is eliminated. It is true that monopoly has developed during recent years; it is true that special privilege has developed; it is true that abuses have developed; but I blame the government which permitted these things to come about far more than I blame those who are guilty of such vile practices. I say, further, that I am definitely opposed to a few, whether in this country or in any other, fattening themselves upon the poverty of a community. I do not believe that the individual has become utterly incapable of managing his own affairs; I do not believe that he has become utterly dishonest. I say, however, that we must eliminate the abuses that have been responsible for so much condemnation having been heaped upon the heads of those who are engaged in private enterprise.

I come now to the speech by the hon. member for Acadia (Mr. Quelch). I make this assertion, that he is the only speaker in this debate so far who has advanced a broad proposal to meet the whole situation as it will be faced by the committee. On reading over his speech I notice that he pointed to the tremendous increase in the productive capacity of Canada. I am told that our productive capacity has reached the staggering total of about $9,000,000,000. Furthermore, he asserted that it is not at all unreasonable to conclude that if we could produce nine billion dollars worth of real wealth in this country per year, much of which will be destroyed during the progress of war, it should also be quite possible to produce even nine billion dollars worth of consumers' goods. I think that is sound argument. He also laid stress upon the disastrous results that will ensue if industrial collapse is not prevented through the systematic conversion of our war industries to peace industries. He enumerated three definite facts that might be used as a foundation upon which this committee could begin its work. I would suggest that the committee start all over again this year, forgetting what was done last year. I hope you will pardon me, Mr. Speaker, if I read those three facts because I wish to add to them a fourth which will make the picture absolutely complete. The hon. member for Acadia asserted at page 715, February 25, 1943:

> 1. That a complete survey should be made forthwith to ascertain the nature and volume of the products of industry which will be required by the Canadian people following the war to rehabilitate themselves, and to raise their standard of living to the level which our natural resources can consistently maintain.
>
> 2. That a complete survey of Canadian war industries be made to determine the adaptability of each to the production of those peace-time requirements, and to plan and prepare the steps necessary to bring about that conversion in each case at the end of the war.
>
> 3. That a survey be made of the possible foreign markets which may be available at the

end of the war, and the part which Canadian industry should play in the rehabilitation of those countries whose industries have been destroyed or disorganized as a result of the war.

I will add a fourth, and the fourth in my estimation is important because the other three depend directly upon it. This is it:

4. That as a step essential to the satisfactory establishment of Canadian war industry on a peace-time basis the control of money and credit be removed from the present private monopoly and restored to parliament, and that parliament so order the financial policy of Canada as to make available sufficient debt-free money for the public financing of post-war rehabilitation and reconstruction, and to assure the consuming public of sufficient purchasing power to enable them to enjoy a standard of living limited only by the productive capacity of industry and the natural resources of the country instead of by a man-made scarcity of money.

There are a great many members in this house who would agree that a survey of our natural resources is proper, and that a survey of our war industries is proper. They would no doubt go so far as to agree that we should also investigate possible foreign markets. But when it comes to the fourth proposal which I have just made, that there should be some adjustment in the financial set-up of this country, we see men arch their backs and shoot forth sparks of prejudice in a way that reminds one of an angry tomcat. I do not know how it is, but there has developed in this country a belief that there is something sacred about the subject of finance, that we are not supposed to know anything about it. To me that is just fantastic. If we are intelligent enough to know a few things about these other factors, why should we not be considered sufficiently intelligent to understand at least a little bit about that mysterious thing known as money? So much depends upon it, both nationally and internationally. I propose to quote a paragraph from a book entitled "Economic Tribulation" by Vincent C. Vickers. One may sneer at me for making a statement of this kind, but do not forget that Vincent Vickers was deputy lieutenant of the city of London. He was a director of Vickers Limited for twenty-two years, and a director of the London Assurance Company, from which he resigned in January, 1939. In 1910 he was made governor of the Bank of England, and resigned this appointment in 1919. First, he states this: I quote from page 28 of this book:

It is important to bear in mind that our monetary policy of the last several years has not, as heretofore, been a Bank of England policy but the policy of His Majesty's treasury, initiated by a chancellor of the exchequer who apparently realized that what had been permanently and definitely wrong with the nation's economic development was a monetary system controlled by the professional moneylenders and the professional creators of credit—controlled that is to say, by financiers imbued with the theory that, because money and credit were obviously essential to the interchange of goods and commodities, therefore it was equally obvious and essential that those who controlled money and the issue of credit should control trade and should determine and regulate (under their own highly profitable system) those economic processes which enable production to find a market.

Then I commend the following to the attention of the house:

This, of course, means that financiers in reality took upon themselves, perhaps not the responsibility, but certainly the power, of controlling the markets of the world and therefore the numerous relationships between one nation and another, involving international friendships or mistrusts.

To anyone who doubts the correctness of that passage let me say that all he has to do, if he wishes to gain an insight into one of the practices indulged in by those who occupy the position of having a monopoly of the nation's finances, is to read a report which appeared in the Ottawa *Journal* just a few days ago with respect to the exportation of money from France to north Africa and of the handsome profits which accumulated. Even when the house of representatives of the United States, the parliament of Canada and the parliament of Great Britain knew not that an invasion of north Africa was about to take place, the financiers of France, or better still of Vichy, knew it and took advantage of the situation to make millions of francs.

I should like to quote one further paragraph from Mr. Vicker's book, at page 27. This, he states, is the present attitude toward finance, an attitude which he asserts should be changed, and changed at once. This is the old-school idea:

Without money, nothing can be bought and nothing sold. Therefore nothing matters but money. No matter what the cost to the nation and its industries, no matter how it affects our volume of trade and unemployment and the trade of the world, under no circumstances must we allow anything to affect the smooth working of the money system. Obviously, the productive industries and their output must be regulated and organized; for if left to manage their own affairs producers would tend to produce more than the markets could consume. This applies also to our trade with foreign countries. Otherwise one class of producer, or one section of industry, or one trading country, would be obtaining more than its fair share of the strictly limited amount of money that we can render available for trade and commerce generally, for the markets, and for the purchasing power of

the people which, above all, enables markets to absorb a greater or less volume of the output of producers, in accordance with the amount of money spent and with the price of the products.

It would do every member of the reconstruction and reestablishment committee good to purchase a copy of that book and read it thoroughly before attending the first meeting of the committee.

We have asserted upon more than one occasion that the government of this country, a government which upon innumerable occasions has promised us monetary reform, and even claims at times that it has given it to us, should forthwith set up in this dominion a national finance commission responsible to parliament and operating through the Minister of Finance (Mr. Ilsley). Such a commission could serve two purposes. First, it could control the issue and the withdrawal of all money in circulation, including both currency and credit, in accordance with the nation's need; and, second, it could administer the monetary system in accordance with the principles of true democracy. If it is not sensible to establish a national finance commission in this country I should like someone to rise in his place in this chamber and advance sound arguments against the proposal.

Incidentally, Mr. Speaker, these are our proposals which were drafted at the reconstruction conference held in Edmonton in December. The second is:

> Chartered banks should cease to create, issue and withdraw financial credit, except as agents for the national finance commission, and they should be required to hold currency or credit certificates, issued by the national finance commission through the Bank of Canada, against their total deposits.

Another sound proposal. I come to No. 3:

> The money required to finance Canada's war effort or other normal expenditures should not be obtained by loans (except for the purchase of war supplies from outside the country, settlement of which is made by exports); but rather should be made available by the Bank of Canada and "surplus purchasing power" should automatically be withdrawn by taxation—

—thus ensuring, not a perfectly fantastic system of trying to control inflation, but a perfectly sound system for the control of inflation.

We contend as a fourth point that after we have set up that national finance commission we should have an effective system of price regulation to ensure that prices will not be inflated unwarrantably and primarily for the purpose of profit taking, but that goods of which there is a scarcity should be apportioned for the period of war on an equitable basis.

I would say further that we might very well take care of the national and provincial debts of this country by a systematic process of liquidation. We might make all the securities issued by the dominion and the provinces redeemable at any time without bonus or premium, and require the banks to retain against all deposits an equivalent amount in cash or credit certificates issued by the national finance commission, such credit certificates to be issued to the banks in exchange for securities held by the banks and against such loans as may be authorized by the said commission, such securities to be redeemed as opportunities are afforded for investment in the capital development of industry.

I assert that unless we give proper consideration to these financial proposals we shall see, as we are seeing to-day, a staggering growth in the national debt of this country, a debt so enormous and with interest so terrifically high that we shall not be able under the present system to finance any scheme of post-war rehabilitation and reconstruction. Lord Bennett believed that, and I do not know to what extent the Progressive Conservatives agree with him. He said that the national debt of Britain will be likely £20,000,000,000 after the war, and that the Beveridge report, and in fact any other scheme of social security, shall not have first claim against the income of the country, but rather that the interest on that national debt will be the first claim because, as he asserted, we must at all times maintain the credit of our country. I do not know whether they agree with their former leader or not.

It is stated that should this war last another three years, the national debt of this country will be $12,000,000,000, upon which we shall have a yearly interest charge of about $340,000,000, which is equivalent to approximately the total government income for the year preceding the outbreak of the war. The outcome is obvious. If we are to try to finance this scheme of rehabilitation we shall have to increase taxes tremendously. The figures I have given are not my own; they were quoted in the *Financial Post* last spring. I have not the copy with me, but I read it in that paper at that time. I hear certain under-toned comments from my Progressive Conservative friends, but since I cannot tell what they are saying, I suppose they are expressing their approval.

Is it not time that we became honest, not only with ourselves but with the people of this country? I assert that there is not as much discredit due or dishonesty to be attached to evil practices as there is dishonesty attachable to those who, knowing such prac-

tices to be dishonest, continue to support them. When this war is over we shall still have the productive capacity of Canada. We shall no more than scratch the resources of this country even though we give Britain a billion dollars worth of goods, even though we blast billions of dollars worth of goods into eternity. The resources of this dominion are almost limitless. We are not going outside Canada to get the finances with which to finance this war. All the financing in existence came into existence here. It will still be here when the war is over because we do not shoot money at the enemy nor do we export our bills or our credit.

When this war is over, our boys will ask to be given an opportunity to have security with freedom. I lay emphasis on the words "with freedom." If we fail to grant them that which we are capable of granting, then I fear the outcome. Bloody revolutions are born out of such conditions, and I am not saying that I would ever want to see the day when we shall have revolution of a bloody nature in order to get a revolution of a purely democratic nature.

Not only that, but out of the vast abundance which we are capable of producing we shall have to export billions of dollars worth of our real wealth to help reestablish other countries in the world. We shall have to give them these goods. I should like to quote an article which appeared in the *Journal* this evening entitled "No gold or goods". It reads:

> The house of representatives foreign affairs committee, recalling the international debt problems arising from the first great war, cautioned the country Saturday against expecting repayment in gold or goods when the time arrives for a post-war settlement of lend-lease aid.

There are only two ways of paying debts as between nations. One is by the exportation of goods and the other is by the exportation of gold. That committee recommended that neither practice be adopted, which would leave only one alternative—give your goods to the countries which require them and which must be rehabilitated. We must recognize that principle, and I hope we recognize it before it is too late.

Mr. T. J. O'NEILL (Kamloops): Mr. Deputy Speaker, my first word in rising to take part in this debate must of necessity be to congratulate you upon your appointment to the office of Deputy Speaker. It is only fitting that one who is so fluent in both languages, one who is so experienced in parliamentary procedure, one who is so free from religious bigotry and racial prejudices, should occupy this high office. I am sure you will discharge the duties of your high office with honour to yourself and credit to this house.

It seems to me that a discussion of this motion for the setting up of a committee on reconstruction and rehabilitation cannot be divorced from the question of the setting up of a committee to discuss social security. In many of the speeches which have been made much stress has been laid on private industry. I am in accord with private industry up to a certain extent, but when we have private industry that cannot pay wages which will provide a decent standard of living, then I say we have carried private industry too far. To-day when we are discussing wages, one of the considerations is whether the industry can afford to pay. I do not think that should be the influencing factor.

There are many things that could be done immediately that we are not doing. For instance, we have not allowed the cost of living bonus to all those who labour. There is no reason why, when we pay the full cost of living bonus to the highest paid labour, this bonus should not be paid to all who labour. At present some do not receive a bonus at all, and others receive only sixty cents a week. Many of these inequalities must be eliminated now, not only after the war.

To-day we are told not to ride on the railways, because they want to conserve power for the handling of necessary freight. That is all to the good. We were asked not to ride on the trains until February 18; then the time was extended to the end of February, and now it is extended indefinitely. But we are hauling hundreds of thousands of carloads of steel from the middle of Ontario to British Columbia, and we are hauling hundreds of carloads of coal from Alberta to British Columbia. Yet there are untold millions of tons of coal to be mined in British Columbia. We have everything in British Columbia that is required for the establishment of steel mills and iron works. Surely we do not believe that when this war is over we shall continue along with a population of ten or twelve million people. Everyone within sound of my voice remembers General Hornby coming to this country and his appeal to have British settlers brought here. The province from which I come is one of the finest in Canada, if not the finest, in climatic conditions and with natural resources capable of providing as high a standard of living as exists anywhere in Canada to-day, for a population ten or twelve times our present population. Why are we not making some provision for these people while we still have a voice as to who they shall be?

We should be setting up industry in British Columbia; why not now? We talk about all the things we are going to do after the war, but we are not attempting to do anything to-day. These things are crying out to be done at once. There are thousands of acres of land in British Columbia that will produce anything that can be grown anywhere else in Canada; all that is required is water. Water is there in abundance, but we must have power to get that water on the land for irrigation. The rivers—the Thompson, the Fraser, the Clearwater, the Adams and the Columbia—are capable of producing power in unlimited amounts which would make those acres that are now just range country the most productive gardens in North America. That can be done now. There is no reason why those things cannot be done. If you wish people to believe in your sincerity of purpose when you talk about setting up these different committees, you should be prepared to do some things now that you could do so easily.

For instance, why cannot we pay our old people a decent standard of living? Why do we keep them trying to exist on twenty dollars a month? When we provided the cost-of-living bonus we recognized that that was necessary in order to keep up with the increase in the cost of living. We gave that to men and women making anything from $150 to $300 a month. But our old people are told that they must continue to live on $20 a month; they cannot have even that small increase. No old people in this country should have to attempt to live on less than a dollar a day, and no one should be forced to work after sixty-five years of age. Industry says, you cannot work after sixty-five; they lay you off at sixty-five. But the government say that they will not pay the old age pension until you are seventy. Who is going to take up the slack between sixty-five and seventy? No provision is made. The old people of this country should be pensioned at sixty-five and should not be asked to live on less than a dollar a day.

Then in my province we have some of the last great west; some of the greatest stock farms in Canada are in British Columbia. Those stock farms could be made very much more productive if there were some system of storing water. The winter snow runs off with a great rush in the spring. If there were storage dams to collect and conserve and control that run-off, the range could be made a hundred times more productive than it is for feeding large herds of stock. These are things that can be done now. But we are not making any provision at all for them.

I do not think there is much more that I can add to the present debate at this time, but I would urge this committee that instead of talking all the time about what is to be done after the war they give some thought to these things that can be done and should be done now.

Mr. M. J. COLDWELL (Rosetown-Biggar): Before this debate closes I should like to say something about the committee which is to be set up. I have been looking over the minutes and proceedings of the special joint meeting which was held in Ottawa on December 4, under the chairmanship of the Minister of Pensions and National Health (Mr. Mackenzie). It included representatives of the provinces, the committee on reconstruction, the subcommittees of that committee, the research investigators. Looking over those minutes and seeing as I thought certain trends, I considered it might be wise to say something, not so much in a controversial spirit as to express a point of view to the minister and the committee which is about to be set up.

But before doing so, I should like to endorse what has just been said by the hon. member for Kamloops (Mr. O'Neill). I think our honesty of purpose will be very largely judged by what we do now, whether we are able and willing during this war period to improve the condition of those whose condition needs improving. I have in my hand a letter which came to me this afternoon. I am placing it before the committee not in any criticism of the minister, because I am well aware that when I send this letter, as I shall to-morrow, to the Minister of Pensions and National Health, this case will receive his personal attention. But from time to time cases come to us which indicate that perhaps we are willing to do what we can as far as this house is concerned, but that somehow or another in the far hospitals and departments, where the eye of the minister and the house is not directly upon the people responsible, things are happening which I believe neither the house nor the minister would wish to have happen. It is because I feel that there should be a backing for the committee in regard to these matters that I bring this letter to the attention of the minister and the house to-night.

This letter is written from Wetaskiwin, Alberta, and reads in part as follows:

> I was in England for two years and eight months and returned to Canada September 9, 1942. I was discharged from the army for medical reasons and have been treated like an old worn-out tire, no more use, so have been discarded.

I was admitted to the university hospital on September 25, 1942, and kept there till October 30, 1942. I was told that if I would consider an operation it would help my health. After waiting five weeks I had my operation and was discharged from hospital November 20, 1942. I was in worse condition than when I entered hospital. After being home a week I wrote the pension board to see if I could be returned to hospital. On December 14 I was admitted to hospital again. I left and come home for two weeks at Christmas and was admitted again on January 4, 1943. I was discharged again January 27, 1943. I am still quite unable to work. A pamphlet which was given to me at the time of my discharge promising the ex-soldiers lots of things for rehabilitation does not seem to connect with the way I have been treated. I was truly given the $35 for clothes, one month's pay and allowances, but when I was discharged from hospital my wife's allowance was cut off and from the 21st November to the 21st December I received nothing, and then I was put on this welfare scheme of $13 a week. I have notice that my operation—

I presume he means his injury.

—was caused in a theatre of actual war but was not serious enough for a pension.

Now if I am able to do any sort of work in the near future I am in no way financially able to get work clothes. What I want to know is how or where is the rehabilitation when I had to use the month's pay to live on after coming from hospital and if they treat the men who now come home like this, how will they ever take care of them when they all come back, and there will be plenty of them?

I read this letter because it is one of a few, fortunately as yet very few, such letters that I have received; and it seems to me that the sincerity of what we do in the future will be judged largely by what we do now. As the hon. member for Kamloops has just said, I suppose there is not a member of this house who has not files of letters in his office from old age pensioners, the contents of some of which, because we have had an unusually severe winter, would almost make one weep.

With regard to the committee to be set up, I notice of course that there has been a change in the status of the James committee, if I may call it that. Apparently now this is to be an advisory committee which will report directly to the Prime Minister (Mr. Mackenzie King). The committee consisting of the senior officials of the Department of Finance, and so on, will be actually the committee charged with the responsibility of devising ways and means of dealing with the post-war problem.

The point I particularly want to make tonight is this. I have noticed that through the papers submitted on December 4, which I have read with some care, there seemed to run the considered, unanimous opinion that what should be done was to wait until the war ends to see to what extent private industry could cope with the situation in which we shall then find ourselves; and that if private industry were unable to cope with those conditions, then the government should adopt plans and devise schemes to supplement what industry might be able to do. If I may pay it this tribute, the committee, however, seemed to have an appreciation of the problem. I notice that Principal James stated:

The single central problem which the committee on reconstruction has faced from the day of its first meeting is that of attaining full employment of our population—of those able to work and desirous of working—at as high a standard of living as is possible in the light of our available resources and the optimum rate at which we can utilize them.

Then he went on to say that this was the central key to everything else in the picture. I would agree with that summary as to the target at which this reconstruction committee, this parliament and the government should aim at this particular time. The problem of finance, which was discussed a few moments ago by the hon. member for Red Deer (Mr. Shaw), was dismissed by Principal James in a few sentences. He said that in due course they would be called upon to propose to the cabinet certain suggestions regarding a fiscal and monetary policy designed to correct business depression, proposals that involved definite government expenditures at certain periods in a trade cycle. Evidently he was contemplating periods of prosperity and depression, periods of peaks and depressions, to which we have been accustomed in the past, and was referring to policies involving a definite and careful interrelationship of central banking policy, a taxation policy and a borrowing policy so that there might be developed in the community in all periods, through a combination of private and public expenditure, a demand for goods and services which would be adequate to maintain full employment. In other words, the committee apparently as yet has not given any serious consideration to the financial problem which is involved in the programme of rehabilitation which many of us believe will be necessary. He went on to say that the problem has been discussed in general terms but is a long way from being solved. Then he went on to add this, which I thought was interesting:

. . . we are not yet sufficiently far advanced in our practical studies of financial systems and our theoretical studies of monetary and fiscal policy to be able to lay down a definite prescription and swear that this is exactly the method that must be followed in a particular country.

In other words, the advisory committee seems to be as much at sea as ever in regard

to the manner in which the programme, when it is instituted, can be financed. Yet the same document shows that the committee did have an appreciation of the tremendous problem which will face this country when the war ends. In the course of his remarks Doctor James sketched in a very few words the problem which will face Canada immediately after the war. He said:

> There are approximately 600,000 men and women in the armed forces, and some 900,000 men and women in war industries, a total of a million and a half—

And I think this is important.

> —which is roughly fifty per cent of the total number of people gainfully employed in Canada before this war began, or one-third of the total gainfully employed population in Canada at the present moment.

That gives us some indication of the tremendous problem which will face this country when the war ends, and which ought to be constantly before any reconstruction committee we set up now. Then the committee saw something else, in regard to putting these people into jobs when the war over. Doctor James said:

> We cannot rely for this purpose on the immediate reorganization of industry with a view to producing peace-time consumers' goods. With the best will in the world, it takes considerable time for an industry to switch over from war-time to peace-time activity.

That is something which the committee should keep in mind. There are those who believe that the moment this war is over, there will be such a backlog of purchasing power and of needs that there will be such an upturn in business as will take care of the men and women dismissed from war industries and those who are gradually and progressively demobilized from the armed forces. But here we have the considered opinion of the advisory committee dealing with post-war reconstruction, to the effect that we cannot rely upon that.

Someone said the other day that we were preaching depression after the war. That is not true. Personally I do not believe that a depression after this war is necessary, if we take the essential steps to plan our industrial and economic life so that when this war ends we shall be able to carry forward with great projects both in industry and in the development of our resources. But there are those, and I share the view, who believe that unless we do something of that sort we shall face a very serious situation indeed. And the committee which is advising on reconstruction definitely also shares that view.

I was struck with this sentence in that connection used by Doctor James and found on page 12.

Mr. GRAHAM: Is that the James' report from which the hon. member is reading, or the evidence of Doctor James?

Mr. COLDWELL: No; I am not reading from either. I am reading from the official proceedings of a meeting held on December 4, and I am giving some extracts from the papers presented at that meeting. At the moment I have Doctor James' comments before me. At page 12 of the proceedings Doctor James says:

> During the period immediately after the conclusion of hostilities, a period that may last for months, or for years, we must face the problem of finding jobs for a million and a half men and women demobilized from the armed forces and munitions industries. And we shall have to find these jobs at the very moment when the process of retooling will tend to reduce the demands of private industry for workers. This problem of the immediate post-war period must be met partly by social legislation, and partly by publicly financed construction projects.

To what extent one or the other will have to be used will have to be decided before this war ends. But I am convinced that this committee—and now I refer to the James committee—is too prone, as I shall attempt to show in a moment, to rely upon the ability of private industry to undertake the major reemployment problem when the war ends. He said this:

> The activities of the committee on reconstruction that attempt to develop practical measures for the attainment of full employment, or the attempt to guarantee full employment, in the immediate post-war period are, first of all, the excellent work that the committee on employment opportunities, under Tom Moore, has been carrying on in regard to the training and recruitment of labour, and the work of the dominion employment service, which I mention briefly because you will have a fuller report on that this afternoon, as well as an opportunity to discuss it. Secondly, an attempt is being made to develop a programme of construction projects privately and publicly financed by the municipal, provincial and dominion governments.

The reason I refer to that statement in the report is that I am glad to note that on account of the illness of Mr. Tom Moore the government has appointed his successor to take his place. I refer to Mr. Bengough. Throughout this report I find that except in one or two isolated instances, of which this is one, the cooperation of labour and of the farmer has been overlooked by the committee, and by the government which set up the committee. I noted this in the report, and I hope that more attention will be given

to the representations of labour and the farming community, the two greatest producing groups in our country.

Something else we should like to emphasize is this, that Doctor James said that in the few words he had been able to put together that afternoon he had tried to sketch the committee's report on the immediate post-war problems of Canada. And then he used the expression. "which is concentrated and which is urgent", and added this significant sentence, "There is no possibility of delay in the tackling of this problem".

But as I said earlier, the committee has apparently come to the conclusion that it must rely largely on private industry to meet the needs of the situation, for he says this:

> By and large however it is the unanimous opinion of the committee on reconstruction that the initial planning of industrial rehabilitation is a matter for industry itself rather than for any governmental committee.

I believe that statement is based upon quite a mistaken understanding of what the post-war condition is likely to be. To suggest that initial planning is the responsibility of private industry is wrong. We as a nation must undertake the planning of our industrial and economic effort when the war ends, if we are going to meet the needs of the situation which will develop. And Doctor James' own statement, the unanimous view of this committee, is discounted almost immediately in the words which follow in this report, when Doctor James states that up to the present time he knew of only two industrial groups that are actively at work in post-war planning. He knew of only two, and he gave the names. One of them is the pulp and paper industry. He goes on to point out that this has been undertaken not only by persons in the industry, but by the war-time controllers of the industry as well. The second group interested in post-war planning are the life insurance companies. The life insurance companies are not industries. Moreover, in Great Britain we have witnessed lately the opposition of the great life insurance companies to the social security plans embodied in the Beveridge report. And we may find that the same vested interests in our own country will oppose health insurance and other social service measures.

My belief is that in Great Britain the government will ultimately be compelled to take over at least the great industrial life insurance companies, and make them a part of the entire social security set-up of that country. The probability is that we shall have to do the same thing.

I thought that Doctor Wallace, president of Queen's university, who also contributed a paper at this meeting of the committee, brought a realistic view to the committee's attention. He pointed out that if we were to deal successfully with our post-war problems we ought to be dealing with our fundamental natural resources, and their developments. He omitted agriculture, because that was the subject of a special paper. But he placed the other fundamental resources as being mining, forestry, power and fisheries. But even President Wallace overlooked the necessity of bringing into this picture the cooperation of labour. He referred to:

> . . . conferences that represent the administration in the provinces, the industry, the bodies of a public nature that are concerned with these resources professionally, conservationally and otherwise, and private individuals who have a special interest in such resources.

It may be that in his opinion labour was covered by one of these other groups. But in my opinion we are overlooking the cooperation of the great producing masses which we sometimes separate into two groups, labour and farmers.

A word of warning to those who think that by the development of our natural resources we can meet the needs of the post-war period. President Wallace said:

> I think it would be a mistake to base too much optimism on what we can do in our resources for the immediate employment of men returning from overseas, but there can be a much larger number than most people would expect possible before looking into the picture.

While assistance can be given through the development of our resources, it is not sufficient to meet in any big way the needs of our post-war requirements and the criticism which President Wallace makes of our former policies in regard to the exploitation of our natural resources should give us all food for thought. He says:

> We have to a considerable measure neglected our resources as cropable assets. That applies more particularly to forestry, one of our great primary resources in Canada. . . . There are surveys needed in Canada, very much more extensive than anything that we are aware of, both with regard to forestry lands and also to our mining prospects. We find that in all our resources, and particularly forestry, we have an extraordinarily inadequate knowledge of the situation, and without the knowledge we cannot do very much in sound conservational procedure.

To my mind, in our post-war rehabilitation plans, we should pay a great deal of attention to forest conservation, reforestation, and the care of trees that grow naturally in great areas in this country. President Wallace pointed out that this neglect of our resources applies also in other fields, in mining and the geological and topographical surveys. He says:

There, too, far more is needed than we yet have, in order soundly to develop our resources.

If I may say so, as many of us perhaps know, President Wallace is an outstanding man in the universities of Canada in this particular field. I hope that what he said in this regard, namely, that we are becoming conservation-conscious, is true. He said:

We are becoming conservation-conscious. We are recognizing that we are losing our resources very sadly in many places. Any one who keeps his eyes open can see it, and the end is disaster, unless we act, and at once. The time has come to begin to build up again. That applies to deforested land that is wasting away because it is not protected any longer.

I think those of us who have been to Vancouver island in particular and to other regions on the Pacific coast realize the truth of that statement. He criticizes, not this government, but all the governments of Canada, for, after all, much of this applies, of course, to the provincial governments as well:

Speaking from a government standpoint, I think we have done very little for our forests of Canada.

We have allowed these great resources to be exploited, denuded, and to a very large extent wasted.

A few days ago we had an interesting discussion in the house on the importance of water conservation. This, too, was emphasized by the committee, and if I might lend my voice to others that have been raised in this house, I believe that the waters of our prairie rivers may yet prove to be a source of great wealth to this country. Several years ago I undertook to give an address in this house on an irrigation scheme for the dried-out areas of Saskatchewan. When we spoke of thirty or forty or fifty million dollars in those days for schemes of that kind or four hundred million dollars for the grandiose scheme that was spoken of at that time, there was a gasp almost of horror at the thought of spending such huge sums of money. But when this war is over, it strikes me that if we want to put a large area of western Canada on a really self-supporting basis we shall have to consider great irrigation projects, and in the great waters of the north and south branches of the Saskatchewan river we have the ways and means to do more perhaps than most of us have thought possible.

I was, however, very much disappointed in the paper dealing with agriculture. It was submitted by a former minister of agriculture in the Bracken government of Manitoba, Mr. Donald G. McKenzie. He pointed out that the problem was a large one. He drew to the attention of the committee, and I wish to draw to the attention of this house something which I believe is quite true.

There are now perhaps upwards of 200,000 men and women drawn from agriculture to the armed forces and war industry who normally, one would assume, would return to this occupation.

A very large percentage of the people who have been drawn from agriculture into the armed forces and into the war industries have come from the prairie provinces, and if I may interject this thought, I believe that the other provinces of Canada would be doing an injustice to the prairie regions, where war industries have not been established, but whose people have been drawn into the armed forces and into industry to a much larger percentage of our population than elsewhere, if the representation of the prairie provinces in this house were not kept as it is now for the next ten years. I think all fair-minded members of this house will agree with me.

Mr. McKenzie could see in the problem of agriculture apparently only two basic problems—the problem of markets and the problem of agricultural credits. True, these are two of the problems, but to my mind they are not the two fundamental problems. The fundamental problems go much deeper than the finding of markets and the provision of credits. They go into the whole basis of the land tenure and mortgage system of western Canada, and the manner in which the producers on the farm have been compelled to pay, through years past, higher prices on account of artificial conditions in the country in which we live and to receive unduly low prices for their products. So that we must look to more than two broad principles if we are going to find a remedy for the farm problem.

One other point that I noted in his paper was this, a fear that we cannot increase the consumption of agricultural products in our own domestic market. True, we must find export markets, but in my opinion we can increase the consumption of agricultural products in our own country. When we compare the prewar years and the per capita consumption of meat, for example, in Canada, with the per capita consumption in a much warmer country, Australia, where meat is not required in such large quantities, we find that our per capita consumption of meat is very much below that of Australia or New Zealand.

Then there is the possibility of widening the uses for our agricultural products. I hope the government will pay a good deal of at-

tention to the scientific experiments now being carried on looking toward the utilization of agricultural products in other industries.

Mr. REID: Would you increase the growing of wheat?

Mr. COLDWELL: I would answer, of course, that our Canadian people cannot consume much more wheat than they are doing now, but I believe that when this war ends, every kernel of wheat we have stored will be useful to assist in feeding the starving people of the war-torn countries, and for a considerable time every cereal we can grow will be needed either in Europe or in Asia. I am not apprehensive about the amount of wheat we have; my only fear is that the farmers will not be able to carry it, unaided —largely—as they have to do to-day.

Problems of electrification, soil erosion, soil conservation ought to be considered by the committee as a part of a large general rehabilitation and reconstruction programme, not only because these would give work but because they would assist generally the country in the future. I was amazed to find in the statement presented by Mr. MacKenzie this suggestion: I am not going to paraphrase it; I will read his words. He says:

> If those folks are to be persuaded to go back to the farm, some means or other have to be found to persuade them to take a little lower income than they are now getting. So we are looking at the problem and wondering if something could not be done that would provide a modest little home on the farm for a married couple, who would make their home there, perhaps with the use of half an acre of land and, say, with a cow or two to supply their needs, and who would educate their children and settle more permanently on the land than is now the case.

Mr. CRUICKSHANK: Is he another schoolteacher?

An hon. MEMBER: A lawyer?

Mr. COLDWELL: Well, I would imagine that if we tried to put a family, with a couple of cows, on half an acre of land in the prairie provinces, we would have not only dead cows but the funeral of the man, his wife and the family in a very short time, because over a very large area of our country half an acre would not begin to keep half a cow.

Mr. GARDINER: He must have meant half a section.

Mr. COLDWELL: He must have meant half a section? Well, he says, "half an acre." As the Minister of Agriculture (Mr. Gardiner) knows, although half a section is not quite so bad, there are places where it would not be sufficient.

I do not propose to refer more to this particular document, but I was interested in the trend of thought to be found—it runs through the other papers as well—that we must wait and see. We must wait and see if industry can undertake the job, and if industry cannot undertake the job then we must supplement it. I think we should have sufficient knowledge of what is going on in the world to-day to realize that industry will not be able to undertake this job, that the thing we must do is to decide on the plans we can formulate now so that we can provide the means of life for this large number of people to whom this report refers. Industry will have to assume some of the job, and in my opinion will be able to do so. Of course it will be said that we believe in taking all industry out of private hands. I have often said that this is not so. We believe that when industry becomes a monopolistic affair it is high time to take it out of private hands so that it shall not exploit the people. But, contrary to what most people think and say, we should like to see more Canadian people owning more homes and owning more property which they themselves and their families can use and enjoy. The only kind of property we do not want to see privately owned is that which is used to exploit other people. In other words, we want less public property privately owned and more personal property privately and personally owned, and the more that this ideal is kept before this house and the committee, the more likely are we to arrive at a plan to meet the post-war period.

I have spoken rather longer than I intended, but I wished to place a point of view before the house on this occasion and to deal specifically with the trends I found in the discussion as reported in the proceedings of the meeting on December 4. I believe that we are on the threshold of great changes. We must win this war, it is true. That is fundamental. We could not do any of these things if we did not win the war. I agree with that fundamental position. But we shall have lost what we are fighting for if we do not prepare, before this war ends, to organize our economy and our social life so that the men and the women who have fought and sacrificed, who have produced the goods in our war industries, who have produced the foods back on our farms, who have given of service to this nation and to the united nations in the time of need, shall have the kind of life to which they look forward and for which they fight.

Mr. BROOKE CLAXTON (St. Lawrence-St. George): The war has now lasted three

years, and if it lasts another three years and we do not do anything more in the next three years to prepare for the peace that we are going to win than we have done in the last three years, we shall not be ready for the peace.

Mr. MacNICOL: That is pretty hard on the government!

Mr. CLAXTON: The government has been occupied with something else more important, which comes first; namely, the winning of the war. But now a beginning has been made of that, and we can turn our attention more to the post-war period. Hon. members in all parts of the house have emphasized in this debate the importance of that subject, and equally they have recognized—every one of them, quite properly—that we have to win the war first, that we must put it first in our thoughts and that we must put it first in the national effort. But even in winning the war it will help us to think of the post-war period. That was expressed exceedingly well in one of the reports made in the United Kingdom, the Uthwatt report, in which it was said:

> It is our firm belief that a vital incentive to the war effort is the presentation of a clear picture of a better world which lies ahead and which, if plans are drawn up and the essential preparations made in advance, can be achieved after this struggle is over. To delay planning and the legislation to carry the plans into effect until the time for action is upon us—at the end of the war—we believe to be a fatal error.

Already we have seen some of the signs of the first glimmer of victory over the eastern sky. No sooner had the 8th army begun to make some advance and the allies begun to operate together in north Africa than we saw some reactions in Canada to this first glimmer of victory. On one side there began to be a public clamour against government control. It was as though business felt that the war was beginning to be won, and that it had better prepare itself for the post-war period. On the other side there was agitation of a new character by various labour organizations. In both instances there was the unconscious feeling that the time had come when they should begin to look to the preparation of their own post-war position. The Prime Minister (Mr. Mackenzie King) warned this house and the country, not once but three times, that we had to win the war first. I think every hon. member agrees with him.

But that does not mean that we must leave all consideration of the post-war period to some other time. We can deal with both matters together. One thing that is important is that we should put ourselves in the place of industry and try to realize what is in their minds to-day. If you have been in conference with those engaged in business and industry to-day you will realize that many of them are wondering what is going to happen after the war. If you are meeting labour groups; if you have been involved in labour disputes, you will find out that this is also in the back of their minds. I suggest that the more assurance we can give now of what will happen after the war, the better it will be for both those groups and for everyone else. If we cannot give an instalment of the post-war conditions to-day, at least we can give an earnest of it by indicating our seriousness by thinking and planning ahead and trying to anticipate and see just what will happen, trying to dovetail the various parts of this nation's effort, so that at the end of the war they will make a fighting team together to fight and win the victory of peace in the same way as they are making a fighting team to win the war.

It is easy enough to look ahead and see what labour wants. Labour does not want handouts; labour wants an opportunity to work. Agriculture wants an opportunity of selling its products at fair prices. Industry wants a chance to make a fair profit. It is that kind of thing we should have in our minds to-day. We should be trying to think of the conditions under which these three great elements in the country can work together so that we can make an attempt at the end of the war to face the problems of reconstruction. May I suggest that if we plan and put into this effort something of the spirit and the concentration of will and united purpose that we are putting into the war, we can look forward to the future with confidence. Speaking about the new order, the Prime Minister said at Toronto on March 24, 1941:

> If that new order is not already on its way before the war is over, we may look for it in vain.

Of course he is right. The war is not going to come to a sudden end and then the millenium come in at the zero hour of victory. When peace does come we may find ourselves in somewhat the same position as that of the boy who has attained his twenty-first birthday; we shall be just one day older. In a large measure we are making our peace now. We are setting to-day the conditions that will make the conditions under which we shall have to work in peace. The kind of people who are in charge of our economy and our affairs will be the same people who will be in charge of our affairs then, or so many of us expect and hope. A year or two ago some people thought that there would be a millenium after we had won the victory. That is not likely.

People have become more realistic. We know now that conditions will not be very much different except that the emphases will be changed and the purpose of all our activities will be changed. But there will be some differences. One difference will be the fact that there will be 2,000,000 people for whom work will have to be found. Another is the fact that something will have to be found to take the place of the $4,000,000,000 or more which the government has put into the Canadian economy for purposes of the war. Our economy may go back to the 1939 level unless that is done. We have those two challenges ahead of us—to find employment for something like 2,000,000 people and to get our economy at a level where, instead of a national income of something in the neighbourhood of $4,000,000,000, as it was in 1938, we shall have a national income of something like $8,000,000,000, as it probably is this year.

That cannot be done by private enterprise or private industry alone, nor can it be done by the government alone. It can be done only by the two getting together and working out plans in considerable detail in advance. Industry, labour and farmers; government, both dominion and provincial; engineers, lawyers, members of parliament; all the people who go to make up this nation must realize that unless they keep together, unless they work together at that time with the same united purpose as that which they have shown during the war, they can look forward only to a short-lived boom followed by a long and unpleasant depression. This point of view was put forth very well in the annual report of the Bank of Canada which was issued this month, when Mr. Graham Towers, governor of the bank, said:

> —the experience of the last four years has shown that government war expenditure on a sufficient scale can produce full employment.

He continued:

> The government's willingness to spend the large amounts of money involved in the war programme has been a necessary and important feature but even more important has been the unity of national purpose which has produced such remarkable economic results over the past four years.
>
> After the war is over, the present driving stimulus to maximum employment and production will be removed. If we are to maintain full employment in peace time, we must substitute other objectives for the current will to win the war. Broadly speaking our goals should be to provide a rising standard of living and to contribute to the establishment of a world economy which will remove the threat of war.

Notice what he said—the two-fold incentive that is necessary, the two-fold goal "to provide a rising standard of living and to contribute to the establishment of a world economy which will remove the threat of war." He ends with these words:

> If we are to achieve success, I feel that we must have the same broad measure of public support behind those objectives that is now back of our efforts to win the war.

Therefore it comes down to this: are the people of Canada willing to work and fight for the fruits of their victory, to fight for their best interests after the war with the united purpose they have shown during the war? Are we to do that, or are we to let the devil take the hindmost, stick our noses in the trough, and go back in a wild flight to normalcy, similar to that which we saw in 1919 after the end of the last war? That is the challenge which faces Canada. That is the challenge which faces all the civilized world.

All the countries in the world are thinking about it, and many of them have been thinking about it for a long time. In the United Kingdom, as I think hon. members know, they have not only the Beveridge but the Uthwatt and the Scott committees' reports. They have dozens of government agencies set up to study the post-war situation, and all the activities are coordinated under the general direction of the paymaster-general, Sir William Jowett. On December 1 and 2 they had two days debate on the subject of reconstruction when the work then under way was surveyed.

In Australia, which is in some ways similar to our own country in having a federal system and an economy that is largely dependent on exports and in being a great British dominion, they have already faced one part of the problem by calling together a constitutional convention in which the federal government sought for a term substantial powers from the states in order to carry out the purposes of the national government after the war. It was interesting to note that in putting this forward the attorney general of the commonwealth of Australia said that Australia was committed to a course of action under the Atlantic charter which she could not fulfil under the existing constitution. I think that should lead us to consider in Canada if it is possible for us to fulfil our obligations under the Atlantic charter and to the Canadian people under our existing constitution. The Atlantic charter to-day constitutes a treaty for Canada. It was signed on August 14, 1941, by Mr. Roosevelt and Mr. Churchill, and paragraphs 4 and 5 read:

> (4) They will endeavour, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor 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.

The internal situation is dealt with in paragraph 5:

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

Of course, by the declaration of the united nations signed at Washington, January 1, 1942, Canada agreed to its preamble which said, "Having subscribed to a common programme of purposes and principles . . ." So that we see in the Atlantic charter a description in broad terms of the purposes to which our own government and, I am sure, all the Canadian people have subscribed. The question is, are we doing enough to-day in the internal sphere to get going the kind of machinery to study and plan for what is envisaged here and what is needed to turn our economy from a war basis to a peace-time basis; and in the second place, have we contributed as much as we can to set up the international machinery to bring that about between nations? My suggestion is that though Canada has done much we can still do a great deal more. Hence we all keenly support the resolution to set up this committee in order that it may get on with its work in close collaboration with all other government agencies.

The hon. member for Kamloops (Mr. O'Neill) said there was a great deal we could do to-day to deal with this post-war situation. I have one thing that I should like to bring before the reconstruction committee for its consideration which I do not think has yet been mentioned in the house or before the committee. It concerns the one Canadian industry which does not require re-tooling, which almost inevitably is due for a tremendous boom immediately after the war, and which can count on a steady period of growth and development indefinitely after the war if we only think about it to-day. That is an industry which has been all too infrequently mentioned in this house. I refer to the tourist industry.

Immediately after the war there will be in the United States millions of people demobilized from war services and industry with savings in their pockets. The strain of the war will be over; they will want to go on a holiday and to go some place. They will not be able to go abroad because the ships of the world will be engaged in carrying food and supplies to the devastated areas and in bringing troops home. We may see in North America in the immediate post-war period the greatest boom in the travel business that the world has ever seen. Canada may well expect to get a very considerable part of that business.

Hon. members may not realize what this means to Canada. In 1941 we had 13,968,088 Americans coming to Canada, and they spent somewhere in the neighbourhood of $150,000,000 here. They brought into Canada in that year more dollars than any other single industry brought, with the possible exception of gold mining. Here is something which can be considered as a post-war activity and on which we can work now. The kind of work I have in mind is well illustrated by the activities of the wartime prices and trade board. One might not expect it to be building to-day for our post-war reconstruction, but that is precisely what it did indirectly. When sugar rationing was introduced the official of the wartime prices and trade board in charge of rationing discussed with an officer of the foreign exchange control board how it should be introduced. This officer of the foreign exchange control board was interested in the tourist business on account of the United States dollars it had brought to Canada. He said, "Have you thought of the problem of rationing American householders in Canada?" The official of the prices board said, "I did not know there were very many; how many are there?" The foreign exchange control officer replied, "There are nine thousand. Instead of forcing these Americans to line up at Canadian offices to get their sugar ration cards after they come to Canada we should write every one of them an individual letter offering to send him by mail his ration card before he comes to Canada." Therefore a letter was sent addressed "Dear Neighbour." I suppose the letters must have cost easily $50 in postage and mimeographing and paper. They brought back thousands of replies. I have seen a number of them. One from East Orange says:

Thank you again for your courtesy in telling us how to take care of this matter. It is one more evidence of the unfailing courtesy and kindliness I have found each of the twelve summers I have spent in Canada.

Here is one from Toledo:

I am delighted beyond words with the thoughtfulness and courtesy of your circular letter. . . . It will give me great pleasure to turn it over to one of our newspaper columns and believe it will receive some favourable publicity. I feel the entire United States admires Canada and the wonderful effort it is putting forth on behalf of us all.

One from Detroit:

I certainly appreciate the spirit of your letter. In fact it gave me quite a shock to find a government organization so far-sighted as to anticipate future requirements.

When I learned of this by accident it gave me quite a shock to find how far-sighted our officials had been. Later I went to the United States, and after speaking to audiences in Chicago, Cleveland and even in Johnstown, Pennsylvania, people came to me from the audience saying they had received such letters and expressed their appreciation. Then I felt that this was one of the most far-sighted, courteous acts I had ever heard of a public official doing, and I thought I would take the first available opportunity to mention it to the house in order that it might receive the commendation which I feel every hon. member would wish to express.

What I have just mentioned has a very definite post-war implication. It is building for the post-war period in the most practical way. It is creating good-will. It is leading our United States friends who own houses in Canada to look forward to the time when they may return to Canada. It is making every one of them an ambassador of good-will for us. I suggest that there are dozens of ways in which other agencies of various kinds, governmental and otherwise, can pave the way for this tourist business that we may have after the war. We should make sure that when tourists come to Canada after the war, they meet with good reception and carry back a good report. The first wave of tourists returning from Canada to the United States after the war will do more good or harm than all the publicity we could possibly buy. If they meet with a good reception, then this highly important Canadian industry will be placed on a sound footing for years ahead. If they carry back a bad report, then all the publicity we can buy will do no good. The tourist business may seem out of the way, but it is the sort of thing which people with imagination, who are thinking ahead, can work on as a way to help make Canada's situation better after the war.

If it is possible to do this in connection with something so remote as the tourist business, there must be dozens of ways which our committee and all the interdepartmental committees and the members of this house and business associations can think of which will give them an opportunity to apply their brains and their industry when that effort is needed after the war. That is the sort of planning we need, so that we, a small nation, by the use of intelligence may make the most of our resources, and it does not take a great deal of intelligence to think of these things. All it requires is continuous attention, someone whose business it is to apply his mind to that sort of thing.

It is quite obvious that what we do in Canada in regard to the post-war situation will affect us here very greatly. We can make conditions difficult for industry, for agriculture and for labour more than anything else by being uncertain, by preventing them from feeling any security as to their future. What they want above everything else is to know where they stand, to know what they can do, to know what they can plan for; and of course one of the things that should be indicated fairly soon is the kind of controls that will be necessary after the war ends, because we should remember that some controls will be required. Today we are short of certain food products, for instance milk products. I should think that immediately after the war we would be much shorter of milk products, because there will be a far greater number of people in the world who will need those products much more than we shall, and I should think the cry of suffering humanity would be responded to by Canadians. So that we may see a continuation of the rationing of certain milk products. Shipping will be short; there will have to be shipping control, and so on. Therefore I suggest that the sort of controls which will be needed for the kind of economy that will follow the war should be studied and worked out now and made popular, so that we shall not have a great clamour against every sort of control and against government bureaucracy, which will make it exceedingly difficult to get the public confidence so necessary to carry out what must be done at that time.

But when we have done everything in Canada that we can do, we must remember that we are part of the world. The result of what we do in Canada will depend in very large measure upon what happens outside Canada. We can plan and work in Canada, but unless after the war we get the kind of peace settlement, the kind of peace conditions, which will enable us to sell our wheat and other products abroad at fair prices, then we may be in for hard times. Every one of us in Canada, in the east as well as in the west, lawyers as well as farmers, should be concerned about the kind of peace settlement we have after the war. The sort of peace we get will depend a good deal upon the sort of war we fight. If we fight the war as united nations; if we develop instruments to carry out our united will; if we develop machinery and habits of co-operation during the war, then we may expect that cooperation to continue after the war. If on the other hand we do not develop those agencies and instruments and habits and that machinery during the war, then it would be expecting a miracle to hope that after the war they could be developed,

when we would have lost the main thing holding us together, namely, the desire to beat the enemy.

Accordingly I suggest that we in Canada as individuals, and I hope as a government, can support the moves that are going on around the world to strengthen the united nations, to make their union real, and gradually to evolve the agencies, the instruments and the machinery of cooperation so that the nations will get into the habit of working together, a habit which will survive the peace.

In conclusion, may I just say that I agree with the hon. member for Kamloops (Mr. O'Neill) that almost everything can be done to-day that will help us in the post-war period, and what cannot be done to-day must be planned to-day. Think of housing. Most of us, I believe, look forward to a great series of housing projects in Canada; yet our experience in the past with similar projects would indicate how technically difficult they are to work out, since they involve the cooperation of the municipalities, the provinces, the dominion and other agencies. We have discovered that if you want to get a housing project started a year from now, you must begin planning a year in advance. That is the sort of thing we can do to-day.

In connection with the committee I have only a word to say, namely, that in a matter of this importance the committee surely should be given every possible assistance by members of this house, by the public, by public bodies and especially by the government, which should not only make available to it the work done by other government agencies but make available research assistance of its own so that it could carry on its own work as well as listening to what other people are doing. Even to coordinate the results of the work of other people or to draw up any sort of well rounded report, it is necessary that the committee should have some full-time assistance. During the last three years of war it has been my privilege to attend perhaps five or six international conferences. I believe every one of those had a number of secretaries who spent weeks, months or perhaps even years preparing for those meetings which were unofficial and off the record. Not long ago I attended one such conference which lasted some ten days, to which some governments thought it worth while to send delegates some tens of thousands of miles by air. That conference was planned during two years. Perhaps more than twenty secretaries worked on that occasion in planning the conference. Yet we have a committee of this house which has no secretary who can devote a full day's work to the committee. It is high time that we gave parliamentary committees of that kind and of that importance some technical assistance. It would not require very many — a full-time secretary, an economist and probably one or two other experts to consider representations, to organize the work, to prepare submissions and to draft reports. In this way the committee can do a job which will be far more useful than it could otherwise do.

Nothing comes without work. This is the most important work upon which any one of us could be engaged, apart from the actual winning of the war itself. Unfortunately most of us cannot take part in that; we are not physically fit, or we are too old or something of that kind. But here is one thing we can do, namely, to give the boys returning from overseas a fair chance for a useful life. That is all they want.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I have listened with great interest to the fine discussion which has been carried on since it was proposed to set up this committee. I have been really disappointed, though, by the extent to which every hon. member who has participated in the debate, from the three other groups in the house, has studiously avoided telling us about how all their fine dreams are to be achieved.

The hon. member for St. Lawrence-St. George (Mr. Claxton) gave us a good speech. He, however, told us there were two million people to put to work, but he did not give us an iota of evidence as to how that is to be done. He told us that we should have to distribute in Canada the equivalent of four billion dollars, in order to keep our people up to a standard where they would have their present national income of eight billion dollars. Apparently he did not consider it important to suggest how that would be done, where the money was to come from, or how it was to be distributed.

That is the major flaw, the major deficiency in the whole debate, and in all the thinking going on to-day in the various nations which call themselves the united nations. Unless that problem is solved, all the discussion in this house and in other houses, all the efforts of this and other committees are going to be completely futile, a delusion and a snare. Let us get that in mind. I will challenge anybody to gainsay what I have said.

The emphasis of the hon. member for St. Lawrence-St. George seemed to be that we should have an international organization to settle this matter. I ask hon. members: What sort of international arrangement could have removed the unemployment situation which existed in 1935, when the United States, one

of the united nations, had 23,500,000 people on relief; when Canada, another of the united nations, had about a million and half on relief; when Great Britain, another of the united nations, had a corresponding number on relief, and when a similar deplorable relief situation existed in every single one of those united nations? I ask this question: How could the binding of these nations together possibly have removed the unemployment which existed? Let us by all means in the house begin to face the facts. Let us not talk idle foolishness. There must be a device by which improvements can be achieved. Let us find that device, and discuss it.

In passing, I should like to deal with the various speeches which have come from the Liberal side of the house. It seems to me there has been a well-organized debating team performing before us from the Liberal benches, the object being to give us the impression that the Liberal party apparently wishes us to get. I wish to indicate how it seems to me they have endeavoured to convey the impression.

The hon. member for Cariboo (Mr. Turgeon) told us about the great changes which are to take place. But he took care not to indicate in the slightest degree the nature of those changes, how they were to be brought about, or whether the changes would make us better or worse.

Then the hon. member for Essex East (Mr. Martin) talked about changes, and indicated that one change Canada had to make was to bind herself hand and foot so that she would be utterly unable to do anything by herself, so that she would have to get the permission of Timbuktu in order to determine, for instance, what credit she would advance in northern Saskatchewan. If I have been unfair to the hon. member for Essex East I will appreciate his coming into the house tomorrow and asking me questions, and I promise him that when he asks me questions I will answer them. I will not do what he did when I asked him questions the other night. I will not say that I have no time to answer.

Both these hon. members spoke about free enterprise. They neglected utterly to tell us why it was that free enterprise failed us in 1929 and 1930. We had free enterprise then. Why did it fail us? What was the reason? There was a reason; why not seek it out, and prescribe the remedy? I am not condemning free enterprise; I am saying there was something wrong either with it or with the environment in which free enterprise operated.

May I leave the Liberal side of the house now, and reflect for a moment or two on the proposals of my neighbours who sit next to me in the Cooperative Commonwealth Federation. I believe I have not yet a correct interpretation of their stand. I once thought it meant government ownership, but after listening to-night to the hon. member for Rosetown-Biggar (Mr. Coldwell) I do not know just what they stand for.

I will just say this, that if the government took over industries from private enterprise, it would be faced with the all-important problem of selling its goods. It would be no easier for a government-owned shoe factory to sell its goods, than for a privately-owned factory. Let us bear that in mind.

The first great problem is to sell the goods. If we can establish in this Dominion of Canada a set-up under which private industry can sell its goods, private industry will carry on very successfully, provided we put a few regulations around it, so that it may not exploit us. If the government owned all the industries and the government were unable to sell its goods, will someone tell me how the government could employ men to work in those industries?

Mr. MacNICOL: They could not employ them.

Mr. BLACKMORE: Exactly, and you would think that any one with common sense could see that. Our problem is the problem of discovering where to sell the goods.

On motion of Mr. Blackmore the debate was adjourned.

It being two minutes after eleven o'clock the house adjourned without question put.

Tuesday, March 2, 1943

The house met at three o'clock.

POST-WAR ECONOMIC PROBLEMS

PRESS REPORT AS TO PRELIMINARY CONFERENCE OF UNITED NATIONS AT WASHINGTON

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): An Associated Press dispatch from Washington, under date-line of March 1, states that Acting Secretary of States Sumner Welles said that all the united nations will be asked soon to send representatives to a preliminary conference on post-war economic problems. Will the Prime Minister be good enough to indicate to the house under what auspices the preliminary conference will be called, and whether or not any approach has been made to the Canadian government in connection therewith?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have been aware that the matter was one which has been under consideration at Washington, but thus far no formal communication has been made to the Canadian government concerning the matter. All I know of it thus far is what has appeared in the statement to which my hon. friend has referred and a somewhat similar statement made before the convocation at the University of Toronto on Friday last by Mr. Sumner Welles.

Mr. GRAYDON: Apparently it is to be called, if called at all, by the United States government?

Mr. MACKENZIE KING: I would assume so, but I cannot say definitely. I would not like to have it inferred that this has been settled. I assume that there will be exchanges of views between certain of the powers in the first instance to decide the particular auspices under which the conference will be called.

Mr. GRAYDON: Evidently the initiative was taken by the United States government.

Mr. MACKENZIE KING: It looks that way at the moment.

CONNAUGHT RANGES

PROSPECTIVE ALTERATIONS—QUESTION AS TO SANITARY CONDITIONS

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): In the Ottawa *Journal* of February 24 there was an article headed, "Arrange Dates for Connaught Ranges." It goes on to say:

Plans are already under way for extensive alterations to the big camp....

Will these alterations include the elimination of the unsanitary conditions which existed in the Connaught camp last year and which caused most men attending the camp to have dysentery?

Hon. J. L. RALSTON (Minister of National Defence): My hon. friend knows that the matter of the unsanitary conditions was dealt with last year.

Mr. FRASER (Peterborough West): Only partly.

Mr. RALSTON: Well, I am so advised. I had a report on it at the time, and action was immediately taken. If there is any necessity for further improvement in that respect, it will be made.

WHEAT

REPORTED CHANGE OF 1943 MARKETING POLICY BY UNITED STATES GOVERNMENT

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I desire to direct a question to the Minister of Trade and Commerce (Mr. MacKinnon). I directed one yesterday to the Minister of Agriculture (Mr. Gardiner), who was somewhat evasive—

Some hon. MEMBERS: Order.

Mr. PERLEY:—but the Minister of Trade and Commerce is very magnanimous and is always anxious to give information with respect to any important matters.

Some hon. MEMBERS: Order.

Mr. PERLEY: The question is based on a report in the Regina *Leader-Post,* which carries the head-line, "Wheat Selling Quotas Ended."

The report is from Washington, of February 24, and reads as follows:

Agriculture Secretary Claude Wickard suspended marketing quotas on wheat in the United States Tuesday in a move he said is designed to ensure adequate wartime supplies of the cereal for human food and livestock feed.

The report continues:

Wheat from 1942 crops sold, used for feed from excess acreages was subject to a penalty tax of 54 cents a bushel....

The action on marketing quotas releases for sale or use without penalty excess wheat from the 1942 crop which farmers may now be holding in storage.

Was this matter discussed at the recent Washington conference of Canadian and United States agriculture officials, and did the minister know that this change in policy on the part of the Secretary of Agriculture of the United States was coming? Also did he know of this change when he decided on the 1943 marketing policy? If he is not prepared to make a statement now, will he make one to-morrow? We should like to know the facts before the discussion takes place.

Mr. SPEAKER: Evidently this is a question that cannot be answered on the orders of the day.

Mr. PERLEY: I should like the minister to answer it to-morrow if he would. The question could not very well be put on the order paper.

STEEL AND MINE WORKERS

NOVA SCOTIA—INCOME TAX DEDUCTIONS FROM PAY OF ENLISTED WORKERS—FOOD SHORTAGES

On the orders of the day:

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, there are two questions I wish to bring to the attention of the Minister of Finance. The first arises out of a telegram I have received from the secretary of local 1064, steel workers, Sydney, Nova Scotia, setting out that men employed by the steel company and owing 1941 income tax who have volunteered for service in the armed forces were informed on applying for their wages, totalling $67, that income tax laws compelled the company to keep all their wages, since they owed more than this amount on the 1941 tax. Is the minister in a position to inform the house whether this is in accordance with government instructions to the employers?

The second question arises out of a telegram received from the president of district No. 26, United Mine Workers of America, setting out that a serious shortage of essential foodstuffs in the coal mining areas of Nova Scotia is now interfering and will in the future seriously interfere with production. Can the minister inform the house whether the wartime prices and trade board are considering this matter, and if so, what steps are being taken to improve the situation?

Mr. SPEAKER: The first question has some degree of urgency and might be asked on the orders of the day, but the second question was certainly not in that category. If the minister wishes to reply he may do so, but I submit that it is not a question that should be asked on the orders of the day.

Hon. C. W. G. GIBSON (Minister of National Revenue): The hon. member was good enough to send me notice of his first question. While I have not had time to secure details of the cases to which he referred, I would say that under the provisions of the Income War Tax Act, when a taxpayer is indebted to the crown, a notice may be served on any person who is indebted to that taxpayer requiring him to withhold the whole or part of the debt owing to the taxpayer and pay it over to the Receiver General of Canada. If the taxpayer wishes to have the order withdrawn he can apply to the local inspector of income tax and make arrangements to pay either by instalments or some other basis satisfactory to both the taxpayer and the department. The income tax department is always willing and anxious to cooperate with taxpayers and to have outstanding taxes settled on some mutually satisfactory basis of payment.

Hon. J. L. ILSLEY (Minister of Finance): With regard to the inquiry of the hon. member about a food shortage in the mining districts of Cape Breton, apparently a few days ago there was a temporary shortage but the matter was taken in hand last Thursday by the wartime prices and trade board. The prices and supply representative of the board in Nova Scotia has been in touch with the president of the mine workers in that district and there has been a substantial movement into that district of the foods of which there was a shortage. That movement is still taking place.

PRIVILEGE—Mr. POULIOT

REFERENCE TO EDITORIAL IN OTTAWA "JOURNAL" RESPECTING PARLIAMENTARY ASSISTANTS

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): I rise to a question of privilege. On the editorial page of the Ottawa *Journal* of February 27, there was an editorial entitled "Ten vacant jobs for M.P.'s", concerning the possible appointment of parliamentary assistants, and which contained the two following paragraphs:

> What hopes this must stir in ambitious breasts; and what vistas it must open up of prestige and authority, and patronage influence, and nice offices with private secretaries and stenographers, and soft rugs under foot, and letters written on embossed stationery! Almost we can see Monsieur Jean-François Pouliot in one of these roles: liking it so much that he would consent even to be "parliamentary assistant" to Colonel Ralston.
>
> It is a happy prospect; even though, alas, there can be only ten, with ten times that number for whom there will be only the bitterness of disappointment. If only there were more ministers!

I deeply resent the *Journal's* insinuation that I would run after such a job. At the start of the war the lamented Mr. Norman Rogers offered me a more glamorous position which I could not accept—not that I would shirk a duty but simply because I have not the means to be a dollar-a-year man. I shall not keep the house any longer by giving proof of what I am saying, but I am ready to show it to anyone who comes to my office to see it. After all, why should the pleasures of soft rugs under foot and embossed stationery be only for the *Journal* tycoons?

SUPPLY

DEPARTMENT OF AGRICULTURE

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

Administration service—

1. Departmental administration, $130,406.

Mr. DIEFENBAKER: I am not sure that this is the occasion on which to bring up the item that I wish to bring to the attention of the committee. I would have asked the question before the orders of the day were called, while Mr. Speaker was in the chair, but I felt that some objection might be raised on the ground that the question was not of sufficient urgency. I think it comes under the head of agriculture, for this reason, that since the Debt Adjustment Act in Alberta has been declared beyond the powers of the legislature, the position of farmer debtors in the western provinces is worse than it has been at any other time during the last eight or ten years. For the last few days in Saskatoon a conference on debt adjustment has been in session with a view to arriving at some plan by which bona fide farmers in the western provinces who are unable to pay their debts may receive a measure of protection.

Under the present quota system the western farmers are unable to sell sufficient wheat or to market sufficient of their products to enable them to meet their expenses and at the same time pay their creditors. The result is that on every hand there has been an acceleration of foreclosures and cancellation proceedings. The matter should receive immediate attention, and I bring it up now to ascertain whether or not the government will at once introduce some measure of temporary protection for bona fide farmers who are desirous of paying their debts but are unable to do so by reason of the present legislation which prevents them from marketing their wheat. Something should be done by the Department of Justice to assure them of protection until such time as the quotas are increased or as legislation may be passed by this parliament.

It is not a question of the farmers wishing to evade their responsibilities. It is, however, a matter of great concern to them that at a time when they are being asked by the Department of Agriculture to expand production, foreclosures are being proceeded with. The matter particularly concerns the Minister of Agriculture, because of his desire to secure increased production in the western provinces. At the present rate of foreclosures and cancellations unless something is done to protect bona fide farmers against actions which are the consequence of the fact that protection is no longer available, many farmers will be driven off the land before spring. I am asking the government, and particularly the Minister of Justice, whether the government will not do something at this time to put an end to what I think is a most unfair course, to stop foreclosures and cancellations against farmer debtors who are unable to pay because under the present agricultural policy they are able to market only up to a certain quota.

Hon. J. G. GARDINER (Minister of Agriculture): While I acknowledge the importance of the question which has been raised by the hon. member for Lake Centre, it is not in any way associated with the votes of the Department of Agriculture. It is a matter which is dealt with in the Department of Finance, and, so far as it means legislation, will be dealt with by the Department of Justice. I therefore suggest that while the question is an important one, it is one that should be discussed at that time rather than on the estimates of the Department of Agriculture.

Mr. HANSON (York-Sunbury): That is a dilatory plea on the part of the minister. If the situation is such as the hon. member for Lake Centre has indicated, then it is deplorable that the ministry is not facing up to it.

Mr. GARDINER: I rise to a point of order. Are we going to allow discussion under an item in the agriculture estimates on a matter which really comes properly under either the Department of Justice or the Department of Finance? I am not suggesting that the government is not prepared to face the issue—

Mr. MacKINNON (Edmonton West): It has already done so.

Mr. GARDINER: —or has not already, at least in part, done so. I am simply suggesting that this is not the proper time to discuss it.

Mr. HANSON (York-Sunbury): The rules of this house should be construed liberally. If a matter of urgent public importance cannot be brought up otherwise, then the only time that an hon. member can discuss a grievance is on motion to go into supply. I suggest that we can discuss any grievance on a motion to go into supply. The point of order is not well taken.

Mr. MACKENZIE (Vancouver Centre): But my hon. friend did not do it when the Speaker was in the chair.

Mr. HANSON (York-Sunbury): Well, I suggest that the speaker put the motion rather too quickly before we got into supply. If the ministry is going to take advantage of a technicality, it will have to be held to the rules hereafter. No one wants to stage a full-dress debate at this time, but the matter is of sufficient urgency, in substance and in point of time, that we could well spend a few minutes this afternoon in asking the government for some statement of policy, and I am prepared to discuss it.

Mr. COLDWELL: On the point of order, the hon. member for Weyburn (Mr. Douglas) was anxious to raise this very matter on going into supply today, but I thought it was understood by the gentlemen who met the Prime Minister last night that items would be called to-day without discussion and that the government would facilitate discussion of these matters within the next week by granting opportunity to air any grievance. If we had known that this discussion was to be precipitated we certainly would have raised the whole question under the proper procedure on going into supply. I am anxious to see the matter discussed. It is of supreme importance to many on the prairies. If we are to have discussion we are prepared to participate in it.

Mr. MACKENZIE KING: I should like to confirm what my friend the leader of the Co-operative Commonwealth Federation (Mr. Coldwell) has just said. I did meet yesterday afternoon with the different leaders to talk over matters with a view to facilitating the business of this week and the weeks following. It was understood that to-day the government would ask to have two items called simply for the sake of getting two departments before the committee of the whole so that any matters related to them might be taken up later in the latter part of any week if so desired. That was the sole purpose of calling an item to-day. This intention I think was mentioned at the conclusion of yesterday's sitting. It is also correct that when I came into the house this afternoon, I was told that the hon. member for Weyburn had intended to bring up a question on the orders of the day, which I understand is the question that has since come up; but having been informed by his leader that the purpose with respect to the house being moved into supply to-day was simply one of procedure and that it was desired to get on with the reconstruction committee debate so that if possible it would be concluded to-day, the hon. member postponed raising the question, on the understanding that opportunity would be afforded by a motion to resolve the house into committee of supply which would be made within the coming week. That is the position as I think my hon. friend who has just spoken also understands it.

Mr. GRAYDON: It seems to me that we are dealing with technicalities in regard to this matter perhaps more than we should. Obviously the motion to go into supply was the point at which the hon. member for Lake Centre might properly have raised his objection to the farm adjustment act; but now that the point has been raised, since the Speaker left the Chair so very quickly, and since the hon. member was on his feet for some considerable time before even I noticed him, it seems to me that we might readily abandon any small technicalities that may exist and permit a discussion at this point. It was not my understanding that any objection would be taken to a point of this kind being raised at any time on going into supply, though perhaps I may have been confused in that respect. I did not anticipate that there would be a discussion on the first item of the estimates to be called; I naturally expected that the government would ask to have the item stand, but certainly it was not clear to me that there would be any objection to the hon. member for Lake Centre raising this question at any time on the motion to go into supply. Perhaps in that regard the hon. member for Rosetown-Biggar, the Prime Minister and myself did not reach a common understanding. I should like it to be distinctly understood, however, that since the point has now been raised, and there could have been no objection on the part of the government to its being raised on going into supply, I do not think the rules should be used to prevent further discussion of the matter.

Mr. MACKENZIE KING: There are two objections to proceeding further at the moment. The first is that this is an item under agriculture, and to discuss to-day some subject which does not relate to the item before the committee would establish a precedent which would be cited continuously during the session with respect to other items.

Mr. GRAYDON: My understanding always has been that on the item covering departmental administration one could run the whole gamut of agriculture. That has been done year after year, to my knowledge; it has been the generally understood arrangement in the house. So that when the hon. member for Lake Centre raises this question, which is perhaps of greater concern to agriculture than almost any other single matter that he

could have brought up, I do not think the objection of the Prime Minister should be sustained.

Mr. MACKENZIE KING: I do not wish to debate the point indefinitely, but let me answer in this way. I do not think that even my hon. friend the leader of the opposition understood there would be any discussion on any item under which all the affairs of the department could be discussed. I think my hon. friend understood that the item was simply being called—

Mr. GRAYDON: I thought I made that clear, but I did not want a technicality to interfere with the discussion of the matter when the hon. member for Lake Centre could have brought it up quite properly on the motion to go into supply.

Mr. DIEFENBAKER: I brought up the matter because it is of importance to every farmer in western Canada. The hon. member for Rosetown-Biggar said it was also the intention of the hon. member for Weyburn to bring up the matter but I had no knowledge of that. Anyone representing a western constituency knows that with conditions as they are there should be a declaration of policy by the government now in order to give some hope to the western farmer. I was in no way bound by any arrangement that had been made, because I had no knowledge of it. In view of the rulings of the Speaker on questions asked before the orders of to-day are called I decided that there was no other way I could bring up this matter, which is of importance to many thousands of farmers in western Canada. I would ask now that a statement be made by the government as to what will be done to meet the debt situation, or, alternatively, that the matter be not now further discussed but that when another department goes into supply, as I anticipate there will be another department going in to-day, I have the opportunity to raise the question before Mr. Speaker leaves the Chair.

Mr. MACKENZIE KING: The house is in committee of supply now, and the next item will be called without the chairman making any report to the Speaker in the interval. This is a purely formal procedure to enable the business of the house to be properly carried on.

Mr. DOUGLAS (Weyburn): If the government wants to facilitate the business of the house but does not want a full discussion of this question now, would it not ease the situation if the government would now undertake to have the responsible minister make a statement within the next few days on the whole question of farm debt, or indicate to the whips of the different parties when next a motion to go into supply will be made so that a general arrangement may be made between the parties in order that a full debate may be permitted, and especially in order that a statement may be made by the government with reference to this question of farm debt, particularly as it affects western Canada. I agree with the hon. member for Lake Centre that this is a pressing matter. It is not a question that calls for a great deal of debate; it is something that requires a statement by the government, and the people of the west want such a statement quickly. If the government would give that undertaking there would be no need of any lengthy debate.

Mr. MACKENZIE KING: Perhaps I might give an undertaking that on Monday next there will be an opportunity to discuss this matter, either before or after the leader of the opposition makes his address in the budget debate. The government will undertake, if so desired, to move to go into committee of supply. I may add with regard to this matter, which the government has recognized as being important, that the Minister of Justice has not wished to take up the time of the Minister of Finance which would be necessary in discussing the matter until after the Minister of Finance had made the statement which he intends to make to-night. That is one reason why neither the Minister of Justice nor the Minister of Finance desired to make a statement to-day.

Mr. GRAYDON: May I ask the Prime Minister if he would reconsider the date when that opportunity will be afforded. The hon. member for Danforth, who will be offering our criticism with respect to the budget, will be speaking on Monday, and we hope that the budget debate will proceed from then on without interruption. I would rather hope that the Prime Minister might arrange to have this statement made on Friday next, before we get into the budget debate, because this discussion may go on for some time.

Mr. ILSLEY: I have not said anything during this discussion because I had hoped that we would not have this matter brought up on the first item. I believe a discussion of this matter, once we start it, will go on for some time, because it is one of the most difficult questions with which the government is called upon to deal. A conference was held at Saskatoon on February 26, and as a result a delegation has been appointed to come to Ottawa and make certain representations.

Further, the Department of Justice received only on February 25 or 26 the text of the opinion of the judicial committee of the privy council, and since then there has not been an opportunity to decide upon any legislation, nor will there be an opportunity to do so at least until after we have heard the representations of the delegation that is coming here from western Canada. Whether or not we should precipitate a debate on this matter next Monday is a matter to be considered, having in mind that I believe the debate will be lengthy. I do not know whether or not it should be done.

Mr. ST. LAURENT: For the information of hon. members I may add that the copy of that opinion which was mailed to us from London has not arrived here as yet. The copy we have was obtained from the office of the attorney general of Alberta. I received it, I think, on February 25 or 26, and immediately brought it to the attention of the Minister of Finance. There has been no opportunity since that time, in view of the statement the Minister of Finance is to make to-night, to go into the matter. I do not know what explains the fact that the copy of the reasons, mailed to us presumably just as quickly as the other copy was mailed to the attorney general of Alberta, has not arrived. The attorney general in that province got his, and was kind enough to send me at once by air mail a transcript of the copy he had received.

Mr. BLACKMORE: It seems to me we are now discussing two questions. The first is whether or not we shall have an open discussion, and the second seems to have something to do with what the government's action will be. The understanding I had from our meeting last night was in accordance with that expressed by the hon. member for Rosetown-Biggar. I understood that the items were to be brought in merely to facilitate the business of the house, so that we might be in a position to discuss the items on Friday, or on other days we might choose. It was my understanding that at this time there was to be a minimum of discussion, and I had the impression that all three contracting parties agreed. If one party opens a discussion when the others are not prepared, it does not seem quite fair.

Mr. GRAYDON: I know my hon. friend would not attribute to me any unfairness with respect to the arrangement made yesterday. After all, this whole matter has arisen perhaps through a misunderstanding, and because Mr. Speaker left the Chair so quickly. I wish to point out only this, in closing the matter, that I am not a bit impressed by the explanations either of the Minister of Justice or of the Minister of Finance with respect to the reasons for judgment. We know what the privy council did in this matter. But surely under the War Measures Act, the government if it so desired could take action to prevent wholesale foreclosures and cancellations in western Canada, pending some decision being made.

Mr. ST. LAURENT: The information we have is that no wholesale foreclosures are taking place in the western provinces at the present time. That is the information I have received from reliable sources in those provinces.

Mr. DIEFENBAKER: Mr. Chairman, the explanation given by the minister, that the ministry has not had an opportunity of examining the text of the judgment of the privy council, is not satisfactory. In July of 1942 the Supreme Court of Canada declared the debt adjustment legislation in Alberta beyond the powers of the legislature. At that time I raised the question in the house and asked the Minister of Justice whether consideration had been given to bringing in some temporary relief under the War Measures Act, the minister said consideration was being given the matter. Ever since that time foreclosures have been continuing at a rate not equalled in the past ten years. They are continuing, and the condition is causing unrest. The answer by the minister, that the government intends to wait until next week or the week after, or that it did not receive the text of the privy council's decision, will not satisfy those who find themselves to-day in grave danger of litigation, and unable to pay their debts because of quotas fixed by government policy.

Item stands.

DEPARTMENT OF EXTERNAL AFFAIRS

37. Representation abroad, including salaries of high commissioners, ministers plenipotentiary, consuls, secretaries and staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments, $988,990.

Item stands.

Progress reported.

POST-WAR RECONSTRUCTION

APPOINTMENT OF SPECIAL COMMITTEE ON RECONSTRUCTION AND REESTABLISHMENT

The house resumed from Monday, March 1, consideration of the motion of Mr. Mackenzie (Vancouver Centre) for the appointment of a select committee to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, last night a few minutes before the house adjourned I began to discuss to some extent the speeches which had been delivered by hon. members in various parties. For a short time, if I may, I should like to continue along that line.

All hon. members of the Liberal and Progressive Conservative groups who spoke agreed that we should have free enterprise in the post-war period. My group would also agree, although I am not sure that we would accept without qualification the word "free". But we surely do believe in individual enterprise. The hon. member for St. Lawrence-St. George (Mr. Claxton) pointed out that we had two million people to put to work in the post-war period, and four billion dollars to find and to distribute throughout Canada in order to maintain the standard of national income of eight billion dollars which we enjoy at the present time.

The questions naturally arise, how are we to find work for two million people, and how are we to find the four billion dollars to spend. No word was uttered by anyone, either Liberal or Progressive Conservative, as to how those two questions might be answered. I am sorry the Cooperative Commonwealth Federation speakers also ignored the point.

Mr. COLDWELL: We will deal with it at the proper time.

Mr. BLACKMORE: I should have been glad to have them tell me how they would find the money.

Mr. COLDWELL: We will do it at the proper time and in the proper place.

Mr. BLACKMORE: And we will be listening at the proper time. My question is, how? It seems to me if the house could agree upon defining the issues and finding where the clash arises among the schools of opinion in the house, and if we could agree to discuss that clash of opinions, we should really get a great deal farther.

I believe all of us agree—all members throughout the house—that we ought to use Canada's natural resources to the limit. Where is the Liberal, the Progressive Conservative, the Cooperative Commonwealth Federation member, the social crediter, the united reformer, or any other member in the house who does not say we ought to use the resources of Canada? Why not grant that? Why discuss it at all? Surely we want the facts. Where is the Progressive Conservative who does not believe we should have reforestation in Canada? There is not one in the house. Why discuss it, then? Where is the individual who would not agree that we should have irrigation in Canada from coast to coast, wherever irrigation schemes are feasible? Anyone would agree to that. Then why spend time discussing it? Where is the person who would not agree that we should have electrification on our farms from coast to coast? No one would dissent from that view. Where is the individual who would oppose the carrying out of health schemes throughout Canada? No one would question the idea of free hospitalization and state medicine and every other kind of assistance to the people that would raise their standard of health. Not a soul would question that. There would be some who would ask, as soon as the question was raised, "Where is the money coming from?" But granted that the money is available, no one would doubt that we should have all desirable health measures. Then why argue about them?

I think everyone agrees that housing schemes are desirable. There is not a member in this house, granted that the money is available from a suitable source, who would not advocate that everyone in Canada should live in a comfortable home. No one would question that every one of our aged people should have a more munificent allowance than $20 per month. No member in the Liberal ranks, and I am sure no one in the Progressive Conservative or in any other rank, does not feel aggrieved that our aged people are condemned to the meagre allowance they now have. No one would not gladly give the old age pension at sixty-five years of age provided he knew where the money was coming from. Why spend our time discussing such matters?

I believe that there should be federal aid for education. Yesterday afternoon the hon. member for York South (Mr. Noseworthy) set forth the inequities in our educational system in Canada, and I believe we all heartily agree with what he said. The question that immediately comes to the mind of many is, "Where is the money to come from?" Then why not spend our time discussing the question which represents a clash of opinion—where is the money coming from?

Suppose I spend a little time on that question. In addition to the question where the money is coming from is the question where markets are to be found. At the present time we are short 2,000,000 of our best effectives in Canada, and yet we are able to produce all the goods with which to supply the remainder of the Canadian people with a reasonably good standard of living in war time. We are also able to maintain these 2,000,000 at a good standard of living. At the same time we are devoting a great deal of our energies to the manufacture of munitions to be wasted. We are to be faced with the real difficulty of setting these 2,000,000 to work when they come to produce consumer goods, and of disposing of the goods which they will enable us to produce. I should think that that problem will be a real problem for anyone, no matter what his economic ideas may be.

So far as the Liberals are concerned, with the ideas that they express, it will be a hopeless problem. With the ideas that the Progressive Conservatives have expressed, I say again it will be a hopeless problem. What success the Cooperative Commonwealth Federation could achieve is an open question. It seems to me that they have always been rather shifty about what they think. There is a distinct difference between their statements and ours. We set forth in clear and unmistakable terms, which our friends may or may not understand, exactly what we propose.

Suppose Canada were going to use socialization as a means of solving the two problems, first, that of markets and, second, that of putting people to work. Let us suppose that socialization means government ownership. Take for example a shoe factory. A shoe factory is limited in its output by the number of shoes it can sell. At the present time there is probably a scarcity of labour, but, generally speaking, the only limit to the output would be the number of shoes that could be sold. The Canadian National Railways, which is government owned, has just as much difficulty selling tickets as the Canadian Pacific railway, which is privately owned. The mere fact that a government owns a factory, or that the people own a factory, or that a municipality owns a factory, will not enable that factory to sell its goods.

Mr. DOUGLAS (Weyburn): If the people were getting enough in prices they could buy the shoes.

Mr. BLACKMORE: We will grant that the whole question is, how are they to get enough wages and prices? Will the mere fact that the government owns an institution grant the people that additional wage?

Mr. COLDWELL: I think so.

Mr. BLACKMORE: Does the fact that the Canadian government own the Canadian National Railways give the Canadian National workmen more in wages than the Canadian Pacific workmen receive?

Mr. DOUGLAS (Weyburn): That is only one item of government ownership in the whole field.

Mr. BLACKMORE: This question must be asked and this question must be answered before we can judge the efficiency of the Cooperative Commonwealth proposals to solve the problem before us.

Mr. COLDWELL: You were going to tell us how you were going to solve them.

Mr. BLACKMORE: One must first clear away the rubbish from his building site before he starts to build his new house. As I have said, the two problems are, first, the selling of goods and, next, the providing of work. The next question is that of getting enough money to spend in the country in order to keep the people's standard of living high, according to the hon. member for St. Lawrence-St. George (Mr. Claxton). I hinted last night that the Liberal speakers have suggested proposals which are rather different from what they are doing at the present time and also different from what the Cooperative Commonwealth proposes to do. They are certainly as far away from the social credit proposals as the north pole is from the south.

I gathered from the words of the hon. member for St. Lawrence-St. George and the hon. member for Essex East (Mr. Martin) that they favour internationalism. I spent a little time last night on the question of internationalism. Hon. members will remember that I referred to the fact that the United States had 23,500,000 people on relief in 1935; that Canada had about a million and a half on relief; Great Britain as well as every other one of the united nations had a corresponding number. Will anyone tell me how the problem could have been solved by tying the whole lot of them together; how internationalism can solve the problem of unemployment? I think the hon. member for St. Lawrence-St. George and the hon. member for Essex East would have made a greater contribution to the debate had they devoted at

least a small part of their time to an elucidation of the answer to that question. The hon. member for Essex East spoke of a supranational government as a possibility.

Mr. MARTIN: When was that said?

Mr. BLACKMORE: I shall read the quotation shortly. Before I deal with the efficacy of internationalism as a solution, I should like to raise this question. The building up of an international government, especially a supranational government, will destroy the British empire and destroy the British commonwealth. How in the world could Canada listen to the advice and follow the direction of a supranational government, consisting probably of a group of financiers with headquarters at Basle, and at the same time devote the necessary attention to co-operating with the other members of the British commonwealth in order to achieve the aims and objectives which the British people may deem it desirable to achieve? Once a supranational government is established the British commonwealth of nations will be destroyed. Let us face that issue squarely.

I shall now deal with some of the remarks of the two gentlemen to whom I have referred. First I shall give some attention to the hon. member for Essex East and quote from his remarks as reported on page 741 of *Hansard*. He said:

> What I meant last night when I said that we had to look at this problem from the broad perspective was that these effects will be of no avail unless the whole thing is done on a collective basis with the participation of all nations.

May I just interrupt to say that that is sheer nonsense.

Some hon. MEMBERS: Oh, oh.

Mr. BLACKMORE: Well, it is nonsense. Our forefathers went into the wilds of this country and made things go and had a finer standard of living for the whole people, considering food, clothing, shelter and comfort, before ever we got into this age of plenty. They did not have the dangers of unemployment and insecurity which we have to-day. Where was the internationalism then to help them out? I proceed:

> Our country which looks to the markets of the world for the source of its income is in a special position in that respect. Consequently the kind of planning that I would envisage would be one where the key commodities available to all nations would be distributed through properly controlled non-privileged international pools, where production and distribution would be controlled by international cartels, again not based upon legal or special privilege. The trend of the future must certainly be toward more extensive international control over raw materials, foreign exchange, markets and credit by some, let us call it a supranational agency—

Mr. MARTIN: Oh yes, but not a government.

Mr. BLACKMORE: Well, it is control. What can you call it but a government? What is a government but that which controls?

Mr. SLAGHT: Whose remark is that?

Mr. BLACKMORE: The language is that of the hon. member for Essex East. The hon. member for Parry Sound will find it at page 741; and I conceive that, being constituted as he is, it will give a sort of shock to him. I continue:

> —along the lines designated this morning by Mr. Sumner Welles and yesterday in the United Kingdom by Mr. Morrison.
>
> This in turn will call for the creation of some mechanism by which this can be brought about, and I would hope to think that the committee will formulate a plan and subscribe to the idea of the creation of an international bank—

Heaven help us!

> —the control of production and distribution of the major foodstuffs and materials, a rationalized system of immigration and migration, the control of employment and the promotion of health and social welfare measures.

Notice this particularly luscious bit:

> All these things can be done only by collective effort.

In other words, in Canada, granted that we have the doctors and the medicine and the hospitals and the means of operating, we are unable to cure a case of appendicitis without getting the consent of Iceland. One of the most absurd propositions a man ever conceived of. I proceed:

> That is where I want to leave the emphasis.

Nothing can be done except by international control with respect to the matters mentioned, and apparently the international control is to be the means whereby these good objects are to be achieved. I continue:

> That is the impression I wish to leave, if I leave no other.

Mr. KUHL: That is the impression the hon. member did leave.

Mr. BLACKMORE: Mr. Speaker, this is simply drivel. If this were talked by anyone but a Liberal and anyone but a member of parliament, a person hearing him would be justified in having him arrested for high treason.

Mr. MARTIN: Why not do that?

Mr. BLACKMORE: Well, I will leave someone else to fight with that particular dragon. But the men who are talking this kind of thing glibly in this country and in the United States and elsewhere are talking nothing short of high treason to the British empire, the British commonwealth of nations and the Dominion of Canada. They are talking about the destruction of the sovereign power of this government—which is undoubtedly treason or sedition.

May I turn now to the speech of the hon. member for St. Lawrence-St. George (Mr. Claxton)? I may return after a while to the hon. member for Essex East. At page 813 of *Hansard* I find these statements by the hon. member for St. Lawrence-St. George:

It is easy enough to look ahead and see what labour wants. Labour does not want handouts; labour wants an opportunity to work. Agriculture wants an opportunity of selling its products at fair prices. Industry wants a chance to make a fair profit. It is that kind of thing we should have in our minds to-day.

With every one of these sentiments every hon. member will agree. It is the method of achieving the objectives concerning which we shall disagree; and apparently the hon. member for St. Lawrence-St. George thinks we shall be able to solve all these problems if he ties enough other nations tight up to us so we cannot move. I turn to another page. He read from the Bank of Canada report a statement with which I think no one would disagree. I read from his quotation:

"If we are to maintain full employment in peace time, we must substitute other objectives for the current will to win the war. Broadly speaking our goals should be to provide a rising standard of living and to contribute to the establishment of a world economy which will remove the threat of war."

I think we all agree. Once more, it is the method of attaining that objective which we are interested in. May I read now a third excerpt? He was referring, apparently with a great deal of sympathy, to what Australia did. He says:

. . . they have already faced one part of the problem by calling together a constitutional convention in which the federal government sought for a term substantial powers from the states in order to carry out the purposes of the national government after the war. It was interesting to note that in putting this forward the attorney general of the commonwealth of Australia said that Australia was committed to a course of action under the Atlantic charter which she could not fulfil under the existing constitution. I think that should lead us to consider in Canada if it is possible for us to fulfil our obligations under the Atlantic charter and to the Canadian people under our existing constitution.

May I break in to raise this question: What can that statement possibly mean other than that the hon. member for St. Lawrence-St. George is envisaging a change of the British North America Act which will take away the powers which were conferred upon the provinces by that act? I read on:

The Atlantic charter to-day constitutes a treaty for Canada. It was signed on August 14, 1941, by Mr. Roosevelt and Mr. Churchill, and paragraphs 4 and 5 read—

I will omit the reading of these two paragraphs. Apparently this gentleman is in favour of using the Atlantic charter as a lever to force the Canadian people to swallow the idea of destroying the British North America Act.

May I say right here that there are two constitutions in the world which are proof against the contrivings of a group of gangsters who are trying to bring this thing about—this "united nations," this destruction of the British empire, this general enslavement of mankind. There are two constitutions which are proof against their machinations. One of them is the British North America Act, and the other is the constitution of Australia. And the gangsters have been at work industriously for several years, trying by one means and another, by fair means and foul, by all sorts of specious reasoning and persuasion and high power propaganda, to get the peoples of Canada and Australia to give up their constitutions. Apparently the hon. member has become imbued, let us say unconsciously, with the sentiments of the gentlemen who are seeking to destroy the constitutions of this dominion and of Australia—two of the greatest democratic constitutions on earth.

Mr. EDWARDS: May I ask the hon. member a question?

Mr. BLACKMORE: Certainly.

Mr. EDWARDS: Is it not true that there is no government in Canada that has passed more legislation destructive of the British North America Act than the government of Alberta which my hon. friend supports?

Mr. BLACKMORE: I wonder whether the hon. member would answer a question for me. Does he consider that the British North America Act gives the provinces control over property and civil rights?

Mr. EDWARDS: Yes.

Mr. BLACKMORE: Then will he tell me how any government can control property and civil rights unless it can also control the credit of the country?

Mr. EDWARDS: In other words, the hon. member and the party which he supports want to be the interpreter of the British North America Act instead of leaving it to

the constituted authority which was set up to interpret the act. The party which the hon. member supports, I submit, has been outstanding in its violation of the British North America Act.

Mr. BLACKMORE: All that the social credit government of Alberta has done has been to assert the autonomy of the province of Alberta in order to put itself in a position where it can live under the British North America Act.

Mr. EDWARDS: True, but has it not attempted to destroy the very act we are trying to uphold?

Mr. BLACKMORE: How is it possible for a province to control property and civil rights when a bank can lend money one year and refuse to lend it the next, thereby destroying entirely the economic stability of the province? The thing is impossible. I shall be glad to debate this matter at any length with the hon. member when we get into committee. I am not afraid of him, with all his intelligence and legal skill.

Mr. EDWARDS: I thank the hon. member for the compliment.

Mr. BLACKMORE: I think I have dealt fully enough with the hon. member's questions, and I have submitted to his speech.

Mr. HOMUTH: You have not convinced him.

Mr. BLACKMORE: It is impossible to convince a man against his will. May I read further from the speech of the hon. member for St. Lawrence-St. George. He said at page 815 of *Hansard:*

> . . . and in the second place, have we contributed as much as we can to setting up the internal machinery to bring that about between nations? My suggestion is that though Canada has done much we can still do a great deal more.

I take that as another veiled reference to the destruction of provincial power within this country. No government that has ever sat in Ottawa has done so much to weaken and destroy provincial power as the government now sitting in Ottawa. The Sirois report was designed purely for that purpose —purely. What I want to know is this: If the British North America Act were destroyed, how could that possibly help us to find four billion dollars to spend in this country? How could it possibly help us to put two million people to work in this country? It could not possibly help us. So that all the efforts of those who are trying to attain these two objectives, the destruction of the British North America Act to centralize power in Ottawa, and the destruction of the British empire by putting controlling power into the hands of some international government, will in no way help to solve the problems we have before us. They are utterly beside the point.

I should have liked to discuss the tourist trade. I commend the hon. member for St. Lawrence-St. George for advocating an increased tourist trade. There are difficulties in the way, but I have not time to deal with them now because I have had to spend so much time in answering the questions of the hon. member for Calgary West (Mr. Edwards). If it were possible to solve our problems by those two devices which the Liberals are advocating, it would be quite a different matter; but it is impossible to solve them by those means, and to attempt to do so would only mean that we should lose our birthright without even getting a mess of pottage in return. The Liberals will wake up ten years from now to see what a monstrous thing they have done when somebody else is suffering the consequences.

An. hon. MEMBER: What about the Cooperative Commonwealth Federation?

Mr. BLACKMORE: The Cooperative Commonwealth Federation would be as bad as the Liberals or worse. They supported the Sirois report. That was clear evidence that they did not know what it was all about.

I turn now to the question whether the problem can be solved without resorting to these two most undesirable means of centralization. The London chamber of commerce, to which the hon. member for Acadia (Mr. Quelch) referred the other night, has issued a statement called "Report of the London Chamber of Commerce on General Principles of a Post-War Economy." It refers in this report to a booklet called "A Twentieth Century Economic System." I have not time to go into that booklet or into the report itself, but I commend these two publications to all hon. members. In these two booklets, the London chamber of commerce, which is one of the greatest organizations in the world, one of the most hard-headed and fact-facing bodies, states that it is not necessary to destroy national sovereignty in any sense of the term in order to solve the problems which confront us. May I just quote a statement from the London chamber of commerce *Journal,* printed in the Ottawa *Citizen* of January 11, 1943, page 18. It is not contained in either of the two booklets I mentioned, but it bears upon the question whether or not in order to cure unemployment and poverty a nation must lose its sovereignty. The article says:

> There is, moreover, an effective solution in exactly the opposite direction.

They had been discussing proposals such as the hon. members were trying to indoctrinate us with. The statement goes on:

It is the creation by each nation of the means for its people to consume the goods they produce or the goods they can obtain in exchange from other nations.

Here is another quotation from the same London chamber of commerce *Journal*:

Currency and credit are the master keys to the economic and social life of any community, and for a nation to be asked to hand those keys to a clique of international bankers is calculated to strike terror into the hearts of millions who are facing death to preserve their right to manage their own affairs.

May I draw the attention of the house to the fact that in his speech the hon. member for Essex East actually advocated that the control of Canada's credit should be put into the hands of international bankers.

Mr. MARTIN: I cannot give the hon. member understanding.

Mr. BLACKMORE: The hon. member has not proved very conclusively to the house that he has understanding himself.

Mr. MARTIN: That is agreed.

Mr. KNOWLES: You were going to tell us how you would do it.

Mr. BLACKMORE: By the issue of currency and credit—through increased purchasing power.

Mr. KNOWLES: What do you mean by that?

Mr. BLACKMORE: If my hon. friend takes a course of study in it he will understand it.

In closing I wish to point out that leaders are making grave errors in all of Anglo-Saxondom. Men in the United States, in Britain, Canada and elsewhere are subscribing day by day to the defeatist gospel which the hon. member for Essex East and the hon. member for St. Lawrence-St. George were conveying to this house. It is not necessary to destroy the democracy which exists in Canada by depriving the provinces of their autonomy. It is not necessary to deprive any of the nations of the British commonwealth, or the United States, of their sovereignty. The all-important question is to manage the economy of Canada, for example, in such a way that the Canadian people will be given the purchasing power which will enable them to consume the goods which they can produce. That purchasing power can be provided by a wise and intelligent management of Canada's credit.

[Mr. Blackmore.]

Mr. G. K. FRASER (Peterborough West): First I wish to congratulate the Minister of National Defence for Air (Mr. Power) on the speech he made on Friday last. In that speech he showed that he thoroughly understood the position of men in the air force who return to Canada or are discharged. He also included the other two branches of the armed services, but he emphasized for the most part the rehabilitation of men of the air force. The other two branches of the armed forces of course have to be included; they are all in this.

This motion is to set up a reconstruction and reestablishment committee. The committee should do everything in its power to find out just how the men who are being discharged from our armed forces, or who have been discharged in the past, can be rehabilitated. Some of these men have been discharged because they were wounded, some because, through no fault of their own, they have become physically unfit to continue. When they are discharged they may not be able to get a job in industry because their discharge paper says they are physically unfit for further active service. In many cases they cannot do a full day's work; they can do only a few hours' work a day. Employers in Canada do not want—at least some employers—to take on men who can work only a few hours a day. I do not know whether it is entirely the fault of the employers, or whether the blame should be put on the selective service. In Britain thousands of men are working only an hour a day, or two or three hours; and women also. Selective service in Canada should see to it that these men and women are employed for a few hours a day, if that is all they are able to do.

Of course there is a chance that some of these men may not fit into some jobs. If that is so, schools to teach and train them should be set up so that they will have a job not only at the present time but in the years to come after the war. I know that many of these men have received pensions. Speaking in the debate on the address in reply to the speech from the throne I mentioned the case of a man who had a pension of forty dollars a month, but who was unsatisfied with life because he could not get anything to do. These men simply have to have something to do to occupy their minds and help them reestablish themselves in civil life. Therefore I wish to point out to the members of the committee and to the Minister of Pensions and National Health (Mr. Mackenzie) that the first duty of the committee is the reestablishment and rehabilitation of these men by fitting them to do something to occupy themselves.

These men have given all they can for us; surely we can do something for them. We should be willing to give all we have to them; and God help Canada if we cannot look after those men now, because if we cannot, what will happen when the war is over and thousands upon thousands of them return to Canada? I have here a letter, dated February 19, which I should like to read:

Dear Gordon,

No doubt you get many sob stories through your daily mail, and here is another one. I feel that it is probably useless in writing on the matter, but I have been approached to do so, and you will pardon any intrusion.

A young lady in town whom you probably know was married in England nearly three years ago to a chap in the Canadian army. This boy served overseas for three years as quartermaster sergeant and his unit took part in the Dieppe incident. Prior to this the boys were given a rigid physical examination and he was found to be in a diabetic condition and sent home to Montreal.

He is getting a pension of $60 a month, but is most despondent, which, of course, is part of the disease, as he is unable to secure employment owing to the fact that he is unable to work full time. He has had good care in Montreal, but a full time job is definitely out.

I will say for the Minister of Pensions and National Health that he has been very generous in giving pensions to these boys. But that is not enough. Of course they have to have money, but money will not bring happiness to them; they simply have to have something to do if they are to be reestablished in active life. Many of these boys, and women also, are only in the 'teen ages. They all have to be looked after, because they have many years ahead. They should be trained in different professions and callings. We are short of doctors, nurses, scientists. I do not see why they cannot be trained in those callings.

No doubt hon. members have noticed in the press in the last few months that county councils throughout the country and other municipal councils have been discussing reconstruction and reestablishment after the war. I have here a letter from the warden of Peterborough county which I should like to read:

At the January session of Peterborough county council a rehabilitation committee was set up with these thoughts in mind:

Better roads and bridges.
Development of roads to water for tourists.
More rural hydro.
Reforestation.
Rural housing on farms for hired help.
Better rural schools.

This is intended to create work for our returned men. What has dominion government in mind?

Will money be available for this work?
From whom can I get information?

Yours sincerely,
Peter J. Mather,
Warden, Peterborough county.

He mentions roads and bridges, also roads leading to lakes; I take it he means roads that will be used by tourists coming to Canada after the war. Every hon. member will agree that after this war is over we shall simply have to start at scratch to rebuild our tourist trade, because nearly all the advertising that was done before the war is completely lost. To get these tourists to Canada we must have good roads, good accommodations, good fishing, and attractions to offer. The tourist business is very important to Canada and to the people in every section of Canada, because in many cases it means their livelihood. And this of course will help the men who return after the war. It will mean work for our people, a greater national income, and foreign exchange which we certainly need.

Last night the hon. member for St. Lawrence-St. George (Mr. Claxton) said that when this war is over the tourist business will boom. I do not agree with the hon. member. The tourist business will not boom unless we go after it. I do not think more than a very little of the tourist business we had before the war will come back to us. We shall have to go out after new prospects. Our advertising will have to cover the whole of the United States, central America and South America, and I know that when I say this, Mr. Leo Dolan, who is director of the Dominion of Canada travel service, will agree. Central and South American countries are bidding for the tourist trade of the United States, and now that the connecting links are being finished on what is called the all-American highway running from Alaska to South America, over fifteen thousand miles in all, the tourists of the United States will travel on that highway, which has been so well advertised. We in Canada must do our own advertising, and we must make the Alcan highway attractive to United States tourists. In Colombia and I believe also in Mexico the governments have built inns and hotels at various points along the highway, half a day or a day's auto-run apart, and put them in charge of managers who are appointed on the understanding that if they do a good job, at the end of ten years the hotels will be turned over to them. The Alcan highway is some 1,650 miles long, I believe, and if we are to get any share of the tourist trade from the United States we must build inns and hotels on the Alcan highway and trans-Canada highway, on the same basis as they have been built in Colombia and Mexico.

The countries of central and South America, including Mexico, Guatemala, Costa Rica, Colombia, Peru, the Argentine, Chile

and all the rest of them, are doing everything possible, spending many dollars, to advertise their tourist attractions. There is also a pan-American congress which meets every year to discuss the tourist business. They have much to offer, much with which to attract tourists. In Guatemala, for instance, the road is 12,500 feet in the clouds; in Chile, down below Santiago, the capital, there is an all-year highway through the lake district. They have wonderful routes and splendid scenery; in Mexico they have pyramids, ancient cities and all the rest of it, and we in this country must do something to offset those attractions. They get out booklets describing the twenty-one nations belonging to that union, with stamps showing different views in the various countries. I have been in all those countries, and I have an idea what they are going to do in an endeavour to take away our tourist trade. Therefore I urge as strongly as I can that this committee set up a tourist subcommittee to bid for the American tourist trade. We simply must have it; our country cannot live without it. I make that statement because I represent what I claim to be the best and most beautiful tourist district on the whole continent, the Kawartha lakes region, and I know what the tourist business means to our people. I know also what advertising means if you wish to get tourists, because I have been on tourist committees since 1920, and was a member of the first executive to be set up by the Ontario Tourist Association.

In my opinion the Alaska highway should be beautified, and so should our transcontinental highway. Both these routes also should be controlled, because we cannot allow them to become billboard highways, as many of our other highways have become. When you start allowing billboards to be erected along your highway, you find that they block out the very best views; therefore I sincerely hope something will be done to control billboard advertising along these roads.

In his letter the warden also mentioned the need for more rural hydro, meaning of course electric appliances in every farm home, with consequent better health. In electrifying our farms we would be helping the workers in the cities, because every electrified farm means an electric iron, an electric refrigerator, an electric washing machine, an electric milking machine and so on, all of which would mean employment to the factory worker. We must look at every angle of this question so that when our boys come home they will not have to ride the rods again as they did after the last war. We cannot allow that now. If it is possible for us to spend five and a half billion dollars—or for all I know it may be six billions when the minister speaks tonight—for the prosecution of the war, God help us if we cannot spend at least two and a half or three billion dollars in peace time. I know it will hurt our pockets, but if we have a happier country that will not matter.

In his letter the warden also mentioned the lack of farm housing for hired help, and I feel that he should have added better homes for the working men in our cities. I hope the committee will also consider the advisability of tearing down or moving many of the war-time houses when the war is over, because most of these houses are nothing but eyesores of the worst kind. The warden also mentions the need for better rural schools. Only yesterday I received a letter from a farmer in my riding who asked what he could do to get his two children to school, because the school, which was four and a half miles away from his farm, had been closed because there were not enough children in the district to keep it open. He felt that he might have to buy a farm near one of the other schools in order that his children might continue their education. In many rural districts you can find bright boys and girls whose education has been held back because of the fact that their fathers and mothers have not had the money to send them to high school and college. Therefore some provision should be made which would enable these boys and girls to go to collegiates and universities. This is something which has been advocated by other hon. members, and I think we should keep hammering at it until the government does something about it.

In his letter I believe the warden covered the most essential angles of reconstruction so far as the counties are concerned. The government should let the municipal bodies know what it will do in regard to funds, and give that information as soon as possible so that county councils and municipal bodies generally may make their arrangements now to set aside certain works, or, as we sometimes say, "put them in the bank" until after the war. I know these municipal bodies will see to it that for every dollar spent Canada will receive back a dollar in value.

This war is being fought for the common people. We hope the peace will be for the common people; in other words, one for all and all for one. When this war is won we must not allow the men and women of our forces to return to an unhappy Canada, a Canada in which there is no work for them. We must see that all are clothed, housed and cared for. We must have jobs for all who are able to work. It is the very least we can do; it is our duty and, may I say, our privilege.

Mrs. CORA T. CASSELMAN (Edmonton East): Mr. Speaker, other hon. members who have spoken have discussed the greater matters which will be considered by the committee on reconstruction and reestablishment. I should like to present a few of the smaller matters which, it seems to me, are of importance.

I believe that the brave new world which we hope to reach some day will be brought about by smaller things, that we shall arrive at our goal step by step. Therefore I offer just a few matters which the committee might consider when it deliberates in the coming weeks. We realize there is a new factor which will confront Canada and all other nations in the post-war period, in that hundreds of thousands of women will be demobilized from industry and from the armed forces at the close of the war. They are women who, to a great extent, had no previous employment beyond their own home circles. Many of them had not finished their education. Much of what the Minister of National Defence for Air (Mr. Power) said last Friday with respect to the boys in the Royal Canadian Air Force applies with equal force to the girls in all branches of the armed services. They will come back, possibly not to jobs but rather to fit in some way into a civilian life.

We must have a great deal of sympathy with both the men and the girls who will come back to things much different from what they are now experiencing. They will have difficult adjustments to make. We can give them sympathy, and we may do something for them through legislation. The girls may welcome getting back to the four walls of their homes, because those home walls do not limit them now in the way in which they did a few generations ago. A woman with the ability and the desire may go far beyond those four walls, into many other spheres of activity. While they have had a greater degree of regimentation in the armed forces, yet perhaps they have also had greater independence. They have had control of their own money, little though it may be. They have had the exhilaration of being part of a great crusade. They have drunk of the heady wine of adventure, just as the boys have. So that if they have difficulty in making adjustments when they come back, we shall have to assist them in that regard. We who are older realize that their reestablishment is of great importance, both for the individual and for the nation, because no one makes a greater contribution to the life of the nation than does the woman whose career is in the home. She must have some of the noblest qualities if she is to do her work with 100 per cent efficiency. She has to bring up her children so that they may be tolerant, broad-minded, mentally alert, so that they may have a respect for the rights of others and may be good citizens in a democratic country. She must preserve the balance between freedom and discipline. Not only must she build character in our young people, but it must be built so that that character will be maintained in the adults. Moreover, I do not think the father's place in the home is of any less importance than the mother's. Our nation's grandest qualities are built in our homes.

I believe we must consider at the present time some system of children's allowances. That would be one of the definite recommendations I would make to the committee. That is one of the provisions which should be made for the returned men and women. There is now a provision whereby for a short time after his or her discharge a member of the armed forces receives military pay. I would suggest that in post-war years that might be a longer or a more flexible period. At present the period allowed by the Minister of Pensions and National Health (Mr. Mackenzie) may be sufficient, but during the years of adjustment after the war it might be more flexible if it were long enough to provide time for adjustment and short enough to prevent malingering—because there will be some who will take advantage of it, if they can. I believe that group, however, will be small in number when compared with the thousands who will play fair.

This would help the morale of the nation, something which will be of great importance if we are to make progress along democratic lines. We realize that morale is a decisive factor now on the home front, and at every point where our armed services are sharing in the struggle against despotism.

Another point which might be considered by the committee is that of discharge papers for both the men and the women who will leave the army. I am wondering if we could not work out something of which they might be proud in days to come, something which would indicate what they have accomplished through their willingness to make the supreme sacrifice, if necessary. When they volunteered to enter the armed services they showed they were willing to do what their country called upon them to do. Perhaps discharge papers should express some measure of their country's thanks, so that they may have something in which they may take pride, and which their children may cherish.

The committee will consider the larger problems, and properly so. They will no doubt discuss housing, conservation, and the use of

our natural resources. I have no doubt they will discuss national parks and playgrounds, and when that subject is under consideration I wonder if they would keep in mind smaller playgrounds which would be within the daily reach of children in crowded areas in our cities. So many children have only the streets and lanes in which to play. It would be worth while to tear down some of the old decrepit buildings, or fill up the vacant lots by providing playground accommodation to which children could have easy access every day of their lives. I know that matter comes under municipal jurisdiction, but it seems to me that the recommendations which will be made by the reconstruction committee will have some weight with the municipalities and they may agree to provide playgrounds for our children which will help to build character.

I consider that play is simply a younger sister of education, to which a number of hon. members have referred. If we have playgrounds it means that we must have supervision because, just as in the international field, there will be bullies and aggressors who will try to push others aside. Most youth organizations and those dealing with such matters find that training is necessary for supervisors. The Y.M.C.A., the Canadian girls in training, the boy scouts and many church organizations have tried to train people to take charge of children's groups. I suggest that we consider such training as part of the vocational training now being provided under the auspices of the dominion and the provinces in order that there may be a greater number of trained and efficient supervisors who could help these young people along. Such work might be made available for some of those discharged from the armed forces.

The children learn in the playgrounds to have respect for the rights of others while standing on their own rights. That is what we want in the international field. Perhaps this comes into federal jurisdiction because those who receive character training are less likely to become delinquents. At the present time there is a great increase in juvenile delinquency with so many fathers away, and if something could be done now to help to prevent delinquency I think we would find a great improvement. Perhaps that is in the provincial field, but many of these delinquents come back as second and third offenders when they must be dealt with under the federal system. We would be helping the nation as well as helping these young people if we could do something along these lines.

I know these are small matters in comparison with the large questions that will be before the committee, but I think they should be kept in mind. In the olden days children were taught in the home; they came under the influence of the home, the school and the church. Nowadays there is a whole battery of influences, such as the movies, the radio, the comics and so on. If we plan deliberately through our reconstruction and rehabilitation schemes to build better character in our young people, I know it will be to the advantage of the nation as a whole, both now and later.

Mr. ANTHONY HLYNKA (Vegreville): Mr. Speaker, there seem to be two prevalent views with regard to the problem of post-war reconstruction. There are those who believe that everything will work out all right, and that all that we shall have to do will be to trust in the government of the day and we shall receive the bountiful fruits which our plans of to-day will bring forth. There are others who are not so optimistic, who look at these post-war problems in a more realistic, and at times I might say even a pessimistic way. I am inclined to agree with some hon. members that the government should at least attempt to solve some of the problems which are facing us to-day. We should then have reason to believe that we might be able to cope with other problems when they come upon us.

I have in my hand a copy of the estimates for the fiscal year ending March 31, 1944, I notice that there is a decrease of $126,000 in the item for old age pensions. Looking over other items I see that there is an increase of $54,296,231.19 provided for the payment of interest on our national debt. The total interest that must be paid in the coming year on the national debt is $198,628,033.33. In view of this, anyone who wants to convince me of the government's sincerity with regard to post-war plans will have to do more explaining than has been done, especially since they have failed to solve the problem of our aged people.

Some time ago the president of the university of New Brunswick spoke to two hundred Y.M.C.A. delegates from the maritimes and British Columbia. The report of his speech appeared in the Winnipeg *Tribune* of April 12, 1941, and it reads:

> Speaking of the post-war world, Professor MacKenzie said there would be "disorganization and debts and poverty and suffering, but that is the price we pay for the luxury of war. Industry and finance and commerce and government will operate much as they have in the period just past.
>
> Taxation will continue at high levels, but that in itself need not alarm us, for taxation is merely a method of transferring wealth and of making accumulations of it available for large-scale use."

Of course that gentleman is looking at the whole problem of post-war reconstruction in an extremely pessimistic way, and I am not inclined to agree with him any more than I agree with those who have expounded the view that we shall have a paradise if only we continue carrying on under the old system.

Again, here is a pamphlet which I am sure other hon. members have received also. This pamphlet contains an address delivered by Mr. Walter P. Zeller, and is entitled, "Post-War Freedom." I believe this is an address delivered before some club in Canada, although it is not stated in the pamphlet just what club it was. I should like to draw the attention of the house to what I believe to be the most important point raised in his speech. It must be remembered that Mr. Zeller is one of the leading business men in Canada; he is regarded by many industrialists as one of the leading lights in the business world. A speech made by him on post-war reconstruction should be widely read; it should also be scrutinized to see whether he has anything worth while to put before us. Discussing the post-war freedom, which we all want, Mr. Zeller, I believe, makes out a good case. None of us want any more regimentation than is absolutely necessary. But when Mr. Zeller comes to the question of finding money to finance the post-war reconstruction, this is what he says:

> It is natural that people should ask why it is that government can find all the resources needed to wage war but cannot do the same in the interests of peace.

That is a good question. Let us listen to the answer.

> The answer, of course, is that the problems of peace-time economics are as different from the problems of war-time economics as peace is different from war.

What an answer! The whole problem of post-war reconstruction is involved in this question, and that is the best Mr. Zeller has to say in this regard. He goes on:

> In the first place, the government does not find all the money it needs to pay for the war. We are by no means on a pay-as-we-go basis. Notwithstanding the present high taxation, income is only about 50 per cent of the cost. The balance must be borrowed. The record of war-time finance is outstanding and most highly commendable, but it is based on an assumption that peace will not be too long delayed.

That statement coming from Mr. Zeller, one of our leading business men, should cause us to ponder. We have now arrived at the point where is must be the responsibility of business men as well to face some of these matters realistically, and to answer so fundamental a question in this manner is by no means reassuring evidence that our business men are thinking seriously of how to retain private enterprise. I am a believer in private enterprise, but I do not believe in abuses, and if Canadian business men want to save the system of private enterprise they had better analyse more seriously the problems which are now facing us, and which will confont us after the war.

I am inclined to agree with the remark of the hon. member for Kamloops (Mr. O'Neill) that if the government is seriously desirous of tackling the problems of post-war reconstruction it would be well advised to begin doing so now. For example, it should take in hand at once the solution of the old age pension problem, the problem of private debt, and other problems which have faced this country for years. All the government has done hitherto has been to postpone action from day to day and from year to year, while farmers have lost their equity in their lands and today find themselves deprived of everything.

I wish to take this opportunity to ask members of the government to answer a few questions which have puzzled me for some time. How will our national debt be paid off? It has increased steadily for years and is still on the upgrade. Here are the figures per capita for the last seven years:

1936	$371
1937	369
1938	372
1939	382
1940	387
1941	413
1942	445

And it is still going up. If we are to give our people security with freedom the government must first explain how it intends to pay off the debt of the country and where it will get the money. Then it will have to inform us where it intends to find the money to pay old age pensions, institute housing schemes, and finance other projects which will be needed after the war.

Our problem is neither one of production or one of consumption. Our people are willing to consume more than they have had an opportunity of consuming. The problem is one of distribution, and I am unable to see how any hon. member can confuse this internal question with something which is international. As a matter of fact a number of hon. members have endeavoured to place the blame on someone outside Canada for our own failure to distribute the goods and services which we have within our country.

I believe that both the Minister of Pensions and National Health (Mr. Mackenzie) and the hon. member for Cariboo (Mr. Turgeon) have shown their desire to tackle this problem sincerely, but wishful thinking cannot solve

our problems. Both these hon. gentlemen will have to do what the hon. gentleman who holds the purse-strings will tell them to do. We shall have to get the assurance from the Minister of Finance (Mr. Ilsley) or the Prime Minister (Mr. Mackenzie King) that no financial restrictions shall be allowed to interfere with the solution of our post-war problems. Without such an assurance all talk of post-war reconstruction is useless; it is futile and nonsensical because it can never be realized. What is the use of talking about parks and playgrounds, about our tourist trade from the United States and what they have to say about us, if we cannot tackle the fundamental problems of our life, those of providing our people with bread, clothing, shelter and health services? Why soar into the air to discuss secondary things when we cannot tackle problems which are immediate and fundamental and must be attended to now?

It seems to me that the sponsors of post-war reconstruction plans would do better if they took a little advice from the people, instead of trying to force on them the plans which they themselves have hatched. Why not go to the farmers of this country and say: "You constitute one-third of our total population; we want a brief from you. What do you want after this war? Place your problems before us and we will see what we can do." Why not go to our working people in every factory across this country and say to them: "Get together; call a conference to discuss your problems, and then formulate your demands into a brief and present it to us." Why not go to the business men and say: "We want you to get together. Prepare a brief setting out your views and present them to us." Go to the professional men and say the same thing to them, go to our young people—and I want to stress particularly the role which our young people should play after the war—and say: "What opportunities do you want? Present us with a brief." Then, after having gathered all these briefs and studied them you would have a point of view representative of every class and every group of people in Canada. I believe that that would really be a democratic approach to some of these problems. As it is, agriculture has absolutely nothing to say about post-war reconstruction, and I say that with all due respect to the Minister of Agriculture (Mr. Gardiner), who is an able debater. But our farmers expect more than words.

I wish to quote a few words to show what conditions have existed in this country. Here is a clipping from an editorial which appeared in the Calgary *Albertan* of August 5, 1938. It says:

A friend of the *Albertan's* who for obvious reasons, we believe, does not wish to be named, showed us yesterday a list of debtors and their debts that he had extracted from the records of the organization of which he is accountant. Suffice it to say that each of the farmers mentioned in that list now owes after eight to twenty years, from as much as the value of the original loan to two or three times the sum and that the accumulated interest ranges from twenty-two to two hundred and thirty-eight times the face value of the loan. The figures are almost unbelievable, but there they are.

The editorial goes on:

Unless this business of farmers' debts is tackled courageously, it is quite evident that market values, commodity prices and all the factors that are usually supposed to make for prosperity will not mean a thing worth speaking of.

That was in 1938. Yet when this question was brought up to-day by the hon. member for Lake Centre (Mr. Diefenbaker), the minister said that they had not had the time to consider the problem. I say, Mr. Speaker, that one-third of our population in Canada deserve a better break than that. As a matter of fact, if things continue as they have for a number of years now, we shall have repeated in Canada what has taken place in the United States. I have here a clipping from a United States paper dated December 9, 1936, which says: "Janitor winner in ballot race; mayor is angry." The janitor beat the mayor in the race for office. It will not be long before some of our janitors in Canada get wise to the trick and beat some of our professional politicians out of their positions.

I believe that some of these problems must be tackled now. We cannot wait. The debt problem, the problem of old age pensions and many others must be faced now, and if the government is seriously concerned it will put the necessary legislation into effect. Let me quote from an election leaflet issued in my constituency by the candidate of the Liberal party before the last election. These are some of his planks: "Agriculture—parity prices for farm products—wheat, hogs, dairy products. Pool the freight on wheat." Have we that? I quote further from the same leaflet: "Reconsider the whole freight rate structure. Lower the cost of agricultural machinery. Keep down living costs. No man to lose his equity in his land. Settle old debts fairly but finally," and so on and so forth.

I have now been a member of this house for three years, and I think it is high time that some of these things were done. It would make a good beginning to post-war reconstruction. We cannot continue as we have in the past. We must begin to solve some of these problems and get them out of the way, and the sooner the better. Of course the gov-

ernment in office will get the credit that is coming to it. It is not enough to wait until public opinion forces the government to move, but that is usually the speed of most governments.

I have another clipping here from the Edmonton *Journal* of April 23, 1939. It is a dispatch from Clarkson, Ontario, and it reads:

"Something has to be done", Councillor Mitchell said, in calling attention to conditions in his municipality. "All we are doing is creating an army of bums. We have had about 80,000 graduated from our high schools in Ontario during the past four or five years. We send them to school to acquire that education and then they have it, what good is it?

"Year after year students graduate. Perhaps a member of parliament hands them some taffy at commencement and gives them a diploma. The day after, they have nothing. I would rather have the babies knocked on the head at birth than see them turned out to wander after teaching them to feel and suffer," he stated.

That sort of thing was happening in cities all over Canada for many years. Let me read another clipping from the Edmonton *Journal* of February 15, 1934, at the time our Conservative friends were holding office in this country. This was the Ottawa scale: A family of two received 7·4 cents per meal; a family of four, 5·3 cents per meal; a family of six, 4·8 cents a meal; a family of eight, 4·3 cents a meal. That is something that our Conservative friends can put in their album, because those are things that have not yet been solved, or properly tackled.

Here is something about the old age pension. This is taken from the Winnipeg *Tribune* of April 25, 1942:

Old Samuel couldn't stretch his $20 old age pension quite far enough this month. When he went to make some purchases at a grocery store Friday he put three items in his pocket for which he hadn't the cash.

At the paying counter the clerks noticed that his pockets bulged suspiciously. They investigated, found he had hidden a pound of butter, a tin of condensed milk, a tin of cooked meat, total value 63 cents.

At 72 Samuel is almost stone deaf, and when he was haled into court this morning couldn't hear either the theft charge read out by . . . the clerk of the court or the questions asked by the magistrate.

At length, by means of exchange of written messages, Samuel was let off on suspended sentence.

If he commits the same offence within the next two years he'll be sentenced for the old as well as the new theft. Apparently Samuel doesn't intend to do any such thing, for he left the courtroom smiling.

That is the fate of our aged people. We must tackle these problems realistically and try to get rid of some of them now, because if we do not they will pile up upon us and it may be impossible to solve all of them at the same time.

We also talk about the Beveridge report. It surprises me that hon. members spend so much time on a report prepared for Britain. Why can we not get down to business and prepare a plan of our own? Why should we always be imitators? Why not consider the problem and figure out our own solution? If we know our objective it should not be very hard for us to reach it. We have all the material resources that we need and more. All we have to do is to apply a little intelligence and get these things over to our people for their use.

We have seen in this country a creeping tendency toward dictatorial bureaucracy. Instead of the government asking the different provinces to cooperate and coordinate all our affairs and with a view to arriving at a solution, we see a strong tendency on the part of the federal government to move into provincial fields and thus reduce the provincial powers to something very local. That is a dangerous trend. I was pleased to hear the hon. member for Lethbridge (Mr. Blackmore) bring out this point so clearly. The Canadian people, if they intend to wait for this government and for various other groups to make up a plan for a democratic future for them, then they had better not wait because these individuals will not plan the future for the people of Canada. They will plan the future for themselves, to serve their own interests.

Our young people are sacrificing more than anybody else in this war. When a young man reaches eighteen years of age he may be called for military service, and when he is nineteen or twenty the same regulations apply. If these young men are intelligent enough to fight the war for us, surely they are intelligent enough to cast a vote in an election. The age qualification in our election act should be changed, so that the young boys and girls between eighteen and twenty-one years of age may be included in the voters' lists, because the future of Canada will belong to the young people. In the past some have been afraid that youth might not stand for a lot of this nonsense that we have been handing out to them. It was felt that perhaps the young people would be too impulsive and would be hard to keep under control. But, if we place our problems squarely before them and tell them "these are your problems; you are a part of this nation; let us tackle them together," they will, I am sure, cooperate in a sincere attempt to find a solution.

Our young people will have to take a lead in post-war reconstruction. I have all the respect for ripe minds and ripe age, but I am doubtful about some of these ripe things, because, no matter what it is, if it is too ripe there is danger that it may not be the very best.

I should like to bring out one or two other observations at this time, and perhaps touch upon some matters that have not been dealt with as yet. The people of Canada at this time are interested more in the fruits which they will get than in the plans that are advanced by various groups. We must judge every government by the results which it gives to the people, and not by the machinery set up. The machinery of government, if it does not bring the required results, is useless, no matter how well it may look on the surface. What we want in Canada, as the hon. member for Lethbridge has so ably pointed out, better than anyone else in this house, is security with freedom. One without the other is not enough. Why should we not have both? If we continue to get results we do not want, our freedom will be endangered. If we continue to give the people of Canada the results against which they are fighting then they will take it that democracy is failing. We do not want our people even to think that, let alone be convinced of it. We want our people to believe that democracy is the only system for Canada, that democracy must be the system in Canada. But this democracy must give our people better results. There is no other way out. We cannot afford to let our people say, "If these are the results we have achieved under democracy, then we want none of it." We shall then find ourselves in a really dangerous situation. We must give our people the results they want.

Mr. G. T. FULFORD (Leeds): Mr. Speaker, I have been in this house for three years, and during that time I have followed the proceedings with great interest. In the course of the debates I have listened to and understood the philosophies and policies outlined by the Cooperative Commonwealth Federation party, though I have not agreed with them. The same applies to the policies of the new Progressive Conservative party, and also to the hon. member for North Battleford (Mrs. Nielsen), but for three solid years I have tried to understand what the New Democracy party is trying to drive at, and I have not found out yet. I listened with the most rapt attention to the two hon. members who this afternoon expounded the theories of that party. I refer to the hon. member for Lethbridge (Mr. Blackmore), and the hon. member for Vegreville (Mr. Hlynka), who has just taken his seat. We hear all that is wrong with Canada, but we are given only a few nebulous suggestions which, when tested, just do not hold water. We hear that we have piled up a tremendous debt during this war. It is true that we have piled up a tremendous debt, but we have done a tremendous job, and I do not know how that job could have been accomplished by any country in the world without piling up a great debt. It is all very well to expound these fancy panaceas, but it is quite a different matter when one tries to put them into practice, as Premier Aberhart of Alberta discovered much to his dismay. However, it is not my intention to criticize those who have spoken this afternoon except to ask how Canada can expect to progress after this war unless it takes its proper place among the nations of the world. How much respect will our allies of the united nations have for us if such isolationism as we have heard from those two hon. members this afternoon is preached generally in this country?

Mr. JOHNSTON (Bow River): The word "isolation" was never mentioned.

Mr. FULFORD: The hon. members spoke of trading among ourselves and living to ourselves. I wonder if they have not heard of the aeroplane and how it has altered all our old ideas in regard to time and distance. I say that the future of the world is dependent upon the cooperation of all nations, and Canada can be no exception. If we do not cooperate we are doomed to failure.

This afternoon the hon. member for Peterborough West (Mr. Fraser) offered some very good suggestions with regard to the tourist trade. I am sure the hon. member was not serious when he said his was the finest tourist district in Canada, for everyone knows that this honour belongs to the county of Leeds. I was particularly interested last evening when the subject of the tourist trade was introduced by the hon. member for St. Lawrence-St. George (Mr. Claxton). I had not realized that one of our departments had the wisdom and foresight to write Americans and anticipate their needs before they came to Canada. I refer, of course, to what was done by the wartime prices and trade board in regard to our sugar, tea and coffee ration books. I was very much impressed by the letters read by the hon. member, which had been received by the wartime prices and trade board, in appreciation of its offer to furnish these ration books to our United States friends before they came here for their visits. There is one point, however, in which I think we are rather remiss. I refer to the amount of gasoline that is allowed Americans who come to Canada for fairly long periods of time, especially those who are property owners and consequently taxpayers in this dominion. I know of several older people in my own riding who are almost obliged to take recreation in the summer time, but who will be unable to come to Canada this summer unless these restrictions are lifted to some extent. I know of one family in particular who very much resent the fact that

they can get gasoline for their outboard motor, to run around the lake, but cannot get gasoline for their car. I would respectfully draw this point to the attention of both the Minister of Munitions and Supply (Mr. Howe) and the oil controller. When a Canadian goes to the United States he is given an A ration coupon book which entitles him to twelve American gallons a month. I certainly think Americans who for a great many years have been in the habit of coming to Canada and who are property owners here should be given an equal amount in Canadian gallons. That will go a long way toward counteracting the bad effect the severe rationing of last summer has had upon these tourists, and I believe it would bring to Canada a great many people who now fear that if they came here they might find themselves stranded.

Now for a moment I shall be most unoriginal. I agree with millions of other Canadians and go on record as stating that I believe entirely in free enterprise. I believe that free enterprise will help to rehabilitate Canada after the war, just as free enterprise has built Canada to her present state of civilization. But in order to succeed, this free enterprise must be unshackled; the fetters of bureaucracy must be removed. By this I do not mean that I would advocate reverting to the policy of laissez-faire of the last century. Industry must be policed, just as the individual must be policed.

Mr. MacINNIS: Policed, but not handcuffed.

Mr. FULFORD: But so far as definite government planning is concerned, for every move industry is to make, I am sure it would fall down. On the other hand, if allowed to advance, as it has throughout this country, to its present state, it will not let us down. One thing we cannot do is to let our men and women down when they return from active service after the war. I cannot visualize those men and women returning to a country swayed by the panaceas, if you like, conceived by certain theorists, or influenced by the untried policies of political opportunists.

Above all, after the war Canada will have to keep its head. We will stand to come out on the very top, if things are managed and governed correctly after the peace. On the other hand, we stand to lose everything if we attempt to experiment during the vital period of reconstruction.

I believe in free enterprise, because it is through free enterprise the British commonwealth of nations, as we know it, has developed. I believe in free enterprise, because it is upon such free enterprise that Canada was built. I believe in free enterprise because it has given the United States the highest standard of living, the highest real wages any country has ever known. Surely we shall not throw overboard something which has meant as much to humanity as this system developed through the centuries.

During the debate we have heard a great deal that has been constructive, and especially suggestions for a definite and proper program of public works after the war. We have heard about water conservation; we have heard about irrigation; we have heard about a certain measure of reforestation. I wish to bring to the attention of the house a subject which was much in the public eye before Pearl Harbor, but about which we have not heard since that time. I refer to the development of one of the greatest national resources God ever gave a continent, namely, the development of the deep waterways on the St. Lawrence river. Had it not been for Pearl Harbor I believe that waterway might have been under construction now. However as a result of the emergencies of the war it has had to be put aside for the time being—but I trust only for the time being.

Living as I do on the banks of the St. Lawrence, and watching 240,000 cubic feet per second pass my door, I cannot help thinking of the waste of power, and the waste of navigable resources. Between the United States and Canada a deep waterway has been built from the head of lake Superior to Prescott. Then there is a bottleneck for about 130 miles. At great expense the government of Canada has made the port of Montreal one of the greatest seaports in the world. Yet we have this bottleneck of only 130 miles separating our great fresh water inland seas from the commerce of the world. At the present time the largest boats which sail the great lakes go to Prescott and unload their grain. That grain must be transhipped from the elevator at Prescott, and through the 14-foot canal. It is either transhipped in Montreal, or again put in storage from the small canal boats. Or, in some instances, the small canal boats will take it down from the head of the lakes. This is a most uneconomical and unreasonable situation.

If such a water system existed in Europe as exists on this North American continent it would have been developed many years ago. Even to-day countries in Europe are considering further development of their waterways. Germany recently completed the Danube-Rhine system, thereby connecting the North sea with the Black sea. Some years

ago Russia built the canal which passes up the Volga river from the Caspian sea, thence over to the Don river and thence into the sea of Azov and the Black sea. But none of these canals can be compared in importance with the St. Lawrence system which, with the exception of the 14-foot canal, remains undeveloped. One of the most costly sections, I should add, has been built by the Beauharnois Power Company, but the power has been only partly developed.

The canal has been built, and all that is necessary now to connect lake St. Francis with lake St. Louis is to erect locks adjacent to the power house. Really what remains for us to do here in Canada is to reconstruct the Lachine canal which connects the harbour of Montreal with lake St. Francis and the stretch from Cornwall to Prescott.

Mr. MacNICOL: Not with lake St. Francis, but with lake St. Louis.

Mr. FULFORD: Yes, with lake St. Louis. This great natural resource should not be wasted. This work would mean that many thousands of men could be employed during the period of rehabilitation, and it would mean a power development even greater than that at Boulder dam or the recent development on the Saguenay river.

With all seriousness and earnestness I ask this committee to give the fullest consideration to the development of what is the continent's greatest natural resource, the St. Lawrence deep waterway.

On motion of Mrs. Nielsen the debate was adjourned.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. J. L. ILSLEY (Minister of Finance) moved:

That Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

He said: Mr. Speaker, the financial and economic requirements of war become greater, and more exacting as the scope and thoroughness of our plans grow. This fifth war-time budget will exceed all previous standards and make provision for expenditures on a scale which it is sometimes difficult for any of us to appreciate.

The task of preparing this budget has been cheered by the growing evidence that we have seized the offensive, and the power of the united nations is already striking deep into the enemy's defences. There is, too, the expectation that our own land forces will soon match the blows which our air force and navy have struck against the aggressor. But if the valour of our men and of our allies is now translating our economic and financial programme into telling blows against the axis powers, there is every reason for pressing that programme forward and none for relaxing it.

As I have said frequently, financial measures are but one of the means through which we link the whole war programme together. They are instruments and not ends in themselves. They are instruments which must be used wisely lest we frustrate our efforts now and sow the seeds of intolerable conditions later. Financial measures are one of the means through which each person has his share in this war. Taxes and loans are not exactions from the people by a government. They are weapons which the people through their elected representatives and the free methods of democracy have fashioned for their own use and their common purpose. We cannot all man guns and planes and ships; we cannot all build guns and planes and ships, but the Canadian people have shown by the reception which has been given to each succeeding war-time budget that they are ready to wield these weapons, each according to his strength and all against the people's enemies. They are ready to accept their share in each increase in the effective organization for war of which the budget is but the financial counterpart.

It is by the single purpose of the people of this country and her allies that this war will be brought to the desired end. It is by the sober, tenacious purpose of the men and women of this and other countries that a just and durable peace will be written. The proposals which I shall lay before the house tonight are the recommendations which the government makes to the elected representatives of the people of this country for improving the financial means by which each of us may throw his whole weight into this struggle—and help to make possible a world more worthy of our better selves.

I

ECONOMIC AND FINANCIAL REVIEW

The current fiscal year has been marked by the coming to fruition of all our major production programmes, and yet, as we approach our full capacity, the increase in over-all production is less marked than last year.

Industrial production in Canada rose from an index figure of 208 in December, 1941, to 251 in December, 1942. Such over-all figures however, conceal what has been taking place. While detailed production figures are not disclosed, the increases of 20 to 75 per cent in the numbers employed in the production of such things as chemicals, electrical equipment, iron and steel, and motor vehicles, and of more than 100 per cent in the case of those engaged in shipbuilding, tell their own story of war production. A number of other industries, partly war and partly civilian, have just maintained the level of employment. But there is a lengthening list of industries, producing, in the main, less essential goods, which show over the past year definitely reduced employment. It is the shifts in production rather than the over-all increase which tell the significant story. We have, in recent months, been definitely in the period when substantial increase in war production can be achieved only at some loss of less essential production and in which we must be prepared to shift men and resources from one kind of production to another, as changing needs dictate.

We have been confronted with our inability to satisfy fully both war requirements and the high levels to which unrestricted war-time consumption has gone. It has been necessary, therefore, to restrict consumption and use in a growing number of instances in order that supplies for the armed forces should be fully assured, and the goods and services available distributed in an orderly and equitable manner. The problems raised by this situation are difficult and often extremely vexatious, but their emergence is a clear indication that we are reaching the stage in our war programme which it was the desire of every Canadian that we should reach, namely, the stage when we would be producing not merely what we could produce comfortably but all that we could possibly produce from the resources and manpower at our disposal. If we had no shortages, no vexatious restrictions, no farm labour problem none of the problems and difficulties which have been debated in this house in recent weeks, we could be certain that we were falling far short of a full-out war effort.

In a war of such extent and movement, in which technical improvements have already played so large a part, it was not to be expected that shortages would emerge in a well ordered and easily forseen pattern. The mounting of the allied offensives and the unlimited submarine warfare have made the limitations of ocean shipping particularly severe. Facilities for land transport have been heavily taxed, and the severity of the weather has introduced unusual difficulties in making the fullest use of the facilities available. The offensive phase which the war has entered has necessarily imposed changes in the direction and emphasis of our war programme. As the experience of battle redefines the needs of the armed forces, we can expect to be faced with increasingly difficult problems of controlling the production, distribution and use of goods and services.

There are sufficiently frequent occasions for discussing before the house the government's policy of controlling prices, wages and salaries, that it is neither necessary nor desirable to say more here than that it continues to be an integral part of the war-time fiscal and economic policy, and that without it that policy could not be carried out effectively. Though there are plenty of critics of particular applications of this programme of control, there is none who advocates its abandonment. By the payment of consumer subsidies to offset a substantial part of the increase in the cost of living, which it was not possible to avoid, the government, after a year's experience, has reaffirmed its determination to adhere to this programme and to continue to reserve to parliament the right to distribute the financial and economic sacrifices of the war by its taxation measures rather than to have them distributed by the haphazard forces of changing prices and incomes.

As explained in the budget speech of last year, our exchange problems have now become pretty well merged with general fiscal problems. The shortage of United States dollars has ceased to be a major problem and the decisive position which it held in our early budgets has been overshadowed by the limitations imposed upon us by shortages of shipping and resources and man-power. It has already been announced that a measure will be introduced to provide, out of such war production as can be made available, for the needs of those united nations whose supplies of Canadian dollars are inadequate to permit them to purchase such equipment and materials as they need.

The estimates of revenue and expenditure and other relevant information are set out in full in the white paper which I shall table before I resume my seat. I wish, however, to report briefly on the probable results of the year and on the financing which has been carried out. The house will bear in mind that the fiscal year does not close until March 31 and that the figures which I quote are, therefore, estimates only.

It is estimated that all revenues, including the refundable portion of income and excess

profits taxes estimated at $100 million, will total $2,309 million, over 55 per cent above the revenues for 1941-42.

Total tax revenues are forecast at $2,136 million including the $100 million of refundable taxes. This compares with $1,361 million for the previous year and is very close to the forecast given at the time of the last budget. Direct taxes on incomes and profits are now overwhelmingly the largest sources of tax revenues, yielding nearly two-thirds of the total. The graduated tax on personal incomes, the special tax on income from dividends and interest and the national defence tax which was in operation for only five months of the fiscal year, are expected to yield $568 million, an increase of $244 million. The corporation income tax and the excess profits tax will, it is anticipated, yield $805 million in contrast with $321 million for the previous year. It will be recalled that some part of this increase was the result of introducing payment by monthly instalments and will be non-recurring.

Excise taxes, at $477 million, will show an over-all increase of $24 million despite conspicuous reductions in the yield of some individual taxes. The largest item in this group, the sales tax, at $230 million net, will show a decrease of $6 million from the previous year's yield.

Thanks to the substantial increases in rates imposed by the budget legislation of 1942, excise duties are expected to reach $142 million as compared with $110 million in the previous year. Customs duties, having reached their recent peak in 1941-42, are likely to decline to $118 million from $142 million for the previous year.

Non-tax revenues, of which the largest source is the Post Office, are expected to reach $114 million. Special receipts and credits will be about $59 million, the largest contribution being the $25 million operating surplus of the Canadian National Railways.

On the other side of the account, we estimate that total ordinary expenditure for 1942-43 will be approximately $566 million, or $121 million above that of the previous year. Toward this increase, interest on the public debt contributed $30 million; compensation to the provinces in respect of income, corporation and gasoline taxes, $74 million; the Unemployment Insurance Act, $7 million; and the Post Office, $4 million. Miscellaneous increases account for the remaining $6 million. Capital expenditures, at $3,862,000, will be slightly higher than those of the previous year. So-called special expenditures are likely to be about $31 million, less than half the expenditures under this category in 1941-42.

[Mr. Ilsley.]

The western grain crop was such that it was not necessary to make payments under the Prairie Farm Assistance Act; wheat acreage reduction payments were somewhat less than in the previous year; and the reserve set up to meet deficits arising out of the operations of the Canadian Wheat Board in respect of the 1939 and 1940 crops has proved to be more than ample, resulting in a credit adjustment of $6,600,000.

Government-owned enterprises, specifically, the Prince Edward Island Car Ferry and the National Harbours Board, will require about the same expenditures as in the previous year, $1,263,000.

In the budget speech of June 23, 1942, I intimated to the house that, although the War Appropriation Act and the United Kingdom Financing Act made provision for expenditures of $3,000 million, the actual war expenditures were likely to be considerably in excess of that figure. It now appears that they will reach $3,803 million, including an item of $200 million for the purchase of the British interest in Canadian war plants.

Miscellaneous other charges of $66 million involve mostly items of a bookkeeping nature, including the addition of another $25 million to our reserve to meet possible losses on realization of active assets, and the charging of $36 million to a non-active account (the Canadian National Railways Securities Trust Stock) as the contra-item to the taking into revenues of the operating surplus and certain capital gains of the Canadian National Railways.

Including all these categories of expenditure, the aggregate expenditures for 1942-43 as now estimated will be $4,470 million, as compared with an estimate of $3,900 million given at the time of the last budget. Deducting total revenues for the year of $2,209 million after excluding refundable taxes, we arrive at a probable over-all deficit or increase in direct net debt of approximately $2,261 million. The proportion of expenditures paid out of revenue, namely 49·4 per cent will thus fall slightly short of the estimate of 52 per cent which I gave last year.

Total borrowings during the year (exclusive of some $33 million of school lands debentures reissued to the western provinces) are estimated at $2,423 million. Of this, $1,070 million, including $77 million from the sale of war savings certificates and stamps and $1,825,000 from non-interest bearing certificates, will have been borrowed from the public. An amount of $90 million was borrowed in New York for refunding purposes. Borrowings from the Bank of Canada amounted to $443 million,

including the renewal of a loan of $250 million. By the end of the year, it is estimated, $790 million net will have been borrowed from the chartered banks. During the current year, in order to obtain funds needed in the intervals between public loans, we introduced the practice of borrowing directly from the chartered banks on deposit certificates, a six month security bearing interest at ¾ of 1 per cent per annum. The amount outstanding at the end of the fiscal year will be substantially reduced when the next victory loan is issued.

Direct obligations of approximately $429 million (excluding school lands debentures) were redeemed during 1942-43, leaving net borrowings for the year of $1,994 million to which must be added an estimated $100 million of refundable taxes. This amount of $2,094 million, together with a decline of approximately $642 million in cash and other current assets and the amount of various advances repaid was used to meet the overall deficit of $2,261 million and to make loans and investments of $517 million net, after allowing for amounts repaid on various outstanding advances. The largest of the new investments were the loan of $700 million to the United Kingdom under the War Appropriation (United Kingdom Financing) Act and an advance of $131 million to the Canadian National Railways, chiefly for the redemption of railway securities.

It is estimated that on March 31, 1943, the outstanding unmatured funded debt (including treasury bills) will amount to $7,861 million on which the annual charges will be $205 million or 2.6 per cent as compared with 2.9 per cent a year previously. In addition, there will be outstanding obligations guaranteed by the government of Canada to the amount of $716 million, a decrease of about $102 million during the year.

Perhaps this is a convenient point at which to remind the house that the financial work of the government has not been completed when the budget has been discussed and legislation passed. In carrying out the approved policy, we depend on two extensive, competent, and hard-worked organizations. It is the task of the Department of National Revenue to collect the taxes enacted by parliament. The department is represented by its own Minister in the house and it is not for me to say more than that the financial programme of the war has, to a degree not generally appreciated, laid heavy and exacting duties on the very loyal and able officials of that department.

The other side of the financial programme, borrowing from the public, is carried on through the National War Finance Committee which was established by the government in January, 1942, under the able chairmanship of Mr. George W. Spinney. Formation of this committee marked the creation of the first single nation-wide organization, responsible to the government, charged with the dual task of planning, organizing and administering arrangements for the maximum public sales of government securities, and of promoting maximum voluntary savings by all classes of Canadian individuals and corporations.

In effect, the committee represented a merger between the war savings committee,—which had been operating continuously since May 1940,—and the Victory Loan Committee —which had been set up as a temporary organization to arrange and conduct the first victory loan campaign in June, 1941.

Since its creation, the National War Finance Committee has welded together the previously existing war savings and victory loan organizations. At the present time, the permanent paid staff of the committee, located in Ottawa and throughout Canada, numbers only about 275 persons. This staff operates in conjunction with three main bodies of workers.

First, there are the voluntary workers attached to the local units in each province. These patriotic men and women are drawn from every group in the community. While, individually, most of these people are on a part time basis, collectively they form the largest group of workers associated with committee activities, both during and between large scale drive operations. This form of service on the home front is of vital importance, and I hope it will be possible to enlist the aid of more and more persons in this phase of our war programme. I should be most remiss if I did not take this opportunity of acknowledging the valuable work being done by these voluntary workers, and to express to them the thanks of the government and their fellow-Canadians.

The next body of workers are the salesmen on commission, and other temporary paid workers employed by the committee at the time of victory loan campaigns. These salesmen do much of the hard work of selling victory loan bonds, in small amounts, to individual investors, by house to house canvass in urban and rural areas. The salesmen who receive commission generally give up their regular jobs during the period of the loan. The money they receive as commission replaces the money they otherwise would make at their regular work, although, in many cases, the amount they receive as commission is less than their regular income. I should perhaps add that commissions are paid only on relatively small individual subscriptions, where the canvassing work is comparatively

difficult. Commissions are not paid on orders from larger investors, such as business firms and corporations, nor on bonds sold to employees in medium and large size business organizations.

The third group of workers associated with the National War Finance Committee are the investment dealers and brokers, and persons from the regular staff employed by dealers and brokers. This body of professional workers is closely associated with committee operations at all times. Maximum participation is reached in the period of organization preceding victory loan drives, and during the period of public offering of the loans. In general, investment dealers and brokers do the organizational work, and, during loan campaigns, carry out the canvass of large corporate and individual investors. Investment dealers and brokers are paid for their participation in committee activities, a reasonable remuneration based on the number and nature of the staff made available and the previous record of the firm in the distribution of dominion government securities.

I have made these explanations in regard to payments to salesmen on commission, and to investment dealers and brokers, because of some public misunderstandings on these subjects. It is to me and to those familiar with money-raising campaigns a rather remarkable fact that the over-all cost of these intensive and extensive victory loan campaigns, including the cost of engraving the bonds and of all publicity activities, can be kept as low as 1 per cent of the amount of money raised.

At the time of the third victory loan, in October-November 1942, temporary paid staff, including salesmen on commission, numbered about 15,500, and voluntary workers, many additional thousands. For organizational purposes, Canada is divided into local unit areas, each of which is under a local voluntary war finance committee. These local unit committees in each province are under the control and direction of the National War Finance Committee for that province. The operations of the provincial organizations are coordinated by the central committee for the dominion which has its headquarters in Ottawa.

Our financial programme for the year has been carried out with a high degree of success. To finance expenditures of nearly $4,500 million is in itself an achievement of which we have no reason to be ashamed. It is the financial counterpart of still more notable achievements of organization and production. But I would like to add some frank words of warning on four points:

[Mr. Ilsley.]

My first point is this: On occasion, comparisons have been made of our taxes with the taxes of other countries to show that Canadians are contributing a higher proportion of their incomes in taxes than the citizens of other countries. The financial burden of the war on this country is not measured by the amount of taxes levied. It is measured by the amount of expenditures which are financed. Borrowing does not lessen the cost of the war to this generation. The taxation and borrowing policy merely decides how the burden shall be distributed among the people of the country. The only ways in which we can postpone some of the costs of the war are by borrowing abroad, (if by so doing we can obtain additional supplies of goods abroad) and by using up the physical equipment and inventories of the country and leaving the post-war population to repair the wastage. To some degree, we are relieving the present by the second of these ways. The first is not only undesirable but also would provide only slight relief because of the virtual impossibility of getting additional supplies from abroad. Since the main cost has to be carried during the war, it is the policy of this government to distribute that burden as far as practicable according to the incomes which people enjoy during the war, that is to say, by taxes levied according to ability to pay. The equity of that policy cannot, I think, be challenged successfully.

Secondly, it has been suggested that Canadians are being asked to contribute too much in proportion to our national income. I shall not attempt to elucidate to the house the intricacies of national income estimates. My knowledge extends just far enough to warn me that the most accomplished statisticians find it extremely difficult to make valid comparisons between countries and that, when they have made them, the layman is almost certain to misconstrue them. But there is a much simpler comparison which is more convincing. After we have met our war requirements, what is left for consumption by the civilian population? Is it higher than the pre-war standard of consumption or is it lower? Do we work longer hours or apply ourselves more intensively than other nations? The evidence of both statistics and common observation is pretty clear that all we have experienced so far on the average is some moderate decline from the peak of war-time consumption, and some increase in the inconveniences of shopping and travelling. Let no one so misinterpret statistics as to assert that these approach the economic sacrifices of countries nearer to the theatres of war than Canada.

In the third place, we have now passed the point where we can in a short time increase our total output by any large amount. What one group may gain by pressing its advantages of the moment, other groups lose. The conflicts thus started will paralyse our striking power just at the time when it must be at its height. What, broadly speaking, have been the changes in incomes during the war? Corporations and other businesses have experienced large increases in profits which have been reduced by taxation and compulsory saving to a level not higher than 70 per cent of the pre-war standard profits. This is the most severe and rigid ceiling in force in this country. Personal incomes of the middle and higher income groups have borne the brunt of war-time taxation to the point where very definite reductions in customary standards of living have been forced. Receipts from the sale of farm products are reported to have reached a higher level in 1942 than in any year in the past two decades. Receipts from the sale of farm products are not equivalent to farm income. Farm costs have also risen but there is every evidence that farm incomes are at more remunerative levels than in any but the record years. Average weekly earnings of employed persons are at higher levels than they have been since the inflation boom following the war of 1914-18. Thus there has been a far-reaching and important change in the distribution of income in the country. On the whole, the directions of the change have been desirable and the government has welcomed and facilitated it. The increases, by and large, have gone to those who needed them most. But we have reached the point when the demands of some labour representatives and of some farm representatives cannot both be satisfied. Ability to resolve group differences is the decisive test of democracy. Nothing will frustrate our striking force so much as internecine strife over economic and financial advantage. Nothing would so belittle us in the eyes of those other Canadians who offer as a contribution to victory neither economic nor financial sacrifice but life itself.

Finally, on the year's financial results themselves. The plain fact is that this year we have had to depend too much on bank borrowing. I was able to say last year that "aside from the increase in treasury bills, there was no new direct borrowing from the Bank of Canada or the chartered banks during the year." During the current fiscal year, we shall have borrowed direct from the Bank of Canada and the chartered banks a net amount of $983 million. That is not all dangerous borrowing for the public has desired to hold considerable savings in cash. But most of it is borrowing which I would rather not have done. If the government borrows from individuals, the government spends the money and the individual does not. If the government borrows from the banks the government spends the money, but the spending of others is not reduced. We borrowed from the banks because we were unable to borrow as much as we needed from personal savings.

I tabled recently in the house a statement showing the sources of subscriptions to the three victory loans. They were divided between individuals and non-individuals. Non-individuals included broadly corporation investors. Individuals included individual persons, small non-profit enterprises and some small businesses. While the total subscribed by individuals increased with each loan, the proportion to the total fell off somewhat in the third victory loan.

I estimate that sales of war savings certificates and stamps will approximate $77 million, although I should add that redemptions have been heavier than they should have been. This compares with $85 million sold in 1941-42. Non-interest bearing certificates, which were made available to meet a special demand, showed a net decline during the year, redemptions exceeding new sales.

These are sobering facts because to the degree that the government has had to borrow from the banks rather than directly from personal savings, to the degree that the spending power of the government has been increased and the spending power of the public has not been reduced by an equal amount, we have contributed to the pressure on prices and on supplies of necessary products. The evidence is clear that we, as a people, must bend our efforts with renewed and persistent strength to the task of increasing savings and placing them in the service of the nation.

II

BUDGET FORECAST 1943-44 AND PROPOSALS

I have reviewed the financial events and operations of the year which is drawing to an end. I turn now to the year ahead and the measures which we propose.

The estimates for the coming year are already before the house. For non-war expenditures $610 million is required. The war estimates stand at $3,890 million as compared with estimated expenditures of $2,803 million under the war appropriation in the current year. The amount to be included in the Mutual Aid bill is $1,000 million, the same as was provided in the

current year under the War Appropriation (United Kingdom Financing) Act. The estimated expenditures thus reach the great total of $5,500 million, an amount which is the dollar measure of our financial task for the year and of the national achievement in organizing for war.

To meet these requirements, it is estimated that, under the present tax laws total ordinary revenues for the fiscal year 1943-44 will be $2,561 million or after allowing $210 million for refundable taxes $2,351 million in net ordinary revenue. I shall place on *Hansard* a statement showing the details of the estimate and comparing it with the expected yields for 1942-43.

	1943-44 (millions)	1942-43 (millions)
Customs duties	$ 100	$ 118
Excise duties	130	142
Sales tax	225	230
War exchange tax	85	94
Other excise taxes	165	153
Income taxes—		
Personal	825	460
National defence tax	—	81
Corporate	300	350
Interest and dividends	26	27
Excess profits tax	550	455
Succession duties	18	14
Miscellaneous	7	12
	2,431	2,136
Non-tax revenue	130	114
Total ordinary revenue	2,561	2,250
Special receipts	40	59
Total revenue	2,601	2,309
Less refundable taxes	210	100
Net total revenue	2,391	2,209

The table shows that, assuming no tax changes, we anticipate declines in revenue from customs duties, excise duties, sales tax and the war exchange tax. On all these items, shortage of goods and difficulties of transportation will affect revenues adversely. Excise taxes other than the sales tax are expected to yield slightly larger revenues when the higher rates and new taxes enacted at the last session apply to a full year.

It is anticipated that the yield of the personal income tax will be $284 million higher because the higher rates of tax collection will be in effect for the full year and because of increasing incomes. The yield of the corporation income tax will probably decline somewhat as in the current fiscal year we moved forward the time of payment and consequently received somewhat more than one year's taxes. The yield of the excess profits tax is expected to be substantially higher, both because the higher rates enacted last year will be in effect for a full year and because profits before tax are apparently continuing to rise.

Expenditures of $5,500 million and gross revenues of $2,601 million will leave a deficit of $2,899 million to be met by new taxes and by borrowing other than by refundable taxes. The comparable estimated deficit for the current year is $2,162 million.

The objects to be achieved by our financial programme for the coming year are clear enough. I have set out the decisive facts with which that programme must grapple. What are the salient economic facts? First of all, we have reached a state of full employment, aside from local situations. Supplies that will be available to meet consumer demands in the coming year not only cannot be expanded but must be decreased. Imports will be harder to get and more expensive when we get them. Costs are pressing upward against the price ceiling, causing many producers to find it difficult to work beneath those ceilings. Demands continue to be made for increased wages, and labour costs have a tendency to rise despite all efforts to stabilize them. The purchasing power in the hands of the public is already excessive in relation to what there is available to buy and appears likely to grow more excessive. In short, we find that the forces making for inflation are present on a large scale. The pressure is held in check only by the rigour of our existing taxation, by the willingness of Canadians to save on an unprecedented scale, and by our price control and wage control.

These are the economic facts. The cardinal financial fact is that the proposed expenditures are a billion dollars in excess of those of the current year. Our expenditures will, apparently, amount to more than one-half our gross national production. Revenues, on the other hand, without new taxes, will amount, it is true, to substantially more than ever before in our history, but they will still fall far short of our expenditures, leaving a deficit in the absence of tax changes of $2,899 million.

How much of this deficit should we seek to cover by new taxation or higher rates? How much from increased personal savings lent to the nation?

There are important considerations to be taken into account. Already our tax rates are heavy. They are heavy in absolute terms. They are heavy even by comparison with other countries at war to-day. They are very heavy by comparison with all our pre-war standards except in the case of the sales tax and customs duties, where we have deliberately avoided increases. Moreover, there is an automatic increase in the income tax

deductions at the source which must occur under present legislation as soon as we change from deductions in respect of 1942 incomes to those in respect of 1943 incomes. This arises from the credit given in the 1942 rates of deduction for national defence tax payments in the first eight months of that year. Consequently, our day to day rates of tax deductions will increase without adding anything to our tax legislation. Already, taxation has forced some groups to readjust radically their whole scale of living. The new scale of deductions will require changes in the position of others.

There are upper limits to what can be equitably obtained by an income tax, as I have endeavoured to explain a number of times in the past. A man's income and the number of his dependents are not alone a perfect measure of ability to pay. Many other circumstances enter into a complete assessment of his position. The higher we force our taxation, the more necessary it is that we take these other circumstances into account. It was for this reason that last year, when tax rates were raised steeply, we provided allowances for medical expenses and certain savings commitments. The extent to which we can make special provision for additional varying circumstances of this sort, however, is strictly limited. We cannot make our tax so complicated that the ordinary man cannot understand it. It must be simple if it to be clear to the vast majority who are subject to it. Furthermore, every additional complication, every additional allowance that we make, increases the difficulty of administration and the risk of arbitrariness in administration. Already, we have thrust huge burdens on officials of the income tax division. Faced as they are with the difficulty of obtaining experienced and trained personnel, it is remarkable that they have been able to carry through all the radical changes we have already thrust upon them. To ask them to assume administratively hopeless tasks would be to risk a breakdown in our whole income tax system. Consequently, there are now very serious barriers both in equity and in administration to substantial increase in the income tax at this time.

There are serious arguments to-day in favour of a very substantial purchase tax on all but the most essential goods and services. Such a tax would mop up a considerable amount of excess purchasing power, and would assist in securing the orderly distribution of scarce supplies. It would make those who will spend on non-essentials pay dearly for the privilege. Such expenditure in itself is evidence of ability to pay. However, there are several serious objections to such a plan. In the first place, there are not going to be enough really non-essential goods and services to provide much revenue unless either we apply such a tax also to what are fairly essential goods, or put a tax on at exceedingly high rates. Probably, we would have to do both if we were to get enough revenue to meet any large proportion of our prospective deficit. I do not feel prepared to do this. I don't believe there are many goods to-day which should in effect be reserved for those with the longest purses. That would be the result of putting very heavy taxes on such articles.

The financial programme for the coming year will be the government's programme only in the sense that the government has the responsibility of recommending it. In fact, it must be achieved by the willing and combined efforts of all the people of this country. In view of this fact and balancing the considerations I have outlined, I have reached the decision that the proper measures for achieving the financial results which must be achieved are: some improvements and alterations in the personal income tax to make more effective changes which were made last year, a plan for bringing our income tax collections up to date and, at the same time, increasing the current revenue, a number of increases in commodity taxes, and a renewed and extended programme for increasing personal savings. I shall also have a number of less important changes and modifications to propose.

The first and most important measure I wish to propose is that foreshadowed in the speech from the throne—the placing of our personal income tax on a pay-as-we-earn basis. In this way we will complete the transformation in our income tax begun with the enactment of the national defence tax in 1941 and carried last year to an advanced stage both in collecting a graduated tax at the source and in collecting as early as possible after the income is received on which the tax is assessed. I am proposing that beginning this year, 1943, the income tax currently collected at the source or paid in quarterly instalments, shall apply in respect of the tax to be assessed on the income of this current year, 1943. If parliament sees fit to put this proposal into effect, we shall then be on a fully current income tax basis. No one, speaking generally, will then be liable for large amounts of income tax on income he has earned in the past—except to the extent that adjustments in tentative tax deductions or payments must be made after the year's income is finally determined with accuracy.

The advantages of a system of current payment of tax such as I propose are now well known, so I need only remind the house of them. Under this plan, when a man's income falls off, his tax falls off with it; when his income rises, his tax rises with it. It enables us to avoid the lag in the payment of tax under our present system—a lag which now amounts to about eight months, substantially less than it was several years ago, but still a problem to those suffering or expecting to suffer a reduction in income. The difficulties in the present system are most serious in the case of those whose incomes cease or decline severely because they enter the armed forces, lose their jobs, retire or die. Advocates of such a plan have made most people very much aware of the personal problems created in such situations by income tax debt. With taxes at present levels, such problems are now very difficult ones for any who have not made provision in advance for their taxes.

For example, a young married man who has earned $40 a week during 1942 who wished to join the air force at the beginning of this year had to face the necessity of paying income tax of $282 on his civilian income of last year out of his much lower service pay this year. Again, if a professional man earning, say, $5,000 a year, should die and leave behind a wife and two children, they would be liable for perhaps $831 of income taxes, whether or not there was any estate. The wage earner who loses his job would in many cases have anything up to several hundred dollars of income taxes to pay during the succeeding six months or year — taxes on income he had probably spent while he was earning it. Anyone who looks forward to early retirement on a pension considerably lower than his current earnings faces an almost insuperable barrier. We do not wish such persons either to exhaust what savings they have set aside or to be forced to break the law.

There are other substantial advantages of a pay-as-we-earn plan. It enables us to make more effective use of collection at the source from earnings and to avoid many refunds and adjustments that would otherwise be necessary. Secondly, it will make it possible in future to adjust our income tax rates and collections more promptly when changes in economic or other circumstances make such adjustments desirable. In this way it will make the income tax a better instrument of fiscal policy in helping to maintain full employment.

It is to overcome the various types of difficulty which I have described, and to obtain the other advantages of having our taxes on a sound current basis that the government is proposing now to complete the transformation of our income tax system to a full pay-as-we-earn plan.

[Mr. Ilsley.]

Under this new plan, all the deductions of tax made at the source during 1943 will apply in respect of the tax on 1943 incomes. Those who pay in quarterly instalments will pay such instalments in March, June, September and December of this year in respect of this year's income. These instalment payments will be based upon an estimated income and tax for this year, with safeguards to be provided against underestimates. In both cases, the correct amount of income will be determined at the end of the year and a final return will be filed on or before March 31, 1944, together with any amount required to make up the difference between the total deductions or instalment payments and the actual tax. If the taxpayer finds he has had too much deducted or has paid too much, he will claim a refund on his tax return. In making tax deductions at the source from salaries and wages, we shall aim at collecting up to 95 per cent of the total tax liability, rather than 90 per cent as we did in the deduction tables for last year. This will cut down the amount to be paid at the end of the year in filing the return.

I wish to make it quite clear that the new plan will require us to bring into effect as soon as possible the higher rates of tax deductions which would have gone into effect next September. The reason for this is relatively simple and I want it to be understood. During 1942, we collected national defence tax for eight months. This counted towards the total tax on the income of 1942. The tax deductions that we put into effect last September, and which are in effect now, were, therefore, made high enough to collect only the remainder of 90 per cent of the tax for 1942, that is, 90 per cent of the total tax less the amount already paid as national defence tax. Now it is proposed to collect the 1943 tax on which we have paid nothing by means of national defence tax in the past. Consequently, our deductions must be somewhat higher even though the tax rates themselves have not been altered. Let me assure all taxpayers, however, that they will receive full credit against 1942 taxes for what they paid as national defence tax in 1942. It will be no longer reflected in lower deductions from pay, but it will be credited toward the 1942 tax—and in some cases there will be some left over to be refunded or carried as a credit against future taxes. The new rates of deduction will go into effect for the first payroll period commencing after March 31.

These new deductions will also be slightly higher because we shall aim, as I have said, at collecting 95 rather than 90 per cent of the total tax by this method.

It will be difficult to put farmers on a pay-as-we-earn basis because it is so very hard for them to estimate their income in advance. We are proposing to give them as much latitude as possible by simply requiring them to pay two-thirds of their tax any time up to December 31—on the basis of a rough guess or calculation—and the balance when they file their final return in March of the following year. Higher agricultural incomes have now brought many farmers into the taxable income ranges, and I am glad to know that the Department of National Revenue is making special efforts to assist the farmer in reckoning his income and calculating his tax. After some careful consideration of the special problems faced by farmers in regard to income tax, I am proposing another special measure to assist them in overcoming the extreme variation in income to which they are frequently subject because of weather and other changes. Last year, the house approved a change in the income tax law enabling any business to carry forward a loss suffered in 1942 or any later year as a charge against profits in the following year. We propose now to enable a loss to be carried forward two years in the case of farmers—so that if a farmer suffered loss during 1942 he can charge that against the income from his farm during either 1943 or 1944.

In order to make the change to a complete pay-as-we-earn system of taxation on the income of 1943 and subsequent years, it is necessary to make some adjustments of the tax on 1942 income. If this is not done, we should have to pay a large part of the 1942 tax as well as the 1943 tax during this year 1943. If tax rates were substantially lower than they are, this overlapping would not be serious. With rates at their present high levels, we must avoid piling the unpaid portion of the 1942 tax liability on top of the current collections for 1943. This is the difficult problem of the transition to the pay-as-we-earn system. Nearly everyone has recognized the virtues of being on the pay-as-we-earn system. There has been far less agreement about the means of making the transition to this plan.

Fortunately we are in a better position to make this transition in respect of 1942 incomes in Canada than we would be in respect of any other year. We had already collected during 1942 eight months of national defence tax deductions from salaries and wages and four months of deductions on the new scale introduced last September. As a consequence, those whose 1942 income consisted of salaries and wages had already paid a substantial part of their total tax by the end of the year. This proportion varies from about 33 per cent in case of fairly high incomes up to more than 100 per cent in the case of some lower incomes. The proportion paid in any particular case depends on the income, the number of dependents, and whether or not the taxpayer had savings commitments to set against the refundable part of his tax. In general, the higher the income the smaller the proportion of tax collected by the end of 1942, and the less of the refundable part of the tax that is covered by outside savings commitments, the smaller the proportion of the total tax already collected.

It should be remembered in considering this matter that our deduction plan was only intended to collect up to 90 per cent of the full tax, leaving 10 per cent to be settled by the taxpayer himself at the end of the year, against which any allowances for charitable contributions, special medical expenses, etcetera, could be made. This was also intended to leave a margin of safety to prevent over-deduction for those whose earnings varied or changed during the year.

Let me give the house a few examples to show where various types of persons stood at the end of 1942 in regard to the payment of their tax. A single person earning $30 a week through the year will have had $2.10 a week of national defence tax deducted for each of 35 weeks—and then $5.37 a week for the remaining 17 weeks, assuming that he was not able to offset the refundable portion of his tax against other specified savings commitments during 1942. Consequently, he had paid during 1942 a total of $164.79 against his total tax liability of $391.20. That is to say, he was 42 per cent paid up. A married man with two children earning $200 a month will have had 8 months national defence tax deduction of $6.66 deducted. In the last four months he will have had four monthly deductions of $24.87, if he is liable for the refundable portion of the tax. Consequently, he will have paid a total of $152.76 out of his total 1942 tax of $390.80, that is, 39 per cent. If this man had paid, say, life insurance premiums of more than $195.40 during 1942, his monthly tax deductions from September to December would have been $10.21, and consequently he would have paid a total for the year of $94.12. This would be 48 per cent of the tax for which he is liable on his 1942

income—bearing in mind that he is not required to pay the refundable portion. In the same way, it could be shown that a married man with two children and having a salary of $500 a month would have paid 38 per cent of his tax by the end of the year, assuming he had the savings portion of his tax covered by other savings commitments.

The case is somewhat different for those whose incomes are not made up very largely of wages and salaries. They are required to pay their tax in four quarterly instalments, based upon an estimate of their income for 1942. The first of these instalments was payable on or before October 15 and the second on or before January 15 of this year. Consequently, such persons had paid roughly half their taxes by the middle of January except to the extent that they underestimated their income and tax.

In summary then, it appears that most people had paid about half their tax or more by the beginning of this year; the remainder had paid between a third and a half of their tax, depending on circumstances.

In order to put the pay-as-we-earn plan into effect, we wish to have all tax deductions made during 1943 and all quarterly tax payments subsequent to that of January 15, 1943, apply in payment of 1943 taxes alone. We wish to avoid, so far as it is practicable, overlapping the payment of 1942 taxes with the current payment of 1943 taxes. Some overlapping for many people was to be expected in any case because we aimed at collecting only 90 per cent of the tax by deductions at the source, and the balance was to be paid at September 30—at the time deductions for 1943 taxes were to be taking place.

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 side 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. In the case of investment income there is almost 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.

What we are proposing to do in respect of investment income is in effect to take the whole series of future tax payments to which it will be subject and bring them forward for earlier payment, including the unknown income tax that would be due on the death of the taxpayer, and to take the first such payment—50 per cent of the 1942 tax—and put it at the other end. Thus we substitute a definite and known liability at the time of death for an unknown and uncertain one. It is something which a man may, if he wishes, prepare for and even insure against. We are not adding to the burden on investment income—we are simply rearranging it. We are also withholding from investment income, which does not need it, the relief which we propose to give in the case of earned income and which takes effect at the time such income ceases or declines.

It is proposed to treat investment incomes up to $3,000 in the same way as earned income—forgiving 50 per cent of the tax instead of deferring it. This will enable us to avoid having to keep track over a long period of a large number of small accounts. It will afford a measure of relief in the future to those whose investment income really represents the fruits of earlier earnings or the protection against want which a man has provided for his dependents. It will also enable us to avoid what would otherwise be discrimination between those who have provided for their own old age by savings in the form of modest annuities and those whose employers have provided for them by pensions or superannuation payments which are included in earned incomes. Larger

annuities are comparable with other forms of investment income, rather than with pensions, and will be left in the same position as at present except insofar as they benefit from the adjustment in respect of the first $3,000.

To illustrate the effects of the proposed means of dealing with the tax on 1942 incomes, I would like, with the permission of the house, to place on *Hansard* at this point two tables of figures, one showing the situation in respect of earned incomes of various amounts and the other showing that in respect of investment incomes. These the house and the public can examine at length.

TABLE SHOWING EFFECT OF PROPOSED ADJUSTMENT OF 1942 TAX LIABILITY ON WAGES AND SALARIES

1942 Income†	Tax Liability on 1942 Income (Before adjustment)		Amount Deducted from Wages or Salary in 1942						Amount Remaining to be Paid *i.e.*, 50% of unadjusted tax liability less total deducted from wages or salary in 1942	
			Person with no savings credits			Person with full savings credits				
	Person with no savings credits	Person with full savings credits	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Person with no savings credits	Person with full savings credits
					1. Single without dependents					
$	$	$	$	$	$	$	$	$	$	$
700	40	20	24	2	26	24	.....	24	*6	*14
850	116	58	29	23	52	29	7	36	6	* 7
1,000	172	92	34	38	72	34	15	49	14	* 3
1,250	267	167	59	61	120	59	31	90	14	* 6
1,500	367	247	71	83	154	71	48	119	30	4
1,750	471	331	82	111	193	82	70	152	43	13
2,000	601	441	94	143	237	94	97	191	63	29
2,250	713	533	105	175	280	105	122	227	76	40
2,500	826	626	117	209	326	117	149	266	87	47
3,000	1,064	824	140	273	413	140	201	341	119	71
4,000	1,594	1,274	187	416	603	187	320	507	194	130
5,000	2,128	1,728	233	561	794	233	441	674	270	190
7,500	3,570	2,970	350	954	1,304	350	774	1,124	481	361
10,000	5,112	4,312	467	1,378	1,845	467	1,138	1,605	711	551
20,000	11,829	11,029	933	3,238	4,171	933	2,998	3,931	1,744	1,584
30,000	19,196	18,396	1,400	5,292	6,692	1,400	5,052	6,452	2,906	2,746
50,000	34,963	34,163	2,333	9,711	12,044	2,333	9,471	11,804	5,437	5,277

* Minus amounts will be allowed as credits or refunds.

† It is assumed that incomes of less than $2,000 per year are paid weekly, and higher incomes monthly for the purpose of calculating deductions.

TABLE SHOWING EFFECT OF PROPOSED ADJUSTMENT OF 1942 TAX LIABILITY ON WAGES AND SALARIES

1942 Income†	Tax Liability on 1942 Income (Before adjustment)		Amount Deducted from Wages or Salary in 1942						Amount Remaining to be Paid *i.e.*, 50% of unadjusted tax liability less total deducted from wages or salary in 1942	
			Person with no savings credits			Person with full savings credits				
	Person with no savings credits	Person with full savings credits	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Person with no savings credits	Person with full savings credits
					2. Married persons without other dependents					
$	$	$	$	$	$	$	$	$	$	$
1,250	50	25	42	4	46	42	.....	42	*21	*30
1,300	100	50	44	15	59	44	.....	44	* 9	*19
1,500	217	109	50	46	96	50	15	65	13	*11
1,750	321	161	59	74	133	59	27	86	27	* 6
2,000	431	231	67	102	169	67	44	111	46	4
2,250	541	316	75	134	209	75	67	142	62	16
2,500	651	401	83	168	251	83	93	176	75	25
3,000	884	584	100	232	332	100	142	242	110	50
4,000	1,364	964	133	365	498	133	245	378	184	104
5,000	1,878	1,378	167	508	675	167	358	525	264	164
7,500	3,270	2,520	250	898	1,148	250	673	923	487	337
10,000	4,762	3,762	333	1,318	1,651	333	1,018	1,351	730	530
20,000	11,279	10,279	667	3,161	3,828	667	2,861	3,528	1,811	1,611
30,000	18,446	17,446	1,000	5,200	6,200	1,000	4,900	5,900	3,023	2,823
50,000	33,813	32,813	1,667	9,588	11,255	1,667	9,288	10,955	5,651	5,451

* Minus amounts will be allowed as credits or refunds.

It is assumed that incomes of less than $2,000 per year are paid weekly, and higher incomes monthly for the purpose of calculating deductions.

TABLE SHOWING EFFECT OF PROPOSED ADJUSTMENT OF 1942 TAX LIABILITY ON WAGES AND SALARIES

1942 Income†	Tax Liability on 1942 Income (Before adjustment)		Amount Deducted from Wages or Salary in 1942						Amount Remaining to be Paid *i.e.*, 50% of unadjusted tax liability less total deducted from wages or salary in 1942	
			Person with no savings credits			Person with full savings credits				
	Person with no savings credits	Person with full savings credits	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Nat. Defence tax Jan.–Aug.	Income tax Sept.–Dec.	Total (N.D.T. Income Tax)	Person with no savings credits	Person with full savings credits
					3. Married persons with two dependents					
$	$	$	$	$	$	$	$	$	$	$
1,250	32	16	15	5	20	15	.....	15	* 4	* 7
1,300	35	18	17	5	22	17	.....	17	* 4	* 8
1,400	42	21	20	6	26	20	.....	20	* 5	*10
1,500	49	25	24	7	31	24	.....	24	* 6	*11
1,750	105	53	32	20	52	32	5	37	1	*10
2,000	215	107	41	47	88	41	17	58	20	* 4
2,250	325	163	48	78	126	48	31	79	36	2
2,500	435	217	57	111	168	57	46	103	49	5
3,000	668	334	73	176	249	73	76	149	85	18
4,000	1,148	668	107	308	415	107	164	271	159	63
5,000	1,662	1,062	140	452	592	140	272	412	239	119
7,500	3,054	2,154	223	842	1,065	223	572	795	462	282
10,000	4,546	3,346	307	1,261	1,568	307	901	1,208	705	465
20,000	11,063	9,863	640	3,106	3,746	640	2,746	3,386	1,786	1,546
30,000	18,230	17,030	973	5,145	6,118	973	4,785	5,758	2,997	2,757
50,000	33,597	32,397	1,640	9,532	11,172	1,640	9,172	10,812	5,626	5,386

* Minus amounts will be allowed as credits or refunds.

† It is assumed that incomes of less than $2,000 per year are paid weekly, and higher incomes monthly for the purpose of calculating deductions.

TABLE SHOWING EFFECTS OF PROPOSED ADJUSTMENT OF 1942 TAX LIABILITY ON INVESTMENT INCOMES

1942 Income	Tax Liability on 1942 Income (Before adjustment)		Adjusted Liability on 1942 Income; Payable During 1942 and 1943*		Deferred Liability Due at Death of Taxpayer	
	Persons with no savings credits	Persons with full savings credits	Persons with no savings credits	Persons with full savings credits	Persons with no savings credits	Persons with full savings credits
Single Persons Without Dependents						
$	$	$	$	$	$	$
700	40	20	20	10		
850	116	58	58	29		
1,000	172	92	86	46		
1,250	267	167	134	84		
1,500	367	247	184	123		
1,750	481	341	240	170		
2,000	621	461	310	230		
2,250	743	563	372	282		
2,500	866	666	433	333		
3,000	1,124	884	562	442		
4,000	1,694	1,374	847	687	212	172
5,000	2,268	1,868	1,134	934	454	374
7,500	3,810	3,210	1,905	1,605	1,143	963
10,000	5,452	4,652	2,726	2,326	1,908	1,628
20,000	12,569	11,769	6,284	5,884	5,342	5,002
30,000	20,336	19,536	10,168	9,768	9,151	8,791
50,000	36,903	36,103	18,451	18,051	17,344	16,968
100,000	82,337	81,537	41,168	40,768	39,933	39,545
500,000	474,304	473,504	237,152	236,752	235,729	235,331
Married Persons With no Other Dependents						
$	$	$	$	$	$	$
1,250	50	25	25	12		
1,300	100	50	50	25		
1,500	217	109	109	54		
1,750	331	165	165	83		
2,000	451	251	225	125		
2,250	571	346	285	173		
2,500	691	441	345	220		
3,000	944	644	472	322		
4,000	1,464	1,064	732	532	183	133
5,000	2,018	1,518	1,009	759	404	304
7,500	3,510	2,760	1,755	1,380	1,053	828
10,000	5,102	4,102	2,551	2,051	1,786	1,436
20,000	12,019	11,019	6,009	5,509	5,108	4,683
30,000	19,586	18,586	9,793	9,293	8,814	8,364
50,000	35,753	34,753	17,876	17,376	16,804	16,334
100,000	80,187	79,187	40,093	39,593	38,891	38,406
500,000	464,154	463,154	232,077	231,577	230,685	230,188
Married Persons With Two Dependents						
	$	$	$	$	$	$
1,250	32	16	16	8		
1,300	35	18	18	9		
1,400	42	21	21	10		
1,500	49	24	24	12		
1,750	115	57	57	29		
2,000	235	117	117	59		
2,250	355	177	177	89		
2,500	475	237	237	119		
3,000	728	364	364	182		
4,000	1,248	768	624	384	156	96
5,000	1,802	1,202	901	601	360	240
7,500	3,294	2,394	1,647	1,197	988	718
10,000	4,886	3,686	2,443	1,843	1,710	1,290
20,000	11,803	10,603	5,901	5,301	5,016	4,506
30,000	19,370	18,170	9,685	9,085	8,716	8,176
50,000	35,537	34,337	17,768	17,168	16,702	16,138
100,000	79,971	78,771	39,985	39,385	38,786	38,204
500,000	463,938	462,738	231,969	231,369	230,577	229,981

* This amount is one-half the unadjusted total liability. The quarterly instalments paid in respect of this income in Oct. 1942 and Jan. 1943, together with deductions at the source, will presumably already have covered most of this liability. The residual, if any, must be paid during 1943.

[Mr. Ilsley.]

I will also give the house a few examples now to illustrate how the proposals work out. As a first example, let us recall the case I mentioned a few moments ago of the single man or woman earning $30 a week during 1942 and without credits to offset his refundable tax. Out of a total liability of $391.20, he had paid $164.79 by the end of the year. Cutting his liability in half leaves him with $30.81 still to pay. Of his reduced total liability of $195.60, $62.40 is to be refunded after the war and the balance, $133.20, is the net tax. If this man in question had been paying life insurance premiums or other types of contractual savings relieving him of the liability for refundable tax, he would only have about $5 left to pay when he files his return. Our second example was a married man with two children, earning $200 a month. He had paid, you will recall, $152.76 out of a total tax of $390.80, if he was liable for the refundable portion of the tax. Now that his liability is cut in two, he will only have $42.64 left to pay. If he had insurance premiums which looked after the refundable portion of his tax, he would only have $3.58 left to pay. Going higher up the scale, and assuming for these higher incomes that the refundable portion of the tax is covered by other savings commitments, we find that a married man with two children earning a salary of $5,000 had a total liability in respect of 1942 taxes of $1,062, of which $412 had been deducted at the source. When his liability is cut in half, this will leave him $119 of tax remaining to be paid. Similarly a $10,000 a year man will have paid $1,208 out of a total liability of $3,346, and when the liability is adjusted, he will have $465 to pay.

In the case of investment income we may reasonably assume, I think, that the two quarterly instalments together with deductions at the source have accounted for most of the 50 per cent liability that must be paid immediately. This is the end of the matter so far as investment incomes of less than $3,000 are concerned. For those of more than $3,000 we must take half of that proportion of the tax which corresponds to the proportion of income constituted by investment income in excess of $3,000. This amount is deferred and will be due at the death of the taxpayer. In the case of a $10,000 investment income the additional deferred payments will amount to $1,908; in the case of a $20,000 investment income they will be $5,342; for a $100,000 investment income they will be $39,933; and for those very few who enjoy investment incomes of more than this amount, they will be correspondingly greater. The figures I have quoted as examples are those for a single person having no savings credits—in all other cases the amounts will be lower.

It will be observed that the amounts remaining to be paid this year in respect of 1942 tax liabilities are relatively small. For the majority of taxpayers they will be substantially less than the 10 per cent of the tax which it had been anticipated would be payable next September. In a great many cases, those with relatively small incomes will be entitled to a refund of some of the tax which has already been deducted at the source. The amount of these refunds will be very small in most cases, rarely exceeding $15, and I would hope that most of the taxpayers will see fit to leave these amounts as credits toward any amount owing on their 1943 tax at the end of the year. Those with incomes in the middle brackets, let us say from $2,000 to $5,000 per year, will find the amounts remaining to be paid relatively small if they have savings commitments that look after the refundable portion of their tax. If they must pay the refundable portion of their tax, the amount remaining will be somewhat more than the 10 per cent they were expecting to pay in September and consequently they will need to make an increased effort to provide this additional amount of forced saving, at the same time that they are paying their 1943 tax. In order to enable them to make these payments, it is proposed to require only one-third of the remaining outstanding amount to be paid at the time the return is filed, which will be June 30th, and the balance may be paid any time during the remaining six months of the year. For those with salaries in excess of $5,000 or $10,000 a year, the amounts remaining to be paid of the 1942 tax will in all cases, I believe, exceed the 10 per cent which it was expected would be due in September. I believe, however, that it is not unreasonable to leave this relatively slight extra burden on such persons at this time, bearing in mind that we are not making any increase in the rates of tax.

The adoption of the pay-as-we-earn plan, together with the other changes associated with it, will increase our revenues in the next fiscal year and in subsequent years. It may seem strange at first sight that a rearrangement which involves cancelling some tax liabilities and making no increase in tax rates could somehow increase our tax revenues. The reason is that we replace the cancelled liabilities by bringing forward the taxes to be paid in all future years.

The effects of these changes upon revenue in the new fiscal year, 1943-44, will be an increase of about $115 million in our receipts from personal income taxes, of which roughly $15 million will be refundable after the war.

Some of this increase will arise from the fact that the higher scale of deductions from earnings will go into effect in April instead of September. Another part will result from the fact that 1943 incomes will be higher than those in 1942. There will be some increase due to the payment of the remaining liability in respect of 1942 incomes in the same year that 1943 taxes are paid. I should add that several minor adjustments in income tax which I will mention shortly will mean the loss of some revenue, perhaps $10 million in all, and, consequently, the net increase in our income tax revenue in this new fiscal year is estimated at about $105 million in all, of which $15 million will be refundable.

The next proposal which I wish to mention is designed to clear up an anomaly which is certain to be vexatious to those affected and might lead to further undesirable results. It may be recalled that there is a provision in the law that the tax shall not reduce the income of a single person below $660 per year, nor that of a married person below $1,200 per year. The effect is that the tax, for example, on $1,200 of income for a married person is nothing, while that on $1,300 is $100, of which $50 will be refunded after the war. Thus there are ranges both above the $660 exemption and the $1,200 exemption over which in effect the tax, including the refundable portion absorbs every extra dollar added to income. This range extends from $660 per year to $733 per year in the case of single persons and from $1,200 per year to $1,362 per year in the case of married persons with no dependents. This high rate of tax on additional earnings over these ranges has not been effective this year in the deductions made from wages and salaries because at these levels of income the adjustments arising from the national defence tax have been substantial. Hence, it has not, up to date, so far as I know, been the cause of much difficulty or complaint nor has it been noted by many persons. However, the new table of deductions which must be put into effect in April would reflect fully this anomaly and the removal of incentive in these income ranges might have substantial and undesirable results. In order to maintain incentives at a time when it is desired to ensure so far as possible that everyone will stay at work and put his whole effort into work, I am proposing that we change this border-line provision. The new formula I am suggesting is that the tax in the ranges affected shall not be greater than two-thirds of the amount by which the income exceeds $660 in the case of single persons and $1,200 in the case of married persons. Under this arrangement, any additional dollar of income in this border-line range will go one-third in cash to the recipient, one-third in tax and one-third in refundable tax. This makes the incentive much greater than it is under the present formula, particularly for those who mistakenly attach little importance to the refund feature. This mistaken attitude may be based on the fact that they have not as yet received any form of security representing the taxes refundable to them. However, I have repeatedly stated and now wish to reiterate that within a reasonable time after the tax liability for 1942 is established and discharged, the taxpayer will receive a receipt or certificate covering the refundable portion of the tax which will be just as binding an obligation of the dominion as a victory bond or a war savings certificate. I would like to take this opportunity to emphasize that the refunding of this tax to those entitled to it is one of the most certain acts of any post-war government that I can imagine. Not only does the whole credit of the dominion stand behind this undertaking to repay but it would be political suicide for any government, however radical or however reactionary, to default on an obligation due to the mass of the wage-earners of the country.

I have two minor additions to propose to the list of those savings commitments which are recognized as alternative to the payment of the refundable portion of the tax. The first addition is principal payments on a mortgage on the home of the taxpayer when the property is held in the name of the wife or husband of the taxpayer. Last year, we discussed this situation and I was not prepared to include such payments as I believed that such arrangements of family property were artificial and were very frequently intended to relieve the head of the household of financial responsibilities which he should be prepared to carry in his own name. Since then, I have had my attention drawn to a great many types of cases where there were other good reasons for having the property in the name of the wife of the taxpayer and I do not now believe that there is any serious objection to recognizing such arrangements. It has also been found that quite a number of people have transferred property or transferred the mortgage from the wife's name to the taxpayer's name in order to bring them within the law. These transfers are relatively expensive in many cases and in the province of Quebec they are not possible. Since no important purpose is served by encouraging such transfers during the years in which our refundable tax is in effect and since it is inequitable to have a tax which can be escaped in one part of the country but not in another

I am suggesting that we now recognize these principal payments on a mortgage when title to the property is held in the name of the consort of the taxpayer as well as when title is in the name of the taxpayer himself.

The second addition to the list of recognized savings commitments concerns Dominion annuities. Last year, there was considerable discussion as to whether or not Dominion annuities should be included. I did not believe they should be included because they did not fall within the general definition of those types of contractual savings which we wished to recognize. The principle on which we were working was that we should include only savings contracts which could not be altered without substantial loss or forfeiture to the taxpayer. In the case of Dominion annuities, the payments can be postponed at relatively small cost, since all that is involved is the difference in interest rates on the annuity and on the refundable portion of the tax. During the past eight months in which the law has been in effect, I have found that a great many of those having annuity payments to make have found it exceedingly difficult to understand this important principle on which we have been operating. However there is a degree of loss or forfeiture which becomes important for those whose annuities are about to mature. In view of this, and the difficulty of making the principle clear to the large number of small annuity holders I am recommending that contractual annual payments for the purchase of Dominion government annuities shall not be excluded from the list of recognized offsets against the refundable portion of the tax.

I have a number of relatively minor amendments to the income tax which I shall mention only briefly. One such amendment is intended to clarify the position of Canadian employees of Canadian companies who are temporarily engaged abroad on war work. There is some doubt as to the residential status of these employees, particularly single men, under the act as at present drawn up and it is intended to make it clear that they are taxable. There will be other changes in the wording of several sections of the act which will be made clear in the bill and which are intended to strengthen the law against possible evasion. Another provision will extend the time allowed to corporations in filing their income tax return from four months to six months after the close of their fiscal year. They are now allowed six months to pay their tax and in view of the shortage of accountants at present, it is considered desirable to permit an additional two months for the complicated work of making up the tax returns of corporations. I shall have several other minor changes to propose in regard to the making of returns and the penalties involved for those failing to make complete returns.

There is an important amendment to be made in regard to the provisions for special depreciation allowances granted for war purposes. It will be recalled that these special depreciation allowances have been permitted in the case of capital invested for essential war purposes either in cases approved by the war contracts depreciation board or in those approved by the governor in council under the terms of the War Exchange Conservation Act. Where these special depreciation allowances have been granted it has been generally understood by all the parties concerned that the plant and equipment to be depreciated in this way will have very little market value at the close of the war. It is desirable to safeguard the crown in the occasional case which may arise where such property proves to have an unexpected market value after the war. It is therefore proposed that when immovable assets have been depreciated in this way and later sold for more than their depreciated value any excess of such sales value over the depreciated value shall be applied to reduce the special depreciation already taken in respect of such assets. As a further safeguard against fictitious sales or sales between related corporations, it is proposed that when assets which have been written down by means of either special or ordinary depreciation are sold by a company, for example, to another company in which the first has an interest, then the second or purchasing company will be restricted in depreciating such assets further. This is a complicated matter to try to put briefly in a budget speech, and I refer any person desiring further information to the resolution dealing with this measure which I shall table before resuming my seat.

The members of the house will recall the difficult problems which have arisen in regard to the exemptions from taxation that have been granted to various classes of members of the armed services. Considerable study has been given to this question since the last session of parliament in the hope that a way could be found to remove the various anomalies which were still present even after the improvements which we effected last year. The problem created by the exemption from taxation of officers as well as men who are overseas while officers in Canada (except under certain circumstances) are taxable has proved to be such a fundamental difficulty that no simple solution is possible. We cannot overcome this

distinction between officers at home and abroad unless we are prepared either to place a substantial tax on those abroad or relieve those at home from income taxes which they should bear just as well as civilians. I believe that the house will see objections to either of these courses. Consequently, I am not proposing that we change the tax status of officers overseas nor that of officers at home, except to the extent that I shall mention in a moment. I am proposing, however, that we shall recognize a middle group, constituted of those serving in the western hemisphere outside of Canada. Officers serving in this area will be liable to one-half the rate of tax in respect of their remuneration, excluding subsistence allowances. Heretofore they have been exempt, as they have been considered as serving abroad, but because of the way in which the war has developed I think it is reasonable to make a distinction between those who are in the United Kingdom or elsewhere across the ocean and those who are in Newfoundland, the West Indies, Labrador or Alaska.

Last year, it was provided that the tax payable by commissioned officers in the armed services, apart from the refundable portion of the tax, should not be greater than the excess of their pay over $1,600 in the case of single men, nor the excess of pay and allowances over $1,600 plus the similar allowances appropriate in the case of a warrant officer for married men. This provision was intended to overcome the anomalies created by the fact that commissioned officers were taxable, while senior non-commissioned officers were not, and the tax frequently had the result of reducing the net income of a senior man below that paid to his junior. This provision overcame most of the problem but it has been by no means perfect. It still leaves the compulsory savings portion of the tax effective in reducing an officer's retained cash income below that of a warrant officer in certain cases. Moreover it reduces substantially the difference between the net income of the junior commissioned officers and those immediately above them in rank, leaving no benefit to be gained or very little from promotions in this range. We have worked out now an improved method of making adjustments of this character which is free from the objections in the present measure. The new proposal involves a change in the form of the provision from a limitation on the tax to that of a credit against the tax. It is proposed as well that the line between taxable and non-taxable members of the forces will be drawn on a basis of income rather than on the basis of commissioned rank.

[Mr. Ilsley.]

Under the new arrangement, those members of the forces receiving pay in excess of $1,600 a year will be liable for tax, whether commissioned officers or warrant officers, unless they are exempt because serving abroad, or because their duties are normally performed in aircraft or afloat. They will receive, however, a credit toward their tax equal to the tax payable on an income of $1,600 for single persons, or on $1,600 plus the appropriate dependents' allowance for those with dependents. This tax credit will be reduced, however, by the proportion which the excess of the service income of the officer above $1,600 (or above $1,600 plus allowances in the case of officers with dependents) bears to $1,600 (or $1,600 plus allowances). This will result in the tax credit being limited to those within the pay range of $1,600 to $3,200. Let me give an example to show how this works—taking the case of a single man for the sake of simplicity. A single lieutenant receives pay of $1,825. The tax paid by a single man on an income of $1,600 is approximately $407. For the lieutenant's case we must reduce this by the fraction formed by $1,825 less $1,600—that is, $225—over $1,600. That reduces the credit by 14 per cent, leaving an effective credit of $350. His tax before the application of this credit would be $522 but the credit will reduce it to $172, of which $86 will be savings. Under the present arrangement this lieutenant would pay a tax of $371, of which $146 is savings. It can be seen that this provision will chiefly benefit junior officers and officers with several dependents. It will bring into the taxable category a few warrant officers whose pay, including trades pay, exceeds $1,600. The proposal has the great advantage of providing a gradual application of the tax in such a way as not to disturb unreasonably the pay differential between various ranks.

The new arrangement for taxing at half rates those in the western hemisphere outside of Canada will help to remove some of the anomalous comparisons between persons serving in certain areas of Canada and paying tax and those serving across the boundary line or the Strait of Belle Isle and being exempt from tax. There is another anomaly which can be removed without exempting all administrative and training officers at home, or taxing officers abroad. This is the sudden reduction in income faced by an officer brought home from service abroad, which occurs because he thereby becomes liable to tax. It is proposed that such an officer returning to Canada after having served on the strength of a unit overseas shall be exempt from tax for a period of six months,

or a period equal to the time he served overseas if that was less than six months. This will give returning officers an opportunity to adjust themselves to the new circumstances.

Included in the income tax proposals are a number intended to encourage the search for new sources of oil in Canada during the next two years. The government recognizes the urgent necessity under present emergency conditions of expanding our oil production and, if possible, of discovering new oil-producing areas in various parts of Canada. Success in the search for oil depends upon a combination of experience, skill and good judgment, as well as capital and good luck; it is essential therefore to bring into the search all we can of those with the necessary skill and experience. We desire to remove so far as possible any barriers which taxation may impose in the way of this search for oil. Several of the proposed measures can be put into effect by regulation but I wish to inform parliament and the public at once of our intention to apply them. We propose to revise the schedule under which pre-production expenses of any oil well may be written off against the income from it. The new schedule will be 40 per cent in the first year, 30 per cent in the second, 20 per cent in the third, and the remaining 10 per cent in the fourth. It will not be necessary to take all of these amounts in the years specified, and any amounts not used may be carried forward. In the case of wells commenced—"spudded in" I believe is the correct term—between January 1 of this year and March 31 of 1945, pre-production expenses may be written off as rapidly as the operator desires. The third change to be made by regulation is an increase from 15 per cent to 25 per cent in the depreciation rate to be applied to all depreciable assets used in oil production, including oil drilling equipment. Fourthly, it is proposed that a special wartime depletion allowance of 33⅓ per cent instead of the present 20 per cent be permitted in respect of royalty payments received by investors from wells spudded in in the period January 1, 1943, to March 31, 1945.

There are two other proposals to encourage oil production that will require legislation. It is proposed that companies formed for the purpose of exploration and drilling for oil will be allowed to accumulate exploration costs incurred during the period January 1, 1943, to March 31, 1945, and to write off such expenses against the income produced from any well which they may find. Secondly, it is proposed that all exploration costs, including geological and geophysical expenses incurred during the period from January 1, 1943, to March 31, 1945, and all off-property drilling expenses of dry wells which had been spudded in during this period shall be allowed as an expense or deduction against the current income of companies whose principal business is the production, refining or marketing of petroleum or its products. The tax saving so obtained will be limited to 40 per cent of the expenditures involved.

In addition to oil, the government wishes to encourage the search for new base metal and strategic mineral deposits, which continue to be urgently required for war purposes. It is therefore proposed to renew the present provision of the law, enacted last year, regarding amounts invested by individuals in prospecting syndicates searching for base metals and strategic minerals. Instead of renewing the corresponding provision in respect of mining companies sending out their own parties, it is now proposed to allow companies engaged in the mining of metalliferous and strategic minerals to write off exploration and prospecting expenses incurred in prospecting anywhere in Canada for base metals or strategic minerals. In this case, as in the case of oil, the saving in tax will be limited to 40 per cent of the expenditure.

As I have already indicated, the proposed changes in commodity taxes are not numerous and are such as are dictated not only by the need for revenue but also by the facts in respect of particular trades and revenues.

In order to make clear the proposals I have to make relating to imposts on liquor, it will first be necessary for me to give the house some background in regard to certain representations received from provincial governments in regard to their revenues from liquor sales. The dominion's liquor restriction programme was announced on December 16 last and provided, inter alia, for reductions of 30, 20 and 10 per cent in the quantity of spirits, wines and beer, respectively, available for sale during the twelve months beginning November 1, 1942, as compared with the quantity made available during the preceding twelve months. On December 17 I issued a statement expressing the hope that the new regulations would not financially embarrass the provinces, particularly as certain measures of adjustment were open to them. However, requests were received from certain provincial governments for a conference in order to discuss the effect of the restrictions on provincial revenues. This conference was held on January 28 and resulted in requests from representatives of most of the provincial governments that the dominion should make up to them any loss in revenue from liquor sales and also from motor vehicle licences which they might suffer in future as compared with their

receipts from these sources in some base year. Varying base years were suggested by different provinces—the fiscal year 1941-42, the calendar year 1942, the year ending October 31, 1942, and the fiscal year 1942-43. The provinces were asked to submit their representations in writing and, while these submissions have not as yet been received from all provinces, we have given very careful consideration to such as have been received as well as to other pertinent data and are prepared to recommend a programme which we believe should accord with the equities of the situation as a whole and meet the reasonable needs of the provinces.

I am not so optimistic as to assume that it will fully satisfy all provincial governments, but we who are charged with responsibility for financing war expenditures of the colossal magnitude which I have described must never forget that there is but one tax-paying public in Canada, which pays taxes both to the dominion and to the provinces, and that, particularly under present conditions, there is an overriding obligation on all governments to avoid extracting from the pockets of the people any funds that are not absolutely necessary. What we propose, therefore, is (1) to levy an additional excise duty of $2 per proof gallon on spirits, with a corresponding increase in the duty on imported spirits to which I shall refer later, and (2) to guarantee to any province the revenues it received from all alcoholic beverages during the twelve months ending June 30, 1942, provided it is willing to increase the retail price of the spirits it sells by an amount at least sufficient to absorb our extra levy of $2 per proof gallon and an additional amount equivalent to $2 per proof gallon for the benefit of the province itself.

Let me explain the reasons for the main aspects of this proposal so that its full significance may be clear to the house. Obviously we believe that spirits can stand an additional levy of $4 per gallon; only 70 per cent of the quantity sold in the basic twelve months will be available for sale in any future 12-month period and that quantity will be sold almost as readily with the $4 increase as without. Indeed, the higher price should definitely ease the difficulties experienced by the provinces in rationing the smaller available supply. If all the available supply can be sold at the higher price and if the provinces thus have it in their power to offset their possible loss of revenue by a price adjustment, it would be unthinkable that this reasonable and appropriate solution of the problem should be overlooked and, instead, the dominion should be forced to accept an additional burden on behalf of the taxpayers of the country as a whole.

It will also be noted that the guarantee we propose to give will be based on provincial liquor revenues for the twelve months ending June 30, 1942. Had we not also been making a proposal, which I shall explain a little later on, to change the basis of levying customs duty on imported spirits, it might have been appropriate to consider applying a guarantee to revenues for the twelve months ending October 31 last. However, this other proposal, coupled with the reduction in the strength of spirits to not more than 30 underproof, will increase the revenues of the provinces in two ways, first, by reducing the amount of customs duty payable on imported spirits, and secondly, by increasing the number of bottles per proof gallon available for sale. We believe that the increased revenues obtainable in these two ways will be sufficient to compensate the provinces for having their liquor revenues guaranteed on the basis of the period ending on June 30, 1942, rather than the period ending on October 31, 1942.

As a result of this suggested programme, the provinces will be assured of a minimum revenue equal to, or nearly equal to, the highest annual revenue they have ever obtained from liquor sales, and, in addition, will have the possibility of enjoying an increase in that revenue as a result of higher retail prices and the savings in customs duties on imported spirits. I am hopeful that the guarantee should not cost the dominion anything and, if this proves to be the case, it will be as it should be, as I am sure the house and the country would wish it to be.

We gave very careful consideration to whether we should guarantee provincial revenues from motor vehicle licences. The provinces had requested this on the ground that such revenue was likely to fall off substantially because of dominion restrictions on gasoline and rubber tires and also because the new liquor control regulations were likely to cause a substantial falling off in their most expansible source of revenue. However, it is the war, and not the dominion government, which is responsible for the restrictions on gasoline and rubber, and the provinces cannot expect to be protected against every contingency to which the war may give rise. Furthermore, the programme I have suggested in regard to liquor should prevent a further falling off in liquor receipts and ensure the provinces very high continuing revenue from this source. Examination of the published accounts of the various provinces will show

a very substantial increase in their ordinary revenues since the outbreak of war, which is of course due, directly or indirectly, to our own huge expenditures for war purposes. For the first time in many years, all provinces have been showing surpluses on ordinary account, some of them very substantial indeed, and others calculated after setting aside sizeable reserves of one kind or another. We are glad to see that the war has made it possible for the provinces to achieve a material strengthening in their financial positions. The war, however, has made the financial task of the Dominion infinitely more difficult. Because of that, because of the picture which I have had to present in this budget, I believe the house and the country will regard as fully justified the decision which we have reached to reject the provincial request for a guarantee of revenues from motor vehicle licences and to subject our proposed guarantee of provincial liquor revenues to the conditions which I have described.

Increasingly large sums are being spent by the public on cigarettes and tobacco and I propose to increase the revenue derived from this source. It will be recommended that the tax on cigarettes under the Special War Revenue Act be increased by one cent for each five cigarettes or fraction of five, making the total tax under this act two cents for each five cigarettes in addition to the excise duty of $6 per thousand. This change should produce an increase of $22,000,000 in revenue. In conformity with this change, it is proposed to raise the excise taxes on cigarette papers and tubes from six to eight cents and from twelve to fourteen cents per hundred respectively. We hope to derive $2,000,000 extra revenue from this source.

Similarly, it is proposed to increase the tax under the Special War Revenue Act on manufactured tobacco from one to two cents per ounce. The excise duty of 35 cents a pound will remain unchanged. An excise tax on raw leaf tobacco of one-half cent per ounce is recommended to bring the total excise tax and duty to 28 cents a pound. The increases on raw and manufactured tobacco are expected to contribute $6,700,000 in additional revenue.

It is recommended that the tax on cigars under the Special War Revenue Act should be raised by $5 per thousand in the first price category and by appropriate increases in the higher price categories.

The amount of expenditures by the public in night clubs and similar places of entertainment seems to me to warrant an increase in the tax on such expenditures and I shall recommend that the rate be raised from 20 per cent to 25 per cent. It will be recalled that the tax applies to the amount of every charge made to a patron of such place of entertainment and is paid in the first instance by the patron to the operator. An increase in revenue to the extent of $500,000 is anticipated to result from this change.

Thus far in the war no change has been made in the postal rates. The need for revenue is now so great that a change can no longer be delayed. It is proposed to levy an additional tax, under the Special War Revenue Act, effective April 1, of one cent per ounce or fraction thereof on certain categories of mail, viz., on first-class office to office mail, (not including postcards, nor letters addressed to members of the armed forces overseas), and on so-called "drop" letters, i.e., letters collected by and distributed from the same office. The total rates will be four cents for out of town letters, and three cents for "drop" letters. The increased revenue expected from these changes is $8 million.

The customs tariff has fallen from the high position it has previously held as an instrument of fiscal and economic policy. Under the circumstances of war, the tariff has little effect except as a producer of revenue. The scope and direction of trade are now governed by the consideration of supply, transportation and enemy action and not by the tariff. Under these circumstances, changes in the customs tariff are of no effect in expanding or curtailing trade. I do not propose, therefore, to recommend changes in the tariff other than a few modifications chiefly for the purpose of amending tariff items which have become outdated.

There will again, however, be a time when the tariff will be an important instrument of trade policy and when this country will have to decide whether it will play its part with other countries which are prepared to help in freeing the world's trade, in enlarging markets, and in promoting the full and effective use of the world's resources.

The government has already, by an exchange of notes with the United States on November 30 last, undertaken to enter into conversations with that country, and with other countries, for the purpose of formulating programmes of agreed action directed to the expansion, after the war, of production, employment, and the exchange and consumption of goods, to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers.

Committed to these objects and having in mind particularly the vital concern of this country in access to the selling and buying markets of the world, the government is prepared to discuss with the government of the United States, the government of the United Kingdom, or the governments of other countries with which we trade, reciprocal trade arrangements wider in scope and longer in duration than have hitherto been made, provided always that the advantages of such arrangements shall be open to other countries willing to adhere to the same terms.

We believe that questions of post-war commercial policy must be tackled broadly and boldly; we believe that world trade must have a more liberal and dependable charter than it has had in the past two decades; and that countries, such as Canada, for which world trade is the very blood stream, should be prepared, not merely to accept desirable arrangements but to take the initiative in working out a plan mutually of benefit to ourselves and to other countries. We believe that countries which have had long experience of friendly relations should associate themselves with that initiative and furnish to others examples of concrete accomplishment in the distribution of the world's products for the mutual welfare of all people.

The most important of the tariff changes proposed relates to the customs duty on imported spirits. The additional duty on spirits is being increased from $5 per proof gallon to $7 per proof gallon in order to equalize the increase being made in the Excise Act making the total duty on imported spirits $12. For many years, it has been the practice to make no allowance below fifteen per cent in computing the quantity for duty purposes of imported spirits of a lesser strength than fifteen per cent under proof. Since it is not lawful now to sell spirits of greater strength than thirty per cent under proof, it is proposed that customs duty shall be collected on the actual strength of proof. The other changes proposed in the customs tariff provide for a number of tariff reductions and amend the wording of several items to facilitate administration. The duty free item covering nickel alloys is widened in scope. The other changes relate to certain articles for the manufacture, maintenance and repair of buoys and beacons, cigarette paper in sheets, bolting cloth, glue and fresh, frozen or dried peel.

This completes the tax changes which I am recommending and I shall, with the permission of the house, put on *Hansard* two tables, one showing the increases in revenue expected from the tax changes recommended, and the other the full revenue estimates for the coming fiscal year after giving effect to the changes in tax rates and time of payment.

Yields from Proposed Revenue Changes
Fiscal Year 1943-44

Increased yields from changes in existing taxation—	
Personal income tax	$ 105,000,000
Excise duties—	
Spirits	5,000,000
Excise taxes—	
Cigarettes	22,000,000
Cigars	2,000,000
Manufactured tobacco	6,500,000
Raw leaf tobacco	200,000
Cigarette papers and tubes	2,000,000
Night clubs and cabarets	500,000
	$ 33,200,000
Post Office	$ 8,000,000
Total	$ 151,200,000
Less refundable taxes	15,000,000
Net total	$ 136,200,000

Forecast of Total Revenue for Fiscal Year 1943-44

	Revenue from existing taxes	Increase in revenue from budget proposals	Total revenue
	$	$	$
Customs duties	100,000,000	.....	100,000,000
Excise duties	130,000,000	5,000,000	135,000,000
Sales tax	225,000,000	.....	225,000,000
War exchange tax	85,000,000	.....	85,000,000
Other excise taxes	165,000,000	33,200,000	198,200,000
Income taxes:			
Personal	825,000,000	105,000,000	930,000,000
Corporation	300,000,000	.....	300,000,000
Interest and dividends	26,000,000	.....	26,000,000
Excess profits tax	550,000,000	.....	550,000,000
Succession duties	18,000,000	.....	18,000,000
Miscellaneous	7,000,000	.....	7,000,000
Tax revenue	2,431,000,000	143,200,000	2,574,200,000
Non-tax revenue	130,000,000	8,000,000	138,000,000
Total	2,561,000,000	151,200,000	2,712,200,000
Special receipts	40,000,000	.....	40,000,000
Total revenue	2,601,000,000	151,200,000	2,752,200,000
Less refundable taxes	210,000,000	15,000,000	225,000,000
Net total revenue	2,391,000,000	136,200,000	2,527,200,000

CONCLUSION

On the basis of these estimates of the yields of the increase in tax rates, the total revenue for 1943-44 (including the refundable portions of the personal income and excess profits taxes) should be approximately $2,752 million. With expenditures of $5,500 million, we will have a budgetary deficit of $2,748 million to be covered by borrowing as compared to the similarly estimated deficit in the current year of $2,161 million.

The programme which I recommend to the house and to the people of Canada is briefly and simply this, that each man and woman in this country should limit personal and business expenditures so that provision can be made of $5,500 million for the purposes of war and the ordinary conduct of government; that we should contribute $2,752 million through the taxes now in force and the additional rates which I have recommended and that we should lend an additional $2,748 million. As far as simple formal standards will permit and careful scrutiny by the house will ensure, the tax contributions will be adjusted to the ability of each receiver of income to pay. But beyond this, all of us, individually and as people united in a common purpose, must determine our own ability to lend out of savings in accordance with the common objective and so manage our spending that we can achieve our share of the great task that is ahead of us in 1943-44.

The carrying out, and to some degree the organization, of the borrowing programme is in the hands of the people themselves. It will be directed by the National War Finance Committee to whom I have four requests to make.

(1) to continue and expand the programme of increasing the public understanding of the critical need for greatly increased savings;

(2) to multiply the sale of war savings certificates and stamps;

(3) to organize and carry out in the next twelve months two victory loan campaigns directed particularly to the mobilization for war of the personal savings of the people on a vastly enlarged scale;

(4) to promote by every means the retention by purchasers to the end of the war of the bonds and certificates which they buy.

Let me emphasize two points. The only way to accomplish this financial and economic programme is through increased personal savings, spending less and lending more. Some of the people's savings are mobilized and lent to the government through the insurance companies and other financial institutions. Businesses can contribute savings out of retained profits, unexpended depreciation and maintenance funds and unnecessary working capital. Large subscriptions to loans representing but a temporary shifting of assets will not do what must be done.

My second point is this: After the close of each victory loan campaign, many thousands of subscribers dispose of the bonds they bought during the campaign period. Further, many thousands of people are presenting their war savings certificates for redemption. I should like to make it clear that victory loan bonds and war savings certificates are the property of their individual owners who have the right to turn them into cash at any time they may desire. No restrictions on the sale of bonds or on the redemption of the certificates after six months are under consideration, and no restrictions have been under contemplation at any time in the past. When a person buys a victory bond or a war savings certificate, that person is making it possible for this country to get the men and material needed for war use, and is helping to fight the home-front battle against inflation. When people sell their bonds or present their certificates for redemption, they are withdrawing this help.

Emergency needs for cash are legitimate reasons for selling bonds or redeeming certificates, provided the person has no other forms of savings which can be used, or provided the person cannot obtain a temporary loan, to be repaid out of future income, to meet the immediate need for cash. Sales or redemptions to get dollars to buy things that are not essential have not legitimate reason. We must not only increase our voluntary savings and lend them to our country through the purchase of victory loan bonds and war savings certificates; we must also continue to hold these securities at least until after the war, unless we need money for real emergency use. I repeat what I said in the budget last year, "Let us compete with our neighbours, in saving, not spending."

The National War Finance Committee is performing a task of the first importance in our war programme. The responsibilities of each person in this organization are very great, and I have now made them greater.

Let no one be misled because I have considered it wise in the interest of the total objective to improve and simplify the collection of taxes rather than, to any great degree, to increase rates and add new complications. The need is so great that it must be understood clearly and each person must see clearly his own part in meeting that need.

I shall not conceal from the house nor from the people that the programme which I have set out is a huge one and will be difficult of achievement. It is not a financial programme; it is only the financial aspect of our war programme. The basic facts are that industrial workers who are making shells and tanks and planes cannot at the same time make food, and clothing and shelter. Farmers cannot produce food for home consumption in the time spent on producing cheese and bacon for countries on shorter rations than we. Ships carrying ore to make aluminum to make planes, or oil and gasoline for air operations, cannot carry sugar and gasoline for the rest of us.

The Canadian people can shoulder this task so that they can bring this year their war programme to its highest effectiveness and in addition assure to themselves and to the men returning from the fighting fronts resources for a more prosperous and ordered world after the war. I have confidence in the strength, the discipline and the united purpose of the people of Canada.

We do not know when victory will be achieved. No one knows. Anyone who professes knowledge is an irresponsible deceiver. And in my judgment those who are airily predicting victory in 1943 as if they did know are contributing to a premature relaxation of our war effort and in this way doing a great deal of harm. Most of those who believe that the war will be finished in 1943 and that we should be careful lest we put forth too great an effort are the same persons who thought it had finished and that we had lost in 1940.

We know two things and two things only. We know that we are in a position to strike hard, perhaps crushing blows in 1943 against those peoples who have made good their evil threat to bathe the world in blood. We know that the time to relax our efforts in a war with desperate and cunning adversaries is when they have given up their arms and surrendered unconditionally.

We do not need to tell these things to the men of the army undergoing ever more intensive battle training for the moment when they strike. We do not need to tell them to the men of the navy driving through biting wind and perilous sea to find the lurking submarine. We do not need to tell them to the airmen winging their way over Germany and Italy. We in this house and the people of this country need to tell them to ourselves.

Our soldiers, our sailors, our airmen will do their part. They are well trained; they are well equipped; they are well led; their courage and devotion are beyond praise. But what they achieve, they cannot achieve alone. It must be shared by the farmer at his work, the mechanic in the shop, the housewife in her home—in short, by every Canadian. Their achievements will be shared by each Canadian who, this year, and to the end of the war, carries out unswervingly, skilfully, relentlessly the watchwords of this budget: work and save.

RESOLUTIONS

Mr. ILSLEY: Mr. Speaker, I desire to give notice that when we are in committee of ways and means I shall move the following resolutions:

EXCISE ACT, 1934

Resolved, that it is expedient to introduce a measure to amend the schedule to the Excise Act, 1934, and to provide:

1. That the duty of excise on spirits distilled in Canada be increased from nine dollars to eleven dollars per proof gallon, provided that duty paid spirits owned by any distiller at the close of business on the second day of March, one thousand nine hundred and forty-three shall be subject to the following additional duty of excise on every gallon of the strength of proof two dollars and so in proportion for any greater or less strength than the strength of proof and for any less quantity than a gallon.

2. That the duty of excise on Canadian brandy be increased from seven dollars to nine dollars per proof gallon, provided that duty paid Canadian brandy owned by any distiller at the close of business on the second day of March, one thousand nine hundred and forty-three, shall be subject to the following additional duty of excise on every gallon of the strength of proof two dollars and so in proportion for any greater or less strength than the strength of proof and for any less quantity than a gallon.

3. That any enactment founded upon the foregoing resolution shall come into force on the third day of March, one thousand nine hundred and forty-three.

SPECIAL WAR REVENUE ACT

Resolved, that it is expedient to introduce a measure to amend the Special War Revenue Act and to provide:

1. That the excise tax on each letter transmitted by post be increased from one to two cents.

2. That the excise tax on cigarettes be increased from one cent to two cents for each five cigarettes or fraction of five cigarettes contained in any package of cigarettes manufactured in or imported into Canada.

3. That the excise tax on manufactured tobacco be increased from one to two cents per ounce actual weight or fraction thereof on manufactured tobacco of all descriptions, except cigars or cigarettes, manufactured in or imported into Canada.

4. That there shall be imposed, levied and collected an excise tax of one-half cent per ounce actual weight or fraction thereof on Canadian raw leaf tobacco when sold for consumption in Canada.

5. That the excise tax on cigarette paper be increased from six cents for each one hundred leaves or fraction thereof to eight cents.

6. That the excise tax on cigarette paper tubes be increased from twelve cents for each one hundred cigarette paper tubes or fraction thereof to fourteen cents.

7. That the excise tax on the price of admission to certain places of entertainment be increased from twenty to twenty-five per cent.

8. That subsections (a), (b) (c), (d) and (e) of section 1 of schedule II to this Act be repealed and the following substituted therefor:

1. Cigars:—

(a) valued at not more than forty dollars per thousand, per thousand, six dollars and twenty-five cents;

(b) valued at more than forty dollars per thousand and not more than one hundred and ten dollars per thousand, per thousand, thirteen dollars and fifty cents;

(c) valued at more than one hundred and ten dollars per thousand and not more than one hundred and fifty dollars per thousand, per thousand, twenty-five dollars;

(d) valued at more than one hundred and fifty dollars per thousand and not more than two hundred dollars per thousand, per thousand, thirty-five dollars;

(e) valued at more than two hundred dollars per thousand, per thousand, fifty-five dollars.

9. That any enactment founded on paragraph one of these resolutions shall come into force on the first day of April, one thousand nine hundred and forty-three.

10. That any enactment founded on paragraphs two to eight, inclusive, of these resolutions shall come into force on the third day of March, one thousand nine hundred and forty-three.

CUSTOMS TARIFF

1. Resolved, that schedule A to the customs tariff, being chapter forty-four of the Revised Statutes of Canada, 1927, as amended, is further amended by striking thereout tariff items 105a, 156, 156a, 197c, 232, 355, 440i, 563, the several enumerations of goods respectively and the several rates of duties of customs, if any, set opposite each of the said items, and by inserting the following items, enumerations and rates of duty in said schedule A:

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff	Present Rates		
					B.P. Tariff	Intermediate Tariff	General Tariff
105a	Lemon, orange, grapefruit and citron rinds, fresh, frozen, dried, sulphured or in brine.....	Free	Free	Free	Free 15 p.c.	Free 25 p.c.	Free 25 p.c.
156	Ethyl alcohol, or the substance commonly known as alcohol, hydrated oxide of ethyl or spirits of wine, n.o.p.; gin of all kinds, n.o.p.; rum; whisky and all spirituous or alcoholic liquors, n.o.p.; amyl alcohol or fusel oil, or any substance known as potato spirits or potato oil; methyl alcohol, wood alcohol, wood naphtha, pyroxylic spirit or any substance known as wood spirit or methylated spirits, absinthe, arrack or palm spirit, brandy, including artificial brandy and imitations of brandy, n.o.p.; cordials and liqueurs of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, angostura and similar alcoholic bitters or beverages; and wines, n.o.p., containing more than forty per cent of proof spirit, per gallon of the strength of proof.....	$5.00	$10.00	$10.00	$5.00	$10.00	$10.00
	Provided, (1) that when the goods specified in Item 156 are of greater or less strength than the strength of proof, the measurement thereof and the amount of duty payable thereon shall be increased or decreased in proportion for any greater or less strength than the strength of proof.						
	Provided, (2) that bottles and flasks and packages of gin, rum, whisky and brandy of all kinds, and imitations thereof, shall be held to contain the following quantities (subject to the provisions for addition or deduction in respect of the degree of strength) viz.:—						
	Bottles, flasks and packages, containing not more than three-fourths of a gallon per dozen, as three-fourths of a gallon per dozen.....						
	Bottles, flasks and packages, containing more than three-fourths of a gallon but not more than one gallon per dozen, as one gallon per dozen.....						
	Bottles, flasks and packages, containing more than one gallon but not more than one and one-half gallon per dozen, as one and one-half gallon per dozen.....						
	Bottles, flasks and packages, containing more than one and one-half gallon but not more than two gallons per dozen, as two gallons per dozen.....						

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff	Present Rates		
					B.P. Tariff	Intermediate Tariff	General Tariff
	Bottles, flasks and packages, containing more than two gallons but not more than two and four-fifths gallons per dozen, as two and four-fifths gallons per dozen.....						
	Bottles, flasks and packages, containing more than two and four-fifths gallons but not more than three gallons per dozen, as three gallons per dozen.						
	Bottles, flasks and packages, containing more than three gallons but not more than three and one-fifth gallons per dozen, as three and one-fifth gallons per dozen.....						
	Provided, (3) that bottles or phials of liquors for special purposes, such as samples not for sale to the trade, may be entered for duty according to actual measurement, under regulations prescribed by the Minister.....						
197c	(i) Cigarette paper, ungummed, in rolls.....	10 p.c.	22½ p.c.	25 p.c.	10 p.c.	22½ p.c.	25 p.c.
	(ii) Cigarette paper, ungummed, in sheets containing not less than thirty-two square inches.....	10 p.c.	15¾ p.c.	25 p.c.	15 p.c.	22½ p.c.	25 p.c.
232	Glue and gelatine, n.o.p.....	17½ p.c	25 p.c.	25 p.c.	17½ p.c.	25 p.c.	25 p.c.
	and, per pound	2 cts.	5 cts.	5 cts.	2 cts.	5 cts.	5 cts.
355	Nickel, and alloys containing sixty per cent by weight or more of nickel, n.o.p., viz.: ingots, blocks and shot; shapes or sections, billets, bars and rods, rolled, extruded, or drawn (not including nickel processed for use as anodes); strip, sheet and plate (polished or not); seamless tube.....	Free	Free	Free	Free	Free	Free
440i	The following articles and materials when imported for use only in the manufacture, maintenance or repair of automatic gas buoys and automatic gas beacons, or automatic electric buoys and automatic electric beacons, for the Government of Canada, for marine signal purposes or for export, under regulations prescribed by the Minister, viz.: flanged and dished steel heads made from boiler plate, over five feet in diameter; acetylene gas lanterns and parts thereof; electric flashing lights and parts thereof.....	Free	Free	Free	Free 15 p.c.	Free 25 p.c.	Free 25 p.c.
563	Bolting cloth of any textile fibre, not made up, imported for use only for bolting or sifting materials.....	Free	Free	Free	Free 27½ p.c.	Free 40 p.c. and 40 cts. per pound.	Free 45 p.c. and 40 cts. per pound.

72537—55½

2. Resolved, that schedule A to the customs tariff, as amended, be further amended by deleting from the Customs Tariff Amendment Act, 1939, as amended by chapter twenty-nine of the statutes of 1940, chapter thirteen of the statutes of 1941 and chapter twenty-three of the statutes of 1942, the following enumerations of goods and rates of additional duties of customs:

Whisky, brandy, rum, gin and all other goods specified in customs tariff items 156, 156a, and 156b: $5 per gallon of the strength of proof.

and by substituting therefor the following enumerations of goods and rates of additional duties of customs:

Whisky, brandy, rum, gin and all other goods specified in customs tariff items 156, and 156b: $7 per gallon of the strength of proof.

3. Resolved, that any enactment founded upon the foregoing resolutions shall be deemed to have come into force on the third day of March, one thousand nine hundred and forty-three, and to have applied to all goods mentioned in the foregoing resolutions imported or taken out of warehouse for consumption on and after that date, and to have applied to goods previously imported for which no entry for consumption was made before that date.

INCOME WAR TAX ACT

Resolved, that it is expedient to amend the Income War Tax Act and to provide:

1. That in respect of the taxation year 1942 the income tax liability, of taxpayers other than corporations, under subsection 1 of section 9 of the Income War Tax Act, in respect of earned income and in respect of investment income up to $3,000 shall be one-half of the amount calculated according to the schedules therein specified;

2. That in respect of the taxation year 1942 one-half the liability of taxpayers, other than corporations, under subsection 1 of section 9 of the Income War Tax Act, in respect of investment income in excess of $3,000, shall be deferred and shall not be due until the date of death of the taxpayer;

3. That the returns of income in respect of the 1942 taxation year for taxpayers other than corporations shall be due on the 30th June, 1943, together with payment of one-third of the taxpayer's unpaid income tax liability not otherwise provided for herein, the remaining two-thirds to be due and payable on the 31st December, 1943;

4. That the date of filing annual returns of income by taxpayers other than corporations shall be the 31st day of March in the year following the receipt of the income;

5. That the date of filing annual returns of income by corporations shall be six months after the close of the corporation's fiscal period.

6. That in respect of the taxation year 1943 and for each year thereafter sole proprietors (other than farmers) and taxpayers whose income from sources other than salary and wages exceeds 25 per cent of their total income, shall pay by quarterly instalments as follows:

20 per cent on the 31st March,
25 per cent on the 30th June,
25 per cent on the 30th September, and
30 per cent on the 31st December.

[Mr. Ilsley.]

7. That taxpayers whose chief business is that of farming shall in respect of the year 1943 and for each year thereafter pay two-thirds of their income tax liability for the current year on or before the 31st day of December and the remaining one-third on the following 31st March;

8. That taxpayers whose chief occupation is that of farming may be allowed to carry forward for two years any farm losses, incurred by them in 1942 or any subsequent year;

9. That in the case of a single person or person with equivalent status whose taxable income is less than $820, the tax payable shall not exceed two-thirds of the amount by which such taxpayer's taxable income exceeds $660.

10. That in the case of a married person or any person granted an equivalent status under the act whose income is less than $1,570, the tax payable shall not exceed two-thirds of the amount by which such taxpayer's taxable income exceeds $1,200;

11. That where a sale of assets takes place between persons with common interests, the total depreciation which has been and may be allowed on such assets in the hands of the transferor and the transferee together shall not exceed 100 per cent of the original cost of the assets before such sale took place;

12. That where immovable assets (not including equipment or machinery) in respect of which special or accelerated depreciation has been allowed, are subsequently sold at a price in excess of the residual undepreciated value, such excess shall be applied to reduce proportionately in each year the special or accelerated depreciation previously allowed to the transferor; provided, however, that such taxpayer shall not be deprived of ordinary depreciation which but for the special depreciation would have been allowed as a deduction from income;

13. That all employees, whether single or married, of Canadian companies, sent outside of Canada temporarily to perform services on behalf of such companies, shall be liable to pay income tax while so engaged outside of Canada;

14. That the tax payable by a corporation shall be paid by twelve monthly instalments commencing in the sixth month prior to the close of its fiscal period

(a) as to the first eleven months, one-twelfth of the estimated tax, having regard to the previous or anticipated current year's income, applying the current year's rates, and

(b) as to the twelfth month, the balance of the tax payable, having regard to the income and applying the rates of the taxation year;

provided, however, that should any instalment paid in each month of the seventh to eleventh month, both inclusive, be less than one-twelfth of the tax actually found to have been due, such deficiency shall bear interest at the rate of 5 per cent per annum from the close of the company's fiscal period;

15. That principal payments made by a taxpayer in respect of a mortgage or agreement for sale on or with respect to one residential property, which mortgage or agreement for sale was registered or in effect prior to the 23rd day of June, 1942, but was an obligation of such taxpayer's spouse, shall nevertheless be eligible as an offset against the refundable portion of the income tax payable;

16. That all drilling costs on wells spudded-in during the period January 1, 1943 and March 31, 1945, and abandoned within six months after completion of drilling and all exploration costs including all general geological and geophysical expenses incurred between the said dates may be allowed as a deduction against current income of companies whose principal business is the production and/or refining and/or marketing of petroleum and/or petroleum products; provided, however, that the tax saving hereunder shall be limited to 40 per cent of such expenditures;

17. That exploration expenses incurred during the period January 1, 1943 to March 31, 1945, by companies formed for the exploration and drilling for oil may be accumulated and allowed as an expense against the income from any well found hereafter by such company;

18. That payments of oil royalties shall be subject to a deduction at the source at the rate of 7 per cent;

19. That all companies mining metalliferous and strategic minerals shall be allowed a deduction of their exploration expenses incurred in searching for base metals and strategic minerals in respect of expenses incurred during the period January 1, 1943, to March 31, 1945; provided, however, that such tax savings shall not exceed 40 per cent of the expenses so incurred;

20. That contractual payments made in respect of any dominion government annuity contract shall be permitted as a deduction against the refundable portion of the income tax payable;

21. That the taxes payable and paid to a municipality pursuant to the provisions of subsections 6, 9 and 11 of section 39 of the Assessment Act (Ontario) R.S.O. 1937, chapter 272 which are deemed to be taxes on real property, may be allowed as a deduction from the income of any mining company; provided that the said Assessment Act is so amended as to provide that in assessing the said taxes payable to the municipality, taxes payable by a mining company under the Income War Tax Act and the Excess Profits Tax Act are not allowed as a deduction;

22. That the service pay and allowances of the Canadian naval, military and air forces while in the Canadian active service forces in the western hemisphere other than in Canada shall be subject to income tax at one-half the effective rate applicable to each individual taxpayer, such rate to be determined by calculating the total tax on each taxpayer's total income, determining the effective rate which the tax bears to such total income and allowing a credit against the tax payable of one-half of the effective rate on such service pay and allowances; provided, however, that no tax shall be payable in respect of the service pay and allowances of any such member of the Canadian naval, military and air forces whose total service pay does not exceed the sum of $1,600 (or in the case of female members of the said services such lower appropriate amount as shall be determined by the Governor in Council) and provided further that no tax shall be payable on service pay and allowances by members of the said forces whose duties are of such a character as are required normally to be performed afloat or in aircraft;

23. That the service pay and allowances of any member of the Canadian naval, military and air forces who is in the Canadian active service forces and who has been overseas on the strength of an overseas unit outside of the western hemisphere and whose service pay is in excess of $1,600 shall be exempt from taxation on the first six months' service pay and allowances received by him after his return to Canada; provided, however, that the period of such exemption shall not exceed the length of the period which has been served on the strength of an overseas unit outside of the western hemisphere; provided that in the case of female members of the said forces the figure of $1,600 shall be replaced by such appropriate lesser amount as may be determined by the Governor in Council;

24. That members of the Canadian naval, military and air forces in the Canadian active service forces and in receipt of service pay and allowances in excess of $1,600 shall be allowed a credit from the tax otherwise payable equal to the tax payable on $1,600 (increased by dependents' allowances in the case of married persons but not including any allowance for more than six children) provided that on incomes over $1,600 (or appropriately increased by dependents' allowances) the tax credit shall be reduced in the same proportion that such income exceeds $1,600 (or appropriately increased by dependents' allowances); provided that in the case of female members of the said forces the figure of $1,600 shall be replaced by such appropriate lesser amount as may be determined by the Governor in Council;

25. That any enactments founded on

(a) Resolutions 4, 5, 9, 10, 11, 14, 18, 22, 23 and 24 shall be applicable to the income of the 1943 taxation period and fiscal periods ending therein and all subsequent periods;

(b) Resolution 12 shall be applicable in respect of any sale made after March 2, 1943;

(c) Resolutions 13, 15 and 20 shall be applicable to the income of the 1942 taxation period and fiscal periods ending therein and all subsequent periods;

(d) Resolution 21 shall be brought into force on proclamation by the Governor in Council and be applicable to the fiscal period therein designated and to all subsequent periods.

EXCESS PROFITS TAX ACT

Resolved that it is expedient to introduce a measure to amend the Excess Profits Tax Act, 1940, and to provide:

1. That the definition of "standard profits" be amended to provide that the "standard profits" of wholly-owned subsidiary companies incorporated in 1942 or thereafter shall not in the aggregate exceed $5,000 when the sum of the capital employed by the parent and such subsidiary companies taken together is not substantially greater than the capital employed by the parent company prior to the incorporation of such wholly-owned subsidiary companies.

2. That where an upward adjustment of the standard profits has been made by the minister because of an increase in capital employed during the "standard period" then an adjustment downward shall be made for subsequent decreases in capital employed which have not been accompanied by an equivalent reduction in capital stock, but not to an extent greater than the said upward adjustment.

3. That any amendment founded on the foregoing resolutions shall be deemed to have come into force at the commencement of the said act.

APPENDIX TO THE BUDGET, 1943-44

A. Review of Government Accounts, 1942-43.

B. Tables on Economic Conditions, 1942-43.

A. Government Accounts, 1942-43

Comparative Summary Statement of Revenues and Expenditures

1. Because of the early date at which the budget is being brought down and of the added difficulty in forecasting war expenditures and receipts from taxes imposed to meet outlays for war purposes, it must be recognized that the figures which are presented for the current fiscal year ending March 31st next are approximations only, and that when the books of the year are finally closed there may be considerable variations from the figures shown herein.

2. The following tables show, by main categories and in detail, estimated revenues, estimated expenditures and the estimated increase in net debt for the fiscal year 1942-43, together with comparable figures for the four preceding fiscal years:

STATEMENT OF REVENUES FOR THE LAST FIVE FISCAL YEARS

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
Tax Revenues—					
Customs import duties	78,751	104,301	130,757	142,392	118,000
Excise duties—					
Spirits, malt, etc	18,530	21,267	34,140	46,776	68,450
Cigars, cigarettes and tobacco	33,225	40,557	55,417	65,050	77,100
Licences	34	35	45	40	40
	51,789	61,859	89,602	111,866	145,590
Less refunds	475	827	994	1,775	3,500
	51,314	61,032	88,608	110,091	142,090
Excise taxes—					
Sales	125,927	141,121	184,536	246,553	245,000
Manufacturers—					
Automobiles, rubber tires and tubes	1,343	1,568	11,206	16,742	2,750
Furs	—	—	—	—	2,500
Gasoline	—	—	—	24,752	25,500
Candy and chewing gum	—	—	—	—	7,400
Cigarette papers and tubes	1,450	1,879	3,356	3,948	4,700
Cigars, cigarettes and tobacco	125	130	245	333	22,000
Beverages	—	—	—	6,247	14,000
Matches and lighters	1,819	2,135	2,173	2,766	2,650
Sugar	11,004	12,302	11,894	22,009	14,000
Toilet preparations and soap	1,249	1,371	1,542	3,569	4,500
Trunks, bags, etc	—	—	—	—	2,100
Electric and gas appliances	—	—	1,886	8,470	5,200
Phonographs, radios and tubes	—	—	1,289	2,361	1,200
Wines	230	420	658	1,445	1,800
Sundry	235	312	682	877	1,770
Amusements	—	—	—	8,792	11,800
Special excise (importations)	15,591	1,979	1,008	861	450
Transportation and communication	1,640	1,657	1,848	8,131	16,475
Stamps, licences, interest, etc	4,885	4,829	4,747	5,095	12,600
War exchange	—	—	61,932	100,874	94,000
	165,498	169,703	289,002	463,795	492,395
Less refunds	3,787	3,675	4,835	10,370	15,000
	161,711	166,028	284,167	453,425	477,395
Income Tax—					
Individuals—Graduated	46,937	45,407	75,863	189,502	460,000
National Defence Tax	—	—	27,672	106,637	80,500
Corporations	85,186	77,920	131,566	185,836	350,000
Dividends, interest, etc	9,903	11,122	13,042	28,269	27,000
Excess profits Tax	—	—	23,995	135,168	455,000
	142,026	134,449	272,138	645,412	1,372,500
Succession duties	—	—	—	6,957	14,000
Banks, Insurance Companies, etc.—					
Chartered banks	1,014	949	898	786	690
Insurance companies	891	926	972	1,148	10,500
Miscellaneous	547	540	636	702	700
Total Revenue from taxes	436,254	468,225	778,176	1,360,913	2,135,875
Non-tax Revenues—					
Post Office	35,288	36,729	40,383	45,994	49,000
Return on investments	14,407	14,617	17,902	25,826	41,500
Bullion and coinage	2,052	3,756	6,266	4,767	5,750
Premium, discount and exchange	477	7,939	6,107	11,855	—
Other	9,539	10,351	10,921	14,469	17,500
Total non-tax revenue	61,763	73,392	81,579	102,911	113,750
Total ordinary revenues	498,017	541,617	859,755	1,463,824	2,249,625

STATEMENT OF REVENUES FOR THE LAST FIVE FISCAL YEARS—Concluded

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
Special Receipts and Other Credits—					
Consolidated Fund—					
Refunds of previous years' Special Expenditure	1,232	153	78	102	250
Refunds of previous years' war expenditure	—	—	1,221	13,200	11,000
War donations	—	11	1,410	459	275
Special receipts arising out of the war	—	—	321	3,184	(1)—
Canadian National Railways—					
Operating surplus for calendar years	—	—	—	4,016	25,000
Capital gain on repatriation of Canadian National Railways Securities	—	—	5,504	99	11,000
Dominion stock "A" written off	—	—	4	—	—
Montreal Turnpike Trust Account—adjustment	24	—	—	—	—
Canadian Wheat Board, Reserve Account—Adjustment based on operations of the Board calculated as at July 31, 1942	—	—	—	—	6,660
Total Consolidated Fund	1,256	164	8,538	21,060	54,185
Capital Accounts—					
Refunds of previous years' expenditure	40	21	20	38	25
Net insurance proceeds on the P.E.I. Car Ferry	—	—	—	984	—
Non-active Accounts—					
Canadian Government Merchant Marine, Limited—					
Balance in Contingency Reserve	—	—	1	—	—
National Harbours Board—					
Reduction in indebtedness	—	—	—	33	15
Write-downs to Consolidated Fund—					
Seed Grain and Relief Loans	18	1	46	58	50
Relief Loans to Province of Saskatchewan	—	17,682	—	—	—
Soldier and General Land Settlement Loans	127	—	—	—	—
Canadian National Railways Securities Trust Stock—					
Line abandonments	2,713	2,600	2,334	2,539	4,500
Net capital loss on sale of S.S. *Prince David* and S.S. *Prince Robert*	—	—	1,475	—	—
Total Special Receipts and Credits	4,154	20,477	12,414	24,712	58,775
Grand Total Revenue	502,171	562,094	872,169	1,488,536	2,308,400
Less estimated amount of Income and Excess Profits Taxes refundable after the war	—	—	—	-	100,000
					2,208,400

(1) Included in Ordinary Revenues.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
ORDINARY EXPENDITURE					
Agriculture	9,527	11,817	8,593	8,430	8,717
Auditor General's Office	473	459	453	457	433
Civil Service Commission	379	398	397	399	429
External Affairs, including Office of Prime Minister	1,057	1,220	1,013	1,052	1,259
Finance—					
Interest on Public Debt	127,996	129,315	139,179	155,018	185,000
Cost of Loan Flotations and Annual Amortization of Bond Discounts and Commissions	4,914	4,992	6,304	16,350	13,530
Subsidies to Provinces	13,752	13,769	13,769	14,409	14,487
Special Grants to Provinces	7,475	5,475	5,475	—	—
Wartime Prices and Trade Board—					
Dominion Fuel Board Administration, coal subsidies and subventions	—	—	—	(1) 4,880	4,987
Miscellaneous Grants and Contributions	643	660	530	531	533
Civil Pensions and Superannuation	638	567	500	435	406
Government contribution to Superannuation Fund	2,220	2,271	2,316	2,347	2,350
Old Age Pensions, including pensions to blind persons	29,044	29,977	29,912	29,612	29,985
Compensation to Provinces under Dominion-Provincial Taxation Agreements—					
Income and Corporation Taxes	—	—	—	21,120	84,900
Gasoline Tax	—	—	—	—	10,000
Premium, Discount and Exchange	—	—	—	—	1,500
Administrative and Sundry Expenditure	3,689	3,966	3,508	3,817	4,478
Fisheries	2,036	2,320	1,618	1,679	1,811
Governor General and Lieutenant Governors	226	227	213	226	232
Insurance	194	195	176	181	183
Justice	2,748	2,725	2,711	2,657	2,455
Penitentiaries	2,675	2,941	2,717	2,786	3,055
Labour	788	788	826	762	740
Technical Education	27	31	18	41	30
Unemployment Insurance Act, 1940—					
Administration	—	—	69	2,344	5,000
Government contribution	—	—	—	7,287	12,000
Government Annuities—					
Payments to maintain reserve	—	379	111	617	400
Legislation—					
House of Commons	1,800	1,286	2,468	1,408	1,800
Library of Parliament	72	76	70	72	77
Senate	600	432	868	424	540
General	75	68	58	47	62
Dominion Franchise Office	50	—	—	—	—
Chief Electoral Officer, including elections	114	458	2,469	282	1,473
Mines and Resources					
Administration	184	186	179	178	167
Immigration and Colonization	1,335	1,338	1,273	1,289	1,422
Indian Affairs	5,305	5,675	5,183	5,000	5,265
Lands, Parks and Forests	2,249	2,116	1,937	1,959	1,824
Surveys and Engineering	1,325	1,301	1,114	1,128	1,186
Mines and Geological Survey	1,340	1,324	1,173	1,156	1,213
Movement of Coal and Subsidies under Domestic Fuel Act	1,921	4,532	4,408	(2) —	—
Munitions and Supply	—	—	9	12	12
National Defence—					
Administration	409	178	30	43	38
Militia Service	15,772	5,997	—	—	—
Naval Service	6,590	1,869	—	—	—
Air Service	11,216	4,852	—	—	—
Sundry Services	447	295	168	223	1,716
National Revenue (including Income Tax)	11,899	12,064	12,229	13,428	15,445
National War Services	—	—	—	682	364

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—Continued

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
ORDINARY EXPENDITURE—*Con.*					
Pensions and National Health—					
Administration	118	132	133	182	149
Treatment and after-care of returned soldiers (War 1914-18)	13,453	14,771	13,402	12,667	13,124
Pensions (War 1914-18) and Military	42,181	42,219	41,515	40,569	39,716
Health Division	1,012	1,113	1,111	1,246	1,313
Post Office	35,456	36,726	38,700	41,502	45,439
Privy Council	49	59	54	54	62
Public Archives	159	150	126	123	126
Public Printing and Stationery	191	199	283	195	248
Public Works	15,484	13,065	11,507	11,937	12,143
Royal Canadian Mounted Police	6,145	5,626	5,554	5,985	6,451
Secretary of State	730	836	772	823	839
Soldier Settlement	758	624	582	564	562
Trade and Commerce	4,763	4,999	4,315	[3] 6,200	4,804
Canada Grain Act	1,847	1,933	1,908	1,909	1,991
Mail Subsidies and Steamship Subventions	1,993	1,907	942	616	629
Transport—					
Administration	371	358	334	388	386
Air Service	3,457	3,862	3,478	3,386	3,471
Marine Service	4,271	4,215	3,795	4,010	4,233
Canadian Travel Bureau	249	312	470	[4] —	—
Railways and Canals	4,371	3,763	3,527	3,694	3,644
Maritime Freight Rates Act	2,583	2,660	3,951	3,935	4,917
Railway Grade Crossing Fund	187	255	126	25	11
Total ordinary expenditure	413,032	398,323	390,629	444,778	565,762
CAPITAL EXPENDITURE					
Railways	26	23	7	4	11
Public Works	5,398	7,007	3,351	3,426	3,851
Total Capital Expenditure	5,424	7,030	3,358	3,430	3,862
WAR EXPENDITURE					
War Appropriation Acts	—	118,291	752,045	1,339,674	2,802,765
The War Appropriation— (United Kingdom Financing) Act, 1942	—	—	—	—	1,000,000
	—	118,291	752,045	1,339,674	3,802,765
SPECIAL EXPENDITURE					
Unemployment Relief—					
Administration—Relief Acts	260	287	236	106	—
Grants-in-aid to Provinces	17,037	—	—	—	—
Material Aid to Provinces, including municipal improvements projects	—	19,534	15,785	—	—
Dominion share of joint Dominion-Provincial projects	6,259	7,147	1,794	2,063	834
Dominion projects	12,981	24,919	9,784	6,331	4,822
Transportation facilities into mining areas	1,213	1,121	48	—	—
	37,750	53,008	27,647	8,500	5,656

(1) For previous years included in Departments of Trade and Commerce and Mines and Resources.
(2) For current year see Department of Finance.
(3) Includes an amount of $2,615,000 for Census of population of Canada.
(4) For current year included in National War Services.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—Continued

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
SPECIAL EXPENDITURE—*Concluded*					
Western Drought Area Relief—					
Direct Relief	9,146	1,605	—	—	—
Feed, fodder, etc					
Prairie Farm Assistance Act, 1939—					
Administration	—	—	346	423	212
Advances to Prairie Farm Emergency Fund	—	7,500	4,376	11,848	700
Wheat acreage reduction plan—					
Administration	—	—	—	980	1,060
Payments of awards to farmers	—	—	—	29,654	23,045
	9,146	9,105	4,722	42,905	25,017
Provision for reserve against estimated losses on 1938 wheat marketing guarantees	25,000	27,000	—	—	—
Provision for reserve to meet deficits resulting from the operations of the Canadian Wheat Board calculated as at July 31, 1940 and 1941, respectively, not previously provided for	—	—	10,500	12,571	—
Total special expenditure	71,896	89,113	42,869	63,976	30,673
GOVERNMENT OWNED ENTERPRISES					
Losses charged to Consolidated Fund—					
Canadian National Railway System, ex-eastern lines	48,194	34,850	14,451	—	—
Eastern lines	6,120	5,245	2,514	—	—
Prince Edward Island Car Ferry and Terminals	388	427	461	424	591
National Harbours Board	138	94	40	33	—
Trans-Canada Air Lines	818	412	—	—	—
Central Mortgage Bank	—	16	—	—	—
Total charged to consolidated fund	55,658	41,044	17,466	457	591
Loans and advances non-active—					
Canadian National Steamships	6	8	—	—	—
National Harbours Board	3,279	1,027	716	758	672
Total non-active advances	3,285	1,035	716	758	672
Total government-owned enterprises	58,943	42,079	18,182	1,215	1,263
OTHER CHARGES					
Write-down of assets chargeable to Consolidated Fund—					
Drought Area Relief Loans, 1934-35—					
Province of Saskatchewan	—	1,374	—	—	—
Reduction of soldier and general land settlement loans	1,023	1,643	1,011	271	75
Yearly established losses in seed grain and relief accounts—Department of Mines and Resources	18	10	46	58	50
Canadian National Railways Securities Trust Stock—Reduction due to line abandonments during calendar years, 1938, 1939, 1940, 1941 and 1942	2,713	2,600	2,334	2,539	4,500

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—Concluded

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
OTHER CHARGES—*Concluded*					
Canadian National Railways Securities Trust Stock—Capital loss (exclusive of loss applicable to expired service life) on sale of S.S. *Prince David* and *Prince Robert*	—	—	1,475	—	—
Cancellation of Canadian Farm Loan Board—Capital Stock	.14	11	12	10	8
Province of Saskatchewan Treasury Bills	—	17,682	—	—	—
To provide a reserve for possible losses on ultimate realization of Active Loans and Advances	—	—	25,000	25,000	25,000
Non-Active Accounts—					
Fulfilment of guarantees—Saskatchewan Seed Grain Loans, 1936 and 1937	—	2,638	7,136	—	—
Canadian National Railways Securities Trust Stock—					
Increase in Dominion's Equity in the Canadian National Railways due to capital gain on repatriation of Canadian National Railways Securities	—	—	5,504	99	11,000
Increase in Dominion's Equity in the Canadian National Railways due to surplus earnings of Canadian National Railway System for calendar years	—	—	—	4,016	25,000
Total other charges	3,768	25,958	42,518	31,993	65,633
Grand total expenditures	553,063	680,794	1,249,601	1,885,066	4,469,958

SUMMARY OF REVENUES AND EXPENDITURES

(000 omitted)

—	1938-39	1939-40	1940-41	1941-42	Estimated 1942-43
	$	$	$	$	$
Ordinary revenues	498,017	541,617	859,755	1,463,824	2,149,625
Capital refunds	40	21	20	1,022	25
Special receipts and other credits	4,114	20,456	12,394	23,690	58,750
Total revenues	502,171	562,094	872,169	1,488,536	2,208,400
Ordinary expenditures	413,032	398,323	390,629	444,778	565,762
Capital expenditures	5,424	7,030	3,358	3,430	3,862
War expenditures	—	118,291	752,045	1,339,674	3,802,765
Special expenditures	71,896	89,113	42,869	63,976	30,673
Government-owned Enterprises	58,943	42,079	18,182	1,215	1,263
Other charges	3,768	25,958	42,518	31,993	65,633
Total expenditures	553,063	680,794	1,249,601	1,885,066	4,469,958
Total deficit or increase of direct net debt	50,892	118,700	377,432	396,530	2,261,558

REVENUES, 1942-43

3. When the books for the fiscal year 1942-43 are finally closed, total gross receipts will reach, it is estimated, a new high record of $2,308,400,000. This represents an increase over the preceding fiscal year of $819,864,000, or approximately 55 per cent. Compared with the fiscal year immediately preceding the war, namely, 1938-39, the increase in total receipts for 1942-43 is estimated at $1,806,229,000. In terms of percentage, this increase over total receipts for 1938-39 of $502,171,000 represents approximately 360 per cent. The above total of $2,308,400,000 is the total gross receipts, and includes an estimate of the refundable portion of income and excess profits taxes which are repayable after the war. It is not expected that the exact amount of these refundables will be determined before the books for the year are closed, and accordingly provision is being made to set up a liability of an estimated amount of $100,000,000, to meet these obligations. Of this amount it is estimated $75,000,000 will be applicable to income taxes pertaining to individuals, and $25,000,000 to the excess profits tax.

4. The increase in gross revenues, more fully dealt with in subsequent paragraphs, was obtained chiefly from the higher rates of tax and the new taxes imposed by the budget of June 23, 1942. A part of the increase in income taxes was due to taxes on 1941 income, paid on or after March 31, 1942, and taken into the revenues for 1942-43. An additional factor which affected income tax receipts, was the change-over from the voluntary instalment plans of payment to a compulsory instalment plan effective from July, 1942, in the case of corporations and from September, 1942, in the case of individuals. No estimate can be made as to what portion of the increase is attributable to each of these factors. In addition, there were substantial increases in revenue from succession duties, the tax on insurance companies, return on investments and also in the operating surplus of the Canadian National Railways for the calendar year 1942.

5. The 5-year table of revenues shown on page 871 is in the same form as was used last year. This table is divided to show tax revenues under appropriate headings with subheadings for excise duties, excise taxes and income taxes. The non-tax revenue section is broken down under five main headings.

6. Total revenue from taxes for 1942-43, including refundable taxes, is estimated to reach $2,135,875,000 compared with $1,360,913,000 collected during 1941-42. This total represents approximately 92·5 per cent of the total revenues. An examination of the 5-year table shows that direct taxes on incomes and profits, including the refundable portion realized $1,372,500,000 compared with $645,412,000 during the previous year. In the pre-war year of 1938-39, the percentage of direct taxes on incomes and profits to total revenues was 28·3 per cent while in 1942-43 it is estimated that this ratio will be increased to 59·5. This comparison illustrates the increased reliance which has been placed upon the direct taxation of incomes including the tax on excess profits. The excess profits tax, imposed in 1940 and revised in 1941, was materially changed in its rate structure by the 1942 budget, effective from July 1, 1942. As a result, it is estimated that this item of revenue alone will account for no less an amount than $455,000,000, including an estimated amount of $25,000,000 refundable after the war. This item shows an increase over 1941-42 of $319,832,000. A portion of this increase was due to a change in timing of payments, consequent upon the introduction of the monthly instalment plan.

7. The amount expected to be obtained in the fiscal year 1942-43 under the provisions of the Dominion Succession Duties Act, passed in 1941 is estimated at $14,000,000. In 1941-42 the amount realized from the same source was $6,957,000.

8. The total revenue from the 8 per cent sales tax, less refunds, is estimated at $230,000,000, a decrease of $6,183,000 as compared with the previous year. It will be seen from the 5-year table that gross sales tax is estimated to be less than last fiscal year by only $1,553,000, while the amount of refunds is increased by $4,630,000. The increase in refunds is due largely to remission of taxes on materials and plant equipment imported or purchased in Canada for war purposes by the United Kingdom and allied governments or for certain other activities associated with the war.

9. The War Exchange Tax is expected to realize a total of $94,000,000, compared with $100,874,000 received during the previous year. There was no change in the structure of this tax and the decline is due to a falling off of certain imports not essential for war purposes.

10. Other excise taxes are estimated to produce $153,395,000, an increase over the previous year of $37,027,000. The 5-year table gives details of the increases and decreases in the various items. The main decreases totalling $26,959,000 are recorded in the taxes on the following articles:

(1) Automobiles, rubber tires and tubes, $13,992,000.
(2) Sugar, $8,000,000.
(3) Electric and gas appliances, $3,270,000.
(4) Phonographs, radios and tubes, $1,161,000.

These reductions reflect the restricted use or consumption of certain articles. In the case of sugar, a reduction in the excise tax from 2 cents to 1½ cents per pound was enacted as a result of the last budget. The increases in other excise taxes together with new taxes imposed by the last budget aggregating $63,986,000 relate to the taxes on the following articles:

(1) Cigars, cigarettes, tobacco, $21,667,000.
(2) Candy and chewing gum, $7,400,000.
(3) Beverages, $7,753,000.
(4) Trunks, bags, etc., $2,100,000.
(5) Furs, $2,500,000.
(6) Amusements, $3,008,000.
(7) Transportation and communication, $8,344,000.
(8) Stamps, etc., including payment of taxes on jewellery, chinaware, cabaret attendance, etc., $7,505,000.
(9) Sundry, $3,709,000.

11. Revenues from customs import duties for the current year are estimated at $118,000,000 compared with $142,392,000 received during 1941-42, a decrease of $24,392,000. This decrease is due in part to remission of customs duties and drawbacks payable on materials, equipment and supplies imported for war purposes by the United Kingdom and allied governments or for other activities associated with the war. A second factor which brought about this reduction was the decline in importations for civilian use of certain goods and commodities not entirely essential to the war effort.

12. Receipts from excise duties mainly on liquor and tobacco are expected to reach $142,090,000, an increase of about $32,000,000 over 1941-42. Excise duties on liquors and tobaccos were substantially increased in the June, 1942, budget.

13. The tax on insurance companies for 1942-43 is expected to realize $10,500,000 compared with $1,148,000 received during the previous year. The increase in revenue from this source is not due alone to the increased rates imposed by the 1942 budget, but, because of arrangements made under the Dominion-Provincial Taxation Agreements, it so happens that the increased tax levied by the last budget applied to the calendar year 1941, during which year the provincial insurance taxes were not levied, as well as to 1942. The estimated amount of $10,500,000 therefore represents collections covering two calendar years.

14. Total non-tax revenues are estimated at $113,750,000, an increase of $10,839,000 over 1941-42. Receipts from the Post Office are expected to total $49,000,000, an increase of slightly more than $3,000,000 as compared with the preceding fiscal year. The receipts from the Post Office will, it is estimated, exceed the cost of operations by $3,561,000. As mentioned in previous years, the post office accounts do not include the rental value and other costs of premises occupied, and equipment used, nor do they include any credit to the Post Office for services rendered to other departments for the free use of the mails. Return on Investments is expected to realize $41,500,000, an increase of $15,674,000 over last year. The larger items making up this total are: interest on advances to Canadian National Railways, $13,338,000; Bank of Canada profits, $7,985,000; interest on loans to Foreign Exchange Control Board, $4,633,000; loans to National Harbours Board, $2,600,000; loans to provinces, $2,802,000; and interest on advances made by the Department of Munitions and Supply to commodity companies, $3,500,000. The premium, discount and exchange account will, it is expected, show a debit of $1,500,000, compared with the credit for the last fiscal year of $11,855,000.

15. The total amount estimated for 1942-43 under Special Receipts and Credits is $58,775,000. The main items making up this total are: refunds of previous years' war expenditures, $11,000,000; operating surplus of the Canadian National Railways for the calendar year 1942, $25,000,000; and the capital gain on repatriation of Canadian National Railways Securities, $11,000,000. These last two items increase the book valuation of the Canadian National Railways Securities Trust Capital Stock, and accordingly are offset by contra amounts appearing on the expenditure side under the heading "Other Charges".

Another book-keeping item which is recorded under the heading of Special Receipts and Credits is an amount of $6,660,000, representing a reduction in the Reserve Account established to meet the operating deficits of the Canadian Wheat Board. This adjustment is occasioned by an improvement in the board's balance sheet in the period ended July 31, 1942, with respect to the 1939 and 1940 crop accounts. Last year it was necessary on the basis of calculations made as at July 31, 1941, to provide on the expenditure side for an increase in the reserve account of

$12,570,828. This year the Reserve Account is being reduced by the amount of $6,660,000 on the basis of calculations made as at July 31, 1942.

16. The table below gives a summary of the forecasts made at the time of the last budget of the probable receipts from the various sources of revenue during the fiscal year 1942-43, and a comparison of these forecasts with present estimates of receipts which will be received during the fiscal year. The general observations which preface a similar table in last year's budget as to the dfficulty in forecasting revenues, particularly in time of war, are still true and are strengthened by reason of the budget being brought down at this early date. With respect to taxation revenues, and the amounts expected to be received by reason of increased rates and new imposts, it will be quite apparent that even a small percentage of error in calculation may represent a substantial amount in dollars.

While there are some substantial variations in the individual amounts now estimated for the fiscal year 1942-43, compared with estimates made in the last budget, the total increase over the amount forecast, after taking into account $58,775,000 expected to be received from Special Receipts and Credits which was not included in the estimate, represents only 4·9 per cent. As was stated last year care was used to err on the side of conservatism rather than of undue optimism.

DETAILED STATEMENT OF BUDGET FORECASTS COMPARED WITH PRESENT ESTIMATE FOR RECEIPTS FOR 1942-43

Source of Revenue	Budget Forecast of Receipts		Receipts now estimated for 1942-43	Increase (+) or decrease (−) in receipts as compared with final budget forecast
	From tax structure before Budget changes	From tax structure as changed by proposals made in Budget of June 23, 1942		
	000 omitted $	000 omitted $	000 omitted $	000 omitted $
Tax revenues				
Customs duties	135,000	135,000	118,000	−17,000
Excise duties	123,000	154,610	142,090	+ 7,480
Excise taxes:				
Sales tax	218,000	218,000	230,000	+12,000
War Exchange tax	95,000	95,000	94,000	− 1,000
Other excise taxes	85,000	123,240	153,395	+30,155
Total excise taxes	398,000	436,240	477,395	+41,155
Income taxes:				
Graduated tax on personal incomes and national defence tax	390,000	435,000 *70,000	540,500	+35,500
Corporate income tax	200,000	305,000	350,000	+45,000
Excess profits tax	275,000	*25,000 440,000	455,000	−10,000
Interest and Dividends	28,000	28,000	27,000	−1,000
Total income taxes	893,000	1,303,000	1,372,500	+69,500
Succession duties	15,000	15,000	14,000	− 1,000
Miscellaneous taxes	2,600	15,600	11,890	− 3,710
Total Tax Revenues	1,566,600	2,039,450	2,135,875	+96,425
Non-tax Revenues	105,000	105,000	113,750	+ 8,750
Total	1,671,600	2,144,450	2,249,625	+105,175
Special Receipts and Credits	—	(No estimate made)	58,775	+58,775

*Estimated amounts refundable after the war.

EXPENDITURES, 1942-43

17. The comments which follow will deal with expenditures classified by the usual main categories: (1) Ordinary Expenditures; (2) Capital Expenditures; (3) War Expenditures; (4) Special Expenditures; (5) Operating deficits of, and Non-Active Advances to, Government-owned Enterprises; and (6) Other Charges. All disbursements under these headings with the exception of active loans and investments chargeable to War Appropriation Acts, are included as expenditures in arriving at the over-all deficit or increase in net debt.

ORDINARY EXPENDITURES

18. Ordinary expenditures for the year, it is estimated, will total $565,762,000 of which a few of the larger contractual and uncontrollable items such as interest and other charges on the public debt, pensions, unemployment insurance, post office, subsidies and payments to provinces under the Dominion-Provincial taxation agreements will aggregate $442,813,000 or approximately 78·3 per cent.

The above estimated total of $565,762,000 is greater than the actual amount of ordinary expenditures during the previous fiscal year by $120,984,000. Some of the larger items making up this increase are:

Increased interest and charges on Public Debt	$ 27,162,000
Increased compensation to Provinces under the Dominion-Provincial Taxation Agreements	73,780,000
Increase in Unemployment Insurance	7,369,000
Increase in Post Office Expenditures	3,937,000
Premium, Discount and Exchange Account	1,500,000
Increase in administrative cost of Department of National Revenue including Income Tax	2,017,000
Increase in cost of Chief Electoral Office *re* plebiscite	1,191,000
Increase in National Defence, sundry services	1,493,000
Increase in Maritime Freight Rates Act	982,000
	$ 119,431,000

Less important increases as well as decreases effected during the year are readily ascertained by referring to the five-year table.

CAPITAL EXPENDITURES

19. Total expenditures charged to capital are estimated at $3,862,000 compared with $3,430,000 in the previous year. The main items in this category are expenditures arising out of dredging the St. Lawrence Ship Channel and other construction and improvements, including lighting and radio facilities in connection with civil airways and airports.

WAR EXPENDITURES

20. Total outlays under the various War Appropriation Acts for the year 1942-43 are now estimated at $4,558,000,000. This estimate, it will be realized, is difficult to make with any close degree of accuracy because of the magnitude of our war programme and the many factors that may not now be foreseen or are difficult to appraise. The total of $4,558,000,000 includes the gift of one billion dollars to the government of the United Kingdom under the War Appropriation (United Kingdom Financing) Act, 1942. It also includes the loan of $700,000,000 made to the Government of the United Kingdom under authority of the same act in order to liquidate sterling balances accumulated by the Government of Canada prior to March 31, 1942, and also $55,235,000 of loans and advances to commodity corporations and other loans made under the authority of the War Appropriation Act, 1942. Deducting these last two amounts, which are treated as active assets in the Dominion's accounts, we have a net total charged to war expenditure of $3,802,765,000. This represents an increase of $2,463,091,000 over the corresponding figure for the preceding fiscal year.

The rapid expansion of Canada's war programme is shown in the following table:

Fiscal Year	Charged to Active Assets	War Expenditures	Total war Outlays
	$	$	$
1939–40	9,092,742	118,291,022	127,383,764
1940–41	26,379,066	752,045,326	778,424,392
1941–42	42,816,676	1,339,674,152	1,382,490,828
1942–43 (estimated)	755,235,000	3,802,765,000	4,558,000,000
	833,523,484	6,012,775,500	6,846,298,984

During the first world war Canada's total expenditures, including demobilization charged direct to war account, aggregated $1,695,958,570.

21. The following table gives a summary of war expenditures, together with details of the $755,235,000 loans and advances charged to active assets all as now estimated:

Department of National Defence—	
Army	$ 1,078,157,000
Naval Services	207,822,000
Air	626,960,000
Department of Munitions and Supply	689,504,000
Miscellaneous Departments:	
Agriculture	20,820,000
Auditor General's Office	280,000
Civil Service Commission	477,000
External Affairs	518,000
Finance	98,668,000
Fisheries	278,000
Justice	95,000
Labour	17,451,000
Mines and Resources	7,904,000
National Harbours Board	350,000
National Research Council	2,022,000
National Revenue	4,000
National War Services	8,746,000
Pensions and National Health	15,591,000
Post Office	269,000
Privy Council	1,627,000
Public Archives	2,000
Public Works	7,096,000
Royal Canadian Mounted Police	4,147,000
Secretary of State	81,000
Soldiers Settlement of Canada	81,000
Trade and Commerce	8,049,000
Transport	5,766,000
Total estimated direct War Expenditure, 1942-43, under War Appropriation Acts, 1942, 1943	$ 2,802,765,000
The War Appropriation (United Kingdom Financing) Act, 1942—	
Payments for the account of the Government of the United Kingdom to enable it to purchase in Canada aircraft, tanks, mechanical transport vehicles, guns, ammunition and other munitions of war, foodstuffs, raw materials and other commodities and supplies essential to the conduct of the war and the maintenance of the people of the United Kingdom, and to defray other expenses incurred in Canada arising out of the war	1,000,000,000
Total war chargeable to expenditure	$ 3,802,765,000

Loans and Advances—		
War Appropriation Act, 1942—		
Advances to commodity corporations and other companies—Department of Munitions and Supply	$ 15,371,000	
Purchase of railway equipment leased to Canadian National Railways	16,964,000	
Loan to Canadian National Railways—Vermilion Oil Field—Alberta	400,000	
Credit to the Government of the Union of Soviet Socialist Republics	6,000,000	
Canadian Wool Board, Ltd	10,800,000	
Wartime Salvage, Ltd	700,000	
Commodity Prices Stabilization Corporation	5,000,000	
	55,235,000	
The War Appropriation (United Kingdom Financing) Act, 1942—		
Loan to the Government of the United Kingdom	700,000,000	
Total war chargeable to Active Assets		$ 755,235,000
Grand Total chargeable to War Appropriations		$ 4,558,000,000

22. The foregoing total outlay of $4,558,000,000 chargeable to war appropriations does not take into account advances made or to be made during 1942-43 under authority of section 3 of the War Appropriation Act, which advances are recoverable from the Government of the United Kingdom or from other allied governments. These recoverable advances which are estimated at $232,610,000 as at the close of the fiscal year, will be substantially offset by amounts payable by Canada with respect to accounts and commitments remaining unpaid or unadjusted when the books of the Dominion for the fiscal year 1942-43 are closed.

23. The recoverable advances to allied governments, totalling $232,610,000, are divided as follows:

Agriculture (Food), United Kingdom	$ 4,615,000
Munitions and Supply, War Supplies, Ltd	60,000,000
National Defence—	
Army	1,731,000
Internment Operations	2,750,000
Navy	11,404,000
Air	8,566,000
R.A.F., Special Schools	38,052,000
B.C.A.T.P.—U.K. Equipment	88,575,000
Combined Training Organization—Australia's share	16,917,000
	$ 232,610,000

24. The main provisions of the War Appropriation (United Kingdom Financing) Act, 1942, were: (1) the granting of a billion dollar gift to the Government of the United Kingdom to finance the purchase in Canada of foodstuffs, raw materials and munitions of war and to defray other expenditures incurred in Canada for war purposes; (2) the granting of authority to repatriate all Dominion of Canada direct and guaranteed securities and other Canadian National Railways securities held by British investors; and (3) the conversion of sterling balances accumulated to the credit of the Government of Canada to an amount equivalent to $700 million (at the exchange rate of $4.45 to the pound sterling) into a Canadian dollar obligation which is not to bear interest until after the termination of the war.

25. Under the second of the above provisions, a substantial volume of Dominion and Canadian National Railways securities were repatriated before the close of the preceding fiscal year. In addition there were repatriated during the fiscal year 1942-43 securities valued on the basis of the prices at which they were vested by the Government of the United Kingdom, less interest included therein, at $70,022,000. The securities so purchased by the Dominion Government were classified as follows:

Dominion of Canada obligations		$ 9,514,000
Canadian National Railways Securities—		
Dominion Guaranteed	$ 24,844,000	
Unguaranteed	35,503,000	
		60,347,000
Other Dominion Guaranteed Securities		161,000
		$ 70,022,000

In accordance with the terms of the act, Canadian National Railways securities to an estimated value of $61,820,000 (including amounts purchased in 1941-42, not previously transferred) will be turned over during 1942-43 to the Railway Company, and temporary loans for this amount are made to the company to enable it to acquire them. In accordance with Section 3 of the Act, expenditure of $76,429,000 incurred in acquiring surplus sterling accumulated during March, 1942, was charged to the billion dollar appropriation.

26. The following table gives a detailed itemization of estimated direct war expenditures under the War Appropriation Acts, 1942-43, totalling $2,802,765,000 classified by departments and services:

Agriculture—			
Agricultural Supplies Board—			
Administration expenses	$ 33,000		
Programmes to encourage the production of essential war supplies	1,089,000		
Assistance in disposal of agricultural products rendered surplus by the War	3,823,000		
Feeds Administrator	10,928,000		
Flax Fibre Administrator	121,000		
Fertilizers and Pesticides Administrator	1,260,000		
Seeds Administrator	140,000		
		$ 17,394,000	
Bacon Board Administration		46,000	
Dairy Products Board Administration		11,000	
Special Products Board		662,000	
Special Farm Income Payments		2,707,000	
			$ 20,820,000
Auditor General's Office—			
Auditing and checking war appropriation accounts			280,000
Civil Service Commission—			
Supply of personnel for war services		460,000	
Payment of minimum railway fare *re* stenographers		17,000	
			477,000
External Affairs—			
Departmental administration and Passport Office		264,000	
Representation abroad		100,000	
Sundries		154,000	
			518,000
Finance—			
Payment of premium on purchase of Dominion of Canada Registered Stock		127,000	
Comptroller of the Treasury's Office—War accounting offices		6,235,000	
Wartime Prices and Trade Board—			
Administration	10,514,000		
Canadian Wood Board Administration	200,000		
Wartime Salvage Limited— Administration and Losses	800,000		
Commodity Prices Stabilization Corporation— Administration and Subsidies	80,000,000		
		91,514,000	
Subsidy *re* consumption of coke in production of pig iron		327,000	
Freight on shipments of coke		254,000	
Freight on shipments of scrap steel		162,000	
Sundries		49,000	
			98,668,000

Fisheries—			
Japanese Fishing Vessels Disposal Committee		$ 19,000	
Damage claims *re* Japanese vessels		80,000	
Subsidy *re* fishing vessel construction in British Columbia		175,000	
Sundries		4,000	
			$ 278,000
Justice—			
Prize Court		5,000	
Defence of Canada Regulations		66,000	
War Measures Act		4,000	
Royal Commission *re* Hong Kong Expedition		20,000	
			95,000
Labour—			
Industrial training for war work		4,510,000	
Training aircraft mechanics		2,050,000	
Specialized training for aircraft manufacturing		26,000	
War emergency training—administration		54,000	
Vocational training for discharged members of the Canadian armed forces		41,000	
National War Labour Board		385,000	
Wartime Bureau of Technical Personnel		163,000	
Personnel management training		48,000	
National Selective Service—			
Director	$ 506,000		
Mobilization division	1,981,000		
Man-power records	549,000		
Expenses of work done by Unemployment Insurance Commission	2,100,000		
		5,136,000	
Coordination of shiploading and unloading operations—Halifax		29,000	
Universities—Accelerating courses and loans to students		320,000	
Ontario farm labour service		100,000	
General labour transference in war industries and agriculture		275,000	
Transportation of harvest workers to and from Saskatchewan and Alberta		250,000	
Harvest assistance to provinces		64,000	
British Columbia Security Commission		3,875,000	
Organization and operation of day nurseries, etc		75,000	
Sundries		50,000	
			17,451,000
Mines and Resources—			
Mines and Geology—			
Development of tar sands	150,000		
Geological surveys	30,000		
Oil explorations	80,000		
Strategic minerals—exploration and development work	381,000		
New metallurgical laboratory	153,000		
Explosives Division—			
Administration of regulations *re* explosives	29,000		
Assistance to Provinces *re* transportation facilities to various wartime mining projects	68,000		
Metallic Minerals Division—			
Services to war departments	135,000		
Sundries	6,000		
		1,032,000	
Lands, Parks and Forests—			
National Parks Bureau—Alternative service work camps	150,000		
Dominion Forest Service—			
Alternative service work camps	40,000		
Alternative service work camps, B.C.	600,000		
Internment and prisoners of war operations	35,000		
Forest Products Laboratories	30,000		
Bureau of Northwest Territories and Yukon Affairs—Expenses of liaison officers Alcan and Canol projects	9,000		
		864,000	

Surveys and Engineering—			
Engineering and Construction Service—			
Alternative service work camps	$ 100,000		
Prince Rupert-Terrace-Cedarvale highway	3,500,000		
Employment of persons of the Japanese race and Japanese Nationals	2,000,000		
		$ 5,600,000	
Immigration—			
Canadian interests in enemy and enemy controlled territory	100,000		
Canadian interests abroad apart from enemy or enemy controlled territory	25,000		
Grants to National Advisory Committee for children from overseas	50,000		
Repatriation of wives and dependents of members of the Canadian forces overseas	50,000		
Evacuation of Canadian citizens from the Far East	150,000		
Sundries	33,000		
		408,000	
			$ 7,904,000
Munitions and Supply—			
Administration		9,500,000	
Expansion of war industry		480,004,000	
Acquisition of United Kingdom interest in war plants		200,000,000	
			689,504,000
National Defence—Army Services—			
Departmental administration		1,220,000	
Dependents' Allowance Board		587,000	
Dependents' Supplementary Grants Fund		704,000	
Army		1,060,508,000	
Chemical Warfare Experimental Station		374,000	
Directorate of Public Relations		111,000	
Internment operations		1,864,000	
Radio Services—Northwest Territories and Yukon		289,000	
Inspection Board—United Kingdom and Canada		12,500,000	
			1,078,157,000
National Defence—Naval Services—			
Navy		206,675,000	
Royal Canadian Sea Cadets		262,000	
Temporary Building—Cartier Square		885,000	
			207,822,000
National Defence—Air Services—			
Home War Establishment		192,869,000	
Overseas Establishment		22,306,000	
Departmental administration, Air		129,000	
British Commonwealth Air Training Plan		71,523,000	
Combined Training Organization		340,133,000	
			626,960,000
National Harbours Board—			
Halifax—			
Operation of fire boat *Rouille*		49,000	
Extension of pier 9, Richmond Terminal		155,000	
Moorings for ships under repairs		16,000	
Installation of additional car dumpers at Terminal Grain Elevator		120,000	
Saint John—West Side wooden pile dock		10,000	
			350,000
National Research Council—			
Special war activities		1,786,000	
Special war annex		236,000	
			2,022,000
National Revenue—			
Censorship of newspapers and other publications			4,000

National War Services—		
Departmental administration	$ 96,000	
War Charities—		
General	44,000	
Auxiliary Services	6,000,000	
Salvage Division	313,000	
Women's Voluntary Services	14,000	
Canadian Firefighters for United Kingdom	800,000	
Committee on Co-operation in Canadian Citizenship	13,000	
Censorship Division	1,280,000	
Government Office Economies Control	5,000	
National Film Board—		
Special War Library	40,000	
Purchase of Supplies Revolving Fund	40,000	
Sundries	101,000	
		$ 8,746,000
Pensions and National Health—		
Treatment—		
Defence Forces	4,025,000	
Royal Canadian Mounted Police	100,000	
Pensions—Defence Forces	2,500,000	
Air Raid Precautions	6,435,000	
Investigations—Dependents' Allowance Board	85,000	
Inspection of industrial plants	25,000	
Laboratory of hygiene	17,000	
Public Health Engineering	30,000	
Food and Drugs	13,000	
Quarantine Service	75,000	
Committee on Demobilization	10,000	
Rehabilitation Benefits	300,000	
Processing of blood for dried serum	175,000	
Maintenance of non-resident seamen	25,000	
Committee on Reconstruction	35,000	
Detention Allowances—Canadian seamen	65,000	
Additions, alterations and improvements to departmental hospitals	1,085,000	
Reserve Stores—Revolving Account	100,000	
Addition—John Street Laboratories, Ottawa	10,000	
Grants to the Canadian Nurses Association	115,000	
Hospital Unit adjacent Ottawa Civic Hospital	250,000	
Acquisition of land—Westminster Hospital, London, Ontario	66,000	
Sundries	50,000	
		15,591,000
Post Office—		
Canadian Postal Corps		269,000
Privy Council—		
Statutory Orders and Regulations Division	26,000	
Wartime Information Board	1,601,000	
		1,627,000
Public Archives—		
Compensation to staff evacuated from abroad		2,000
Public Works—		
Chief Architect's Branch—		
Calgary, Alta.—Purchase of the Traders' building, and alterations	$ 178,000	
Ottawa—		
Construction of annex to Daly building	55,000	
Extension to Jackson building (including purchase of land)	211,000	
National Research Council, Sussex Street —temporary buildings	26,000	
Addition to temporary building No. 1	35,000	
Temporary building No. 5 (Preston and Carling)	15,000	
Temporary building No. 6 (Sussex Street)	118,000	
Temporary building No. 7 (Sussex Street)	141,000	

Public Works—Concluded			
Chief Architect's Branch—			
Ottawa—			
Temporary building No. 8 (Carling Ave.)	$ 710,000		
Hostels for junior employees in the public service — construction and furnishings	380,000		
Installation of sprinkler systems and fire mains at temporary buildings	114,000		
Temporary building for Royal Canadian Mounted Police, north of Justice building	85,000		
Office building, shooting range, etc., for National Research Council	45,000		
Armoury accommodation for Canadian Officers' Training Corps Units	65,000		
Converting furnaces in public buildings from oil to coal firing	115,000		
Repairs, alterations, operation and maintenance of buildings	1,300,000		
Rental of premises occupied for war purposes	1,250,000		
Furniture, etc. for war employees	900,000		
Sundries	54,000		
		$ 5,797,000	
Dartmouth, N.S.—dredging at east side of pier.	16,000		
St. John Harbour (Courtenay Bay), N.B.—dredging	295,000		
Shelburne, N.S.—wharf repairs	15,000		
Ste. Anne de Bellevue, Que.—Military Hospital	66,000		
Windsor, Ont.—dredging	5,000		
Esquimalt, B.C.—Dry Dock	316,000		
Harrison River—improvements	9,000		
Sidney, B.C.—wharf improvements and repairs	8,000		
Seymour Narrows, B.C.—removal of ripple rocks and construction of dam	230,000		
To provide for a 24-hour telegraph service on the Pacific Coast	64,000		
Telephone service and unforeseen	275,000		
		1,299,000	
			$ 7,096,000
Royal Canadian Mounted Police—			
Increased activities of the force due to war			4,147,000
Secretary of State—			
Dominion Plebiscite Committee		68,000	
Sundries		13,000	
			81,000
Soldier Settlement of Canada—			
Purchase of right-of-way, etc. *re* Canada-Alaska Highway			81,000
Trade and Commerce—			
Canadian Shipping Board		74,000	
Export Permit Branch		102,000	
Shipping Priorities Branch		16,000	
Revolving chartering fund		210,000	
Gift of wheat to Greece		4,211,000	
Steamship Stabilization Fund		436,000	
Drawback claims for millers		3,000,000	
			8,049,000
Transport—			
Departmental administration		8,000	
Transport Controller's Office		166,000	
Director of Merchant Seamen, including administration, Manning Pools, Nautical Schools and welfare facilities		643,000	

Transport—Concluded			
Air Service—Special radio interception and monitoring services, etc.—			
Radio service	$ 1,097,000		
Meteorological service	806,000		
Northwest air route	49,000		
Municipal terminal airports	233,000		
Moncton-Newfoundland Airline	218,000		
North Bay Airport—Additional development.	400,000		
Civil Aviation—Extra airport control	153,000		
		$ 2,956,000	
Canals service		39,000	
Marine service—			
Aids to navigation, including lightships	117,000		
War risk bonus to crews of Dominion steamers	50,000		
Reconditioning C.G.S. *Lady Grey*	209,000		
Marine service steamers	180,000		
Dredging in St. Charles river, Que	37,000		
Nautical services	37,000		
Degaussing equipment for Canadian vessels	390,000		
Compensation to crews of Canadian vessels for loss of personal effects	100,000		
Expenses *re* C.G.S. *Montcalm* to Russia	85,000		
Sundries	8,000		
		1,213,000	
Railway service—			
Additional harbour and terminal facilities at Halifax	666,000		
Construction of buildings at St. John for the United Kingdom	75,000		
		741,000	
			$ 5,766,000
Total estimated direct War Expenditure, 1942-43, under War Appropriation Acts			$ 2,802,765,000

SPECIAL EXPENDITURES

27. Expenditures classified as Special Expenditures for the fiscal year 1942-43 are estimated to total $30,673,000 compared with $63,976,000 for last fiscal year. The largest single item in this category is an amount of $23,045,000 covering payments of awards to farmers under the wheat acreage reduction plan. The estimated amount of administration costs of the wheat acreage reduction plan is $1,060,000. Advances to the Prairie Farm Emergency Fund and the costs of administration under the Prairie Farm Assistance Act are estimated at $700,000 and $212,000 respectively. The balance of $5,656,000 represents expenditures for Dominion relief projects, $4,822,000, and the Dominion share of government Dominion-Provincial relief projects, $834,000. The reduction of special expenditures over last year was accounted for by decreases in the following items: (1) Unemployment Relief, $2,844,000, (2) Prairie Farm Assistance Act, $11,359,000, (3) Wheat Acreage Reduction Plan, $6,529,000, and (4) Provision for reserve to meet deficits resulting from the operations of the Canadian Wheat Board, $12,571,000.

[Mr. Ilsley.]

GOVERNMENT-OWNED ENTERPRISES

This classification of expenditures comprises the losses of and the non-active advances to Government-Owned Enterprises, which were established before the war and are operated as separate corporations.

Canadian National Railways

28. An examination of the five-year Revenue and Expenditure tables for the first three years shown therein, namely 1938-39, 1939-40 and 1940-41, shows deficits of the Canadian National Railways System amounting to $54,314,000, $40,095,000 and $16,965,000, respectively. These deficits are shown in the expenditure table. In the revenue table will be found amounts of $4,016,000 and $25,000,000 representing operating surplus of the system for the calendar years 1941 and 1942 respectively. These have been or will be applied to repayments of temporary loans from the Government. The annual report of the Canadian National Railways for the calendar year 1942 is not yet available and it is, therefore, not possible to give details of the operating revenues and expenses for that year.

The operating deficit of the Prince Edward Island Car Ferry and Terminals during 1942 is estimated at $591,000 compared with $424,000 in 1941.

Canadian National Steamships

29. The operations of the Canadian National (West Indies) Steamships Limited for the calendar year 1942 will, it is estimated, result in a cash surplus of $997,000 compared with $1,205,657 for 1941. This operating surplus will be paid to the Government as interest on advances (current and arrears).

National Harbours Board

30. The annual report of the operations of the National Harbours Board for 1942 is not yet available and it is not possible to give the operating income for that year. Interest on Government advances to the Board will, it is estimated, be received this fiscal year to the amount of $2,600,000, and this has been taken into account in arriving at the total of revenue under the heading "Return on Investments".

Financial assistance provided by the Government to the National Harbours Board and charged to Dominion expenditure, it is estimated, will total $672,000. This amount is made up as follows: $380,000 for non-active advances in respect of the deficit of the Jacques Cartier Bridge at Montreal; $22,000 for reconstruction and capital expenditures of the Halifax Harbour Commission; $170,000 for reconstruction and capital expenditures, and $96,000 for the redemption of debentures of the Saint John Harbour Commission; and the remaining $4,000 for miscellaneous capital expenditures at various ports.

The elevators at Port Colborne and Prescott operated at a profit during 1942 and it is estimated that $250,000 from these sources will be credited to Ordinary Revenue.

OTHER CHARGES

31. The total of Other Charges, the final main category of expenditures, is estimated at $65,633,000.

Included in this total is $25,000,000 which has been added to the reserve to meet possible losses on ultimate realization of assets treated as "active" in the Dominion's balance sheet. This is the same amount as was provided for in the Public Accounts for the last two fiscal years and the total now provided to meet such possible losses is therefore $75,000,000. The usual annual write-off from active assets of Soldier and General Land Settlement Loans is estimated at $75,000, and cancellation of Canadian Farm Loan Board Capital Stock is estimated at $8,000. These two write-offs, and the provision for the further reserve of $25,000,000, result in a proportionate increase in the net debt of the Dominion.

32. The estimated total write-off from non-active assets, includes two items: (a) $4,500,000 to be written off from the Canadian National Railways Securities Trust Stock representing line abandonments for the calendar year, 1942; and (b) $50,000 representing the estimated yearly established losses on Seed Grain and Relief Accounts administered by the Department of Mines and Resources. As both of these items are non-active assets and are therefore already included in the net debt of Canada, they are offset by similar amounts on the Revenue side under "Other Receipts and Credits".

33. The remaining debit items, classified as Other Charges, and totalling $36,000,000, relate to the Canadian National Railways Securities Trust Stock. The amount of this stock which represents the Dominion's equity in the Canadian National Railways is expected to be increased by $25,000,000 due to the surplus earnings of the System for 1942 and also by $11,000,000 due to the estimated capital gain in respect of Canadian National Railways sterling securities redeemed during the year at a price below par in Canadian funds. The Canadian National Railways Securities Trust Stock is carried in the Dominion's books as a non-active asset, and as the two items just mentioned necessarily appear as credits under the heading Special Receipts and Credits, the net debt of Canada is not thereby changed.

SUMMARY OF EXPENDITURES

34. The grand total of expenditure for the fiscal year, 1942-43, under the various categories enumerated, namely Ordinary Expenditures, Capital Expenditures, War Expenditures, Special Expenditures, Losses of and non-active advances to government-owned enterprises, and Other Charges, is estimated at $4,469,958,000.

35. The following table shows the percentage distribution of estimated revenues and expenditures for a number of important items. Receipts from various taxes and other revenue sources, after deducting the $100,000,000 of income and excess profits taxes estimated as refundable after the war, are shown as percentages both of total revenues and of total expenditures. Similarly, several of the main items of expenditure or groups of such items are shown as percentages both of total expenditures and of total revenues. The purpose of this table is to enable broad conclusions to be drawn as to the relative burdens imposed on the public treasury by the war and the main services or obligations of government.

PERCENTAGE DISTRIBUTION OF ESTIMATED REVENUES AND EXPENDITURES, 1942-43

(000 omitted)

Revenues	Amount (estimated)	Percentage of total Revenues	Percentage to total Expenditures
	$	%	%
Ordinary Revenue—			
Income Tax	842,500	38·15	18·85
Excess profits tax	430,000	19 47	9 62
Succession duties	14,000	0 63	0·31
Customs Import Duties	118,000	5·34	2·64
Excise Duties	142,000	6·43	3·18
Sales Tax	230,000	10·42	5·14
War Exchange Tax	94,000	4·26	2·11
Manufacturers, transportation and communication, stamp taxes, etc	153,395	6·95	3·43
Other tax revenues	11,890	0·54	0·27
Total revenue from taxes	2,035,875	92·19	45·55
Non-tax revenues	113,750	5·15	2·55
Total ordinary revenue	2,149,625	97·34	48·10
Special receipts and other credits	58,775	2·66	1·31
Grand Total Revenues	2,208,400	100·00	49·41

PERCENTAGE DISTRIBUTION OF ESTIMATED REVENUES AND EXPENDITURES, 1942-43

(000 omitted)

Expenditures	Amount (estimated)	Percentage of total Expenditures	Percentage to total Revenues
	$	%	%
Ordinary Expenditure—			
Interest on Public debt	185,000	4·14	8·38
Cost of loan flotations and amortization charges	13,530	0·30	0·61
Public Debt Charges	198,530	4·44	8·99
Subsidies to provinces	14,487	0·32	0·66
Compensation to provinces under taxation agreements	94,900	2·12	4·29
Old Age Pensions	29,985	0·67	1·36
Civil pensions and superannuation	406	0·01	0·02
Pensions and after-care of soldiers (War 1914-18)—			
Pensions, war and military	39,716	0·89	1·80
Treatment and after-care of returned soldiers	13,124	0·29	0·59
Total	52,840	1·18	2·39
Agriculture	8,717	0·20	0·40
Fisheries	1,811	0·04	0·08
Legislation	3,952	0·09	0·18
Mines and Resources	11,077	0·25	0·50
Post Office	45,439	1·02	2·06
Public Works	12,143	0·27	0·55
Transport	16,662	0·37	0·76
All other	74,813	1·68	3·38
Total Ordinary Expenditure	565,762	12·66	25·62
Capital Expenditure—			
Railways	11	—	—
Public Works	3,851	0·09	0·18
Total Capital Expenditure	3,862	0·09	0·18

PERCENTAGE DISTRIBUTION OF ESTIMATED REVENUES AND EXPENDITURES, 1942-43—Concluded

(000 omitted)

Expenditures	Amount (estimated)	Percentage of total Expenditures	Percentage to total Revenues
	$	%	%
War Expenditure	3,802,765	85·07	172·19
Special Expenditures—			
Relief expenditures	5,656	0·13	0·25
Prairie Farm Assistance including wheat acreage reduction	25,017	0·56	1·14
Total Special Expenditure	30,673	0·69	1·39
Government Owned Enterprises—			
Losses charged to Consolidated Fund—			
Prince Edward Island Car Ferry and Terminals	591	0·01	0·03
Loans and Advances non-active—			
National Harbours Board	672	0·01	0·03
Total Government Owned Enterprises	1,263	0·02	0·06
Other Charges—			
Write down of assets	29,633	0·66	1·34
Canadian National Railways Securities Trust Stock	36,000	0·81	1·63
Total Other Charges	65,633	1·47	2·97
Grand Total Expenditures	4,469,958	100·00	202·41

OVER-ALL DEFICIT

36. As total net revenues for the fiscal year 1942-43 have been estimated at $2,208,400,000 and total expenditures at $4,469,958,000, the estimated over-all deficit (or increase in net debt) for the year is $2,261,558,000.

LOANS AND INVESTMENTS

Active Assets

37. In addition to the estimated expenditures for the year, as already outlined, disbursements are made for the acquisition of investments which are treated as active assets in the Public Accounts. The active assets are deducted from the total direct debt in arriving at the figure of net debt. The net increase in active loans and investments for 1942-43 is estimated at $516,808,000 as compared with $640,805,000 in 1941-42. This increase is fully itemized in the table in section 54.

Loans to Provinces

38. As was shown in the Public Accounts for the fiscal year ended March 31, 1942, loans made to the Western Provinces under authority of relief legislation and outstanding at the close of that year totalled $157,275,021.49. No loans have since been made, and during the current year repayments to January 31, 1943, were received from the Provinces of Manitoba, Saskatchewan and Alberta in the amounts of $288,674.09; $50,986.87 and $38,500 respectively. The repayments left the net amount outstanding at $156,896,860.53, divided by Provinces as follows:

Manitoba	$ 24,928,540 09
Saskatchewan	71,290,433 08
Alberta	25,933,500 00
British Columbia	34,744,387 36
	$156,896,860 53

39. During the current fiscal year, the Province of Prince Edward Island paid in full the outstanding balance of $23,500 on housing loans made at the close of the last war (1914-18). The Province of Nova Scotia reduced its indebtedness on the same account by $70,000. The only loan now outstanding with respect to these advances is one of $37,000 due by the Province of Nova Scotia and maturing in April, 1943.

40. Subsidy overpayment to the Province of Alberta secured by a Treasury Bill of the Government of Alberta was reduced during the year by a payment by the Province of $68,750, thereby reducing this indebtedness to $400,000.

Canadian National Railways

41. It is estimated that the Government will have made during the fiscal year net advances to the Canadian National Railways in the amount of $130,938,995, classified as follows:

Advances—	
Under Canadian National Railways Refunding Act, 1938—for retirement of maturing issues	$ 59,315,908
Under Canadian National Railways Financing and Guarantee Act, 1940—Purchase of Grand Trunk Railway Company of Canada 4 per cent Perpetual Consolidated Debenture Stock	472,116
Under Canadian National Railways Financing and Guarantee Act, 1941—Purchase of securities from Canadian holders	9,889,898
Under Canadian National Railways Financing and Guarantee Act, 1942—for capital expenditures and retirement of miscellaneous obligations	8,143,989
Under Canadian National Railways Financing and Guarantee Act, 1942—Purchase of securities from Canadian holders	18,261,613
Under The War Appropriation (United Kingdom Financing) Act, 1942—Purchase of securities from Government of the United Kingdom	61,820,197
Under The War Appropriation Act, 1942—for capital purposes in connection with oil drilling campaign	400,000
Under Trans-Canada Air Lines Act—for capital purposes	850,000
Total Advances	$ 159,153,721
Repayments—	
Application of 1942 Surplus—	
Advances—	
Financing and Guarantee Act, 1939	$ 11,332,113
Financing and Guarantee Act, 1940	7,572,580
Financing and Guarantee Act, 1941	5,245,307
Trans-Canada Air Lines	850,000
Total Surplus	$ 25,000,000
War Appropriation Act, 1941, advance for Working Capital	3,214,726
Total Repayments	$ 28,214,726
Net Advances (estimated)	$ 130,938,995

Under the authority of The War Appropriation Act, 1942, it is estimated that at March 31, 1943, the total amount of railway equipment purchased by the Dominion and leased to the Canadian National Railways, will reach $16,964,000. The Railway Company repaid instalments aggregating $1,509,141 under the terms of hire-purchase agreements relating to equipment purchased by the Government in the fiscal years 1935-36 and 1936-37; 1939-40 and 1940-41.

Canadian Pacific Railway Company

42. The Canadian Pacific Railway Company paid in advance all outstanding instalments of principal, amounting to $3,526,154, on account of a hire-purchase agreement relating to certain equipment purchased by the Government in the fiscal years 1935-36, 1936-37 and 1937-38, and in the amount of $9,288,057 relating to certain equipment purchased by the Government in the fiscal year 1939-40 and 1940-41.

Advances to Commodity and Other Companies

43. Advances to Commodity Corporations and other companies made by the Department of Munitions and Supply, and referred to in Section 21, are estimated at $15,371,000 for 1942-43. The following table gives net advances outstanding March 31, 1942; net advances during 1942-43, and net advances outstanding as of March 31, 1943, with respect to each Company:

Name	Products or Service	Net Advances Outstanding March 31, 1942	Net Advances 1942–1943 (estimated)	Net Advances Outstanding March 31, 1943 (estimated)
		$ cts.	$ cts.	$ cts.
Government Owned and Operated Companies—				
Atlas Plant Extension, Ltd., Welland, Ont.	General Munitions	6,533,483 04	1,190,454 97	7,723,938 01
Research Enterprises, Ltd., Leaside, Ont.	General Munitions	285,000 00	−285,000 00	—
Fairmont Company, Ltd., Toronto, Ont.	Commodities and Raw Materials (rubber and hides)	11,955,394 73	−2,665,069 71	9,290,325 02
Melbourne Merchandising Co. Ltd., Toronto, Ont.	Commodities and Raw Materials (Wool)	5,531,319 10	12,015,609 52	17,546,928 62
Plateau Co. Ltd., Toronto, Ont.	Commodities and Raw Materials (Silk)	957,729 86	2,394,951 15	3,352,681 01
Other Companies—				
Algoma Steel Corp. Ltd., Sault Ste. Marie, Ont.	Pig Iron and Rolled Steel Products	4,000,000 00	—	4,000,000 00
John Bertram & Sons Co. Ltd., Dundas, Ont.	Machine Tools	311,723 41	−311,723 41	—
Dominion Steel & Coal Co. Ltd., Sydney, N.S.	Ingots and Rolled Steel Products	1,576,967 74	1,908,393 04	3,485,360 78
English Electric Co. of Canada, Ltd., St. Catharines, Ont.	Transformers, Switch Gears and Motors	776,700 00	−169,800 84	606,899 16
Steel Company of Canada, Ltd., Hamilton, Ont.	Pig Iron and Ingot Steel	2,545,000 00	—	2,545,000 00
A. C. Wickman, Ltd., New Toronto	Gauges, Carbide Tips and Tools	75,000 00	−75,000 00	—
Marine Industries, Ltd., Sorel, Quebec	Reconditioning barges as coal carriers	—	600,000 00	600,000 00
Union Drawn Steel Co. Ltd., Hamilton, Ont.	Cold steel	—	768,252 00	768,252 00
		34,548,317 88	15,371,066 72	49,919,384 60

44. In addition to advances to corporations as shown in the foregoing table, advances were made to The Commodity Prices Stabilization Corporation Limited, The Canadian Wool Board Limited, and Wartime Salvage Limited. The amounts shown as advances to these corporations which have been taken in to the accounts as Active Assets represent the estimated cash and inventory holdings of the corporations as at March 31, 1943. The balance of advances made are included as war expenditures. The assets with respect to each corporation as of March 31, 1943, are estimated to be:

The Commodity Prices Stabilization Corporation	$ 5,000,000
The Canadian Wool Board	10,800,000
Wartime Salvage, Limited	700,000

Other Loans and Investments

45. The indebtedness of the Foreign Exchange Control Board to the Dominion may, unless certain repayments occur before March 31, 1943, reach $400,000,000 and this amount is shown as an active asset in the preliminary balance sheet of the Dominion for the current fiscal year.

46. Under authority of The War Appropriation (United Kingdom Financing) Act, 1942, sterling balances in an amount equivalent to $700,000,000 (at the exchange rate of $4.45 to the pound), were converted into a Canadian dollar obligation of the Government of the United Kingdom, which, under the provisions of the act, is non-interest-bearing until after the termination of the war.

47. Pursuant to an agreement between Canada and the Union of Socialist Soviet Republics, it is estimated that by March 31, 1943, Canada will have advanced $6,000,000 on a credit for the purchase by Russia of Canadian wheat and flour. This advance bears interest at the rate of 3 per cent per annum.

48. The Canadian Farm Loan Board, it is estimated, will have repurchased during the fiscal year from the Government out of surplus funds, $1,800,000 of its 3½ per cent Bonds, due January 2, 1960, thereby reducing the amount of its bonds held by the Government to $27,400,000. Capital stock to be written off is estimated at $8,000.

49. In the period April 1, 1942, to January 31, 1943, 494 loans were approved under the National Housing Act for an amount of $1,457,235, bringing the total approvals to January 31, 1943, to $78,241,380. In this period the Dominion advanced $1,175,936, and borrower's repayments amounted to $961,523, making net advances for the period of $214,413. The net amount of loans under the authority of the National Housing Act and the Dominion Housing Act, estimated to be outstanding on the books of the Dominion at March 31, 1943, is $16,500,000. Loans under the authority of the National Housing Act are made jointly by the Government and approved lending institutions, and are secured by first mortgage or hypothec, running jointly to the Government and an approved lending institution. Previous to December 8, 1942, loans were normally made not in excess of 80 per cent of the cost or appraised value of the completed property whichever was the lesser. In the case of owner-occupied houses, where the lending value did not exceed $2,500, a loan might be made up to 90 per cent of the said lending value. On December 8, 1942, an Order in Council was passed enabling loans to be made up to 90 per cent of the lending value for any house where the lending value does not exceed $3,200, and on a sliding scale down to 80 per cent when the lending value does not exceed $4,000. Since January 1, 1940, new applications for loans are received only in respect of the construction of houses containing one self-contained dwelling place and where the loan does not exceed $4,000. Under Vote No. 452 of the Appropriation Act, No. 5, 1942, an amount of $1,000,000 was appropriated to provide for advances under the National Housing Act, not exceeding (with the advance made jointly by the approved lending institution) $3,200 in respect of any one house, for the construction of houses where the Minister is satisfied that permanent houses can be constructed to relieve a serious housing shortage without threatening to create a post-war surplus.

50. Under the Municipal Improvements Assistance Act, 1938, no further loans were approved during the current fiscal year. From the inception of the Act, total loans approved, less amounts not required to complete projects, aggregated $7,052,000. For the current fiscal year it is estimated that the amount of repayments will exceed advances by $376,000, and that the net investment as of March 31, 1943, will be $5,600,000. These loans bear interest at the rate of 2 per cent per annum, and are amortized over a period not longer than the estimated useful life of the project. The province in which the municipality is situated guarantees the payments for interest on and amortization of each loan.

51. For the current year it is estimated that advances to the National Harbours Board for capital construction purposes at the ports of Montreal and Vancouver will total $422,000. Payments of loans made in previous years amount to $679,000, leaving a net credit for the year of $257,000.

52. Loans for Soldier and General Land Settlement. it is estimated, will be reduced by payments of $1,333,000, and in addition it is estimated $75,000 will be written off and charged to Consolidated Fund.

53. The indebtedness of the Canadian Broadcasting Corporation to the Dominion on account of loans as at March 31, 1942, was $503,398.77. This amount has been paid in full with interest during the current year.

54. The following statement shows in summary form the net estimated changes in active investments for the current year, together with comparable figures for the four preceding years:

LOANS AND INVESTMENTS, ACTIVE

(000 omitted)

—	1938–39	1939-40	1940–41	1941–42	Estimated 1942–43
Foreign Exchange Control Board	—	—	325,000	400,000	Cr. 325,000
Government of The United Kingdom, The War Appropriation (United Kingdom Financing) Act, 1942	—	—	—	—	700,000
Government of The Union of Soviet Socialist Republics	—	—	—	—	6,000
Canadian Wool Board, Limited	—	—	—	—	10,800
Wartime Salvage Limited	—	—	—	—	700
Commodity Prices Stabilization Corporation	—	—	—	—	5,000
Department of Munitions and Supply—Advances to commodity corporations and other companies	—	—	9,891	24,657	15,371
Canadian Farm Loan Board	2,834	2,288	838	Cr. 975	Cr. 1,800
Dominion and National Housing Acts—Loans	2,657	4,393	3,805	2,644	246
Municipal Improvements Assistance Act, 1938—Loans	815	3,111	1,718	332	Cr. 376
Provinces—Housing Loans, 1919	Cr. 105	Cr. 699	Cr. 1,634	Cr. 740	Cr. 93
Provinces—under relief legislation	14,985	12,566	1,514	Cr. 217	Cr. 379
Province of Saskatchewan Power Commission	—	—	58	Cr. 4	Cr. 4
Province of Alberta—Subsidy overpayment	—	—	—	—	Cr. 69
National Harbours Board	692	947	Cr. 333	Cr. 980	Cr. 257
Canadian National Railways	3,841	21,479	105,573	251,723	130,940
Soldier and General Land Settlement Loans	Cr. 749	Cr. 1,116	Cr. 1,139	Cr. 1,521	Cr. 1,333
Railway equipment purchased	Cr. 1,399	8,135	14,781	Cr. 1,586	2,640
Sinking Funds	4,336	Cr. 2,798	Cr. 61,963	Cr. 5,233	—
Canadian Broadcasting Corporation	Cr. 50	700	Cr. 364	Cr. 283	Cr. 503
Canadian Pacific Railway	Cr. 211	Cr. 211	Cr. 211	Cr. 981	—
Bank of Canada Capital Stock	820	—	—	—	—
Central Mortgage Bank Capital Stock	—	250	—	—	—
Canadian Government Merchant Marine	—	—	750	Cr. 750	—
Net Advances	28,466	49,045	398,284	666,086	541,883
Less write-offs—					
Soldier and general land settlement loans	−895	−1,643	−1,011	−271	−75
Canadian Farm Loan Board—Capital stock	−14	−11	−12	−10	−8
Loans to Province of Saskatchewan—Drought Area Relief, 1934-35	—	−1,374	—	—	—
Reserve for possible losses on ultimate realization of active loans and advances	—	—	−25,000	−25,000	−25,000
Net change in active investments	27,557	46,017	372,261	640,805	516,800

LOAN FLOTATIONS

55. During the fiscal year ending March 31, 1943, it is estimated that the Government will issue obligations in the amount of $2,456,449,471 (including an increase of $30,000,000 in Treasury Bills outstanding but not the amount of recurring issues of Treasury Bills made to refund outstanding Treasury Bills and only including the net amount of Deposit Certificates issued during the year). With the exception of one $90,000,000 issue sold in New York to provide in part for the redemption prior to maturity of $100,000,000 Five Per Cent Bonds, all issues were sold in the Canadian market. During the fiscal year it is estimated that Dominion obligations in the amount of $462,168,089 will be paid out of the proceeds of the new issues. The remainder of the proceeds of the new issues namely, $1,994,281,382 less cost of flotation, will provide for direct and indirect war expenditures.

56. The following table gives details of the estimated amounts and terms of the new issues, including the prices at which they were sold:

LOAN FLOTATIONS, 1942-43

Issue Date	Maturity Date	Interest Rate	Where Payable	Price		Yield at		Amount Issued
				To Public	To Government	Public Price	Price to Government	
1942		%		$	$	%	%	$
April 15	April 15, 1943	1	Canada	—	100·00	—	1·00	250,000,000
April 15	April 15, 1944	1½	Canada	—	100·00	—	1·50	100,000,000
Mar. 1 (1)	Sept. 1, 1944	1½	Canada	—	100·00	—	1·50	92,831,000
July 1	July 1, 1943	4	Canada (School lands)	—	100·00	—	4·00	33,293,471
Nov. 1	May 1, 1946	1¾	Canada	100·00	(x)	1·75	(x)	(2) 145,800 000
Nov. 1	Nov. 1, 1956	3	Canada	100·00	(x)	3·06	(x)	(2) 845,700,000
1943								
Jan. 15	Jan. 15, 1948	2½	New York	100·00	99·25	2·50	2·66	30,000,000
Jan. 15	Jan. 15, 1953	3	New York	100·50	99·125	2·94	3·10	30,000,000
Jan. 15	Jan. 15, 1958	3	New York	98·50	96·875	3·13	3·27	30,000,000
Various	June 15, 1945	Non-Interest Bearing Certificates.	Canada	100·00	100·00	Nil	Nil	(2) 1,825,000
Various	Various	War Savings Certificates.	Canada	—	—	(3) 3·00	(3) 3·00	(2) 77,000,000
Various	Various	¾ (Deposit Certificates)	Canada	—	100·00	—	0·75	(2) 790,000,000
								2,426,449,471
Increase in short-term Treasury Bills								30,000,000
								2,456,449,471

(1) Issued in June, 1942.
(2) Estimated amount.
(3) Yield to investor if held to maturity, seven and one-half years after issue date.
(x) Final costs of Third Victory Loan not yet available.

57. The Third Victory Loan was sold during the fiscal year under review. This loan was the largest loan ever issued for cash in Canada. It was issued in the amount of $991,500,000 and was sold to 2,041,610 subscribers.

58. The Dominion instituted the sale of Deposit Certificates to the Canadian chartered banks in July, 1942. These Deposit Certificates bear interest at the rate of ¾ of 1 per cent per annum and mature twenty-six weeks after date of issue. It is estimated that these Certificates will be sold to a total amount of $995,000,000, of which $205,000,000 have been redeemed out of the proceeds of the Third Victory Loan, leaving $790,000,000 estimated to be outstanding at the close of the fiscal year.

59. The following table gives the details of Dominion of Canada estimated bond redemptions in the fiscal year ending March 31, 1943:

DOMINION OF CANADA BOND REDEMPTIONS, 1942-43

Maturity or Call Date	Interest Rate	Where Payable		Amount
	%			$
May 1, 1942	1	Canada		250,000,000
May 15, 1942	1½	Canada		1,682,000
June 1, 1942	2	Canada		239,000
July 1, 1942 (School Lands)	4	Canada		33,293,471
October 15, 1942	3	Canada		40,409,000
January 4, 1943	2¼	New York		10,000,000
March 15, 1943	5	New York		100,000,000
October 1, 1947 (1)	2½	London	(x)	435,566
May 1, 1955 (2)	3¼	London	(x)	734,432
September 1, 1958 (2)	4	London	(x)	932,672
July 1, 1963 (2)	3¼	London	(x)	657,948
War Savings Certificates	3 (3)	Canada	(x)	21,849,000
Non-Interest Bearing Certificates	Nil	Canada	(x)	1,935,000
				$462,168,089

(x) Estimated.

(1) This issue was vested by the Treasury of the United Kingdom in January, 1942. The amount (at par of exchange) purchased in the fiscal year 1942-43 was cancelled.

(2) These issues were vested by the Treasury of the United Kingdom in August, 1941. The amounts (at par of exchange) purchased in the fiscal year 1942-43 were cancelled.

(3) Yield to investor if held to maturity seven and one-half years after issue date.

60. The fortnightly issue of three months Treasury Bills was continued during the fiscal year. The latest issue (February 26, 1943), was sold at a discount of 0·501 per cent. The estimated amount of these Treasury Bills outstanding at the close of the fiscal year is $300,000,000, an increase of $30,000,000 during the year.

61. It is estimated that the average rate of interest on the Dominion's direct funded debt (including Treasury Bills) outstanding as at March 31, 1943, will be about 2·60 per cent. This compares with 2·90 per cent on the debt outstanding at the close of the preceding fiscal year and is undoubtedly the lowest average rate in the Dominion's history.

NATIONAL DEBT

62. It is estimated that the gross unmatured funded debt (including Treasury Bills) of the Dominion outstanding at the close of the current fiscal year, will amount to $7,861,196,000. Other liabilities consisting chiefly of Annuities, Superannuation and Insurance Funds, Post Office Savings Bank deposits, and various trust and contingent funds outstanding as at the same date are estimated at $1,031,944,000. The gross liabilities of the Dominion therefore are expected to total $8,893,140,000 as at March 31, 1943. On the other side of the balance sheet will be found active assets estimated at $2,586,361,000, consisting of cash and various active loans and investments, less a reserve of $75,000,000 to provide against ultimate loss on their realization. If, therefore, we deduct the amount of the net active assets from the amount of the gross liabilities, we arrive at a figure of $6,306,779,000 representing the estimated net debt of the Dominion as at March 31, 1943. This net debt shows an increase over the corresponding figure for the close of the preceding fiscal year of $2,261,558,000, which of course is the estimated amount of the over-all deficit for the fiscal year 1942-43.

63. The following is a preliminary statement or balance sheet showing the liabilities and assets of the Dominion at March 31, 1943, as estimated:

LIABILITIES—MARCH 31, 1943

(estimated)

Bank Circulation Redemption Fund		$ 4,016,000
Post Office Money Orders, Postal Notes, etc., outstanding		7,000,000
Post Office Savings Bank deposits		23,000,000
Insurance and Superannuation Funds—		
Government Annuities	$ 185,000,000	
Insurance Fund—Civil Service	15,900,000	
Insurance Fund—Returned Soldiers	21,400,000	
Retirement Fund	15,000,000	
Superannuation Funds	68,500,000	
Unemployment Insurance Fund	108,430,000	
		414,230,000
Trust Funds—		
Indian Funds	15,000,000	
Common School Funds	2,678,000	
Contractors' Securities Deposits	9,100,000	
Other Trust Funds	16,000,000	
		42,778,000
Contingent and Special Funds		360,000,000
Department of National Revenue—		
Income and Excess Profits Taxes refundable after the war		100,000,000
Province Debt Accounts		11,920,000
Funded Debt and Treasury Bills unmatured	7,861,196,000	
Floating Debt—		
Funded Debt matured and outstanding	14,000,000	
Interest due and outstanding	10,000,000	
Outstanding cheques	45,000,000	
		7,930,196,000
		8,893,140,000

ASSETS—MARCH 31, 1943

(estimated)

Cash, working capital advances and other current assets		$ 204,616,000
Special Deposits		3,000,000
Bank of Canada Capital Stock		5,920,000
Central Mortgage Bank Capital Stock		250,000
Foreign Exchange Control Board Loan		400,000,000
Government of The United Kingdom—Loan under The War Appropriation (United Kingdom Financing) Act, 1942		700,000,000
Government of The Union of Soviet Socialist Republics—Loan		6,000,000
Canadian Wool Board, Limited		10,800,000
Wartime Salvage, Limited		700,000
Commodity Prices Stabilization Corporation		5,000,000
Department of Munitions & Supply—		
Advances to commodity corporations and other companies		49,919,000
Recoverable Advances—		
United Kingdom and other Allied Governments—		
Agriculture (Food)	4,615,000	
Munitions and Supply—War Supplies, Ltd	60,000,000	
National Defence—Army	1,731,000	
Internment Operations	2,750,000	
Navy	11,404,000	
Air	8,566,000	
Royal Air Force Special Schools	38,052,000	
British Commonwealth Air Training Plan—		
United Kingdom Equipment	88,575,000	
Combined Training Organization—		
Australia's share	16,917,000	
		$ 232,610,000
Canadian Farm Loan Board—Advances and Capital Stock		34,729,000
Canadian National (West Indies) Steamships, Limited—Loan		450,000
Dominion and National Housing Acts—Loans		16,500,000
Municipal Improvements Assistance Act, 1938—Loans		5,600,000
New Westminster Harbour Commission—Loan		275,000
Loans to Provinces—		
Housing Loans, O.C. of December 3/18 and amendments	$ 37,000	
Unemployment Relief Loans	156,896,000	
Province of Saskatchewan—Power Commission	50,000	
Province of Alberta—Subsidy overpayment	400,000	
		157,383,000
Loans to National Harbours Board—		
Montreal	60,100,000	
Vancouver	25,060,000	
		85,160,000

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ASSETS—MARCH 31, 1943
(estimated)

Loans to Foreign Governments—		
Greece	$ 6,525,000	
Roumania	24,329,000	
		$ 30,854,000
Railway Accounts—		
Canadian National Railways—		
Advances—Refunding Act, 1938	111,141,000	
Advances—Financing and Guarantee Act, 1940—		
Grand Trunk Railway Debenture Stock	106,408,000	
Advances—Financing and Guarantee Act, 1941	6,698,000	
Advances—Financing and Guarantee Act, 1941—		
Purchase of securities	9,890,000	
Advances—Financing and Guarantee Act, 1942	8,144,000	
Advances—Financing and Guarantee Act, 1942—		
Purchase of securities	18,262,000	
Advances—The War Appropriation (United Kingdom Financing) Act, 1942—Purchase of securities	$ 253,423,000	
Temporary Loan—The War Appropriation Act, 1941	13,907,000	
Temporary Loan—The War Appropriation Act, 1942—Vermilion Oil Field, Alta	400,000	
		528,273,000
Purchase of equipment leased to—		
Canadian National Railways—		
1936 Agreement	4,137,000	
1940 Agreement	12,896,000	
1941 Agreement	17,366,000	
1942 Agreement	625,000	
		35,024,000
Soldier and General Land Settlement Loans		32,480,000
Seed Grain and Relief Advances		2,400,000
Canadian Government Railways Working Capital		16,772,000
Bond Holding Account		21,550,000
Province Debt Accounts		2,296,000
Unamortized Discount and Commission on Loans		72,800,000
		2,661,361,000
Less—Reserve for possible losses on ultimate realization of active loans and advances		75,000,000
		2,586,361,000
Net Debt, March 31, 1943 (estimated)		6,306,779,000
Net Debt represented by—		
(A) Expenditures for Capital Purposes and Non-Active Assets (estimated) March 31, 1943—		
Public Works—		
Canals		240,289,000
Railways		425,959,000
Miscellaneous		311,752,000
Military Property and Stores		12,572,000
Territorial Accounts		9,896,000
Canadian Pacific Railway (old)		62,791,000
Canadian National Railways Securities Trust Stock		298,783,000
Canadian National Railway Stock		18,000,000
Loans—Non-Active—		
Canadian National Steamships		13,872,000
National Harbours Board—		
Chicoutimi	3,838,000	
Churchill	10,000	
Halifax	12,474,000	
Montreal (Jacques Cartier Bridge)	5,195,000	
Quebec	27,766,000	
Saint John	16,817,000	
Three Rivers	3,742,000	
		69,842,000
Soldier and General Land Settlement		16,526,000
Seed Grain and Relief Advances		296,000
Saskatchewan Seed Grain Loans Guarantee Act, 1936		2,637,000
Seed Grain Loans Guarantee Act, 1937		7,136,000
Miscellaneous Non-Active Accounts		3,537,000
		$1,493,888,000
(B) Consolidated Fund—		
Balance, Consolidated Fund brought forward from March 31, 1942	$2,587,277,000	
Excess of expenditure over revenue, less amounts charged under A above, fiscal year ending March 31, 1943 (estimated)	2,225,614,000	
		4,812,891,000
		$6,306,779,000

64. The following table shows the various obligations included in the unmatured funded debt of the Dominion estimated to be outstanding as at March 31, 1943, and the annual interest charges thereon:

UNMATURED FUNDED DEBT AND TREASURY BILLS AS AT MARCH 31, 1943, AND ANNUAL INTEREST THEREON

Date of Maturity	Rate Per Cent	Where Payable	Amount of Loan	Annual Interest Charges
1943, April 15	1	Canada	$ 250,000,000 00	$ 2,500,000 00
June 1	2½	Canada	20,000,000 00	500,000 00
July 1	4	Canada	33,293,470 85	1,331,738 83
July 2	1½	Canada	250,000,000 00	3,750,000 00
Oct. 15	5	Canada	147,000,100 00	7,350,005 00
1944, Jan. 15	2¼	New York	30,000,000 00	675,000 00
April 15	1½	Canada	100,000,000 00	1,500,000 00
June 1	2	Canada	90,625,000 00	1,812,500 00
Sept. 1	1½	Canada	150,000,000 00	2,250,000 00
Oct. 15	4½	Canada	50,000,000 00	2,250,000 00
Oct. 16	1½	Canada	200,000,000 00	3,000,000 00
Nov. 15	2½	Canada	20,000,000 00	500,000 00
1945, Mar. 1	2	Canada	105,000,000 00	2,100,000 00
Aug. 15	2½	New York	76,000,000 00	1,900,000 00
Oct. 15	4	Canada	88,337,500 00	3,533,500 00
1946, Feb. 1	4½	Canada	45,000,000 00	2,025,000 00
May 1	1¾	Canada	*145,800,000 00	2,551,500 00
Dec. 15	2	Canada	193,286,000 00	3,865,720 00
1947, Oct. 1	2½	London	‡250,705 75	6,267 64
1948, Jan. 15	2½	New York	30,000,000 00	750,000 00
Feb. 1	3¼	Canada	50,000,000 00	1,625,000 00
Mar. 1	2¼	Canada	269,879,000 00	6,072,277 50
1949, Feb. 1	3¼	Canada	50,000,000 00	1,625,000 00
June 1	3¼	Canada	33,500,000 00	1,088,750 00
Oct. 15	3½	Canada	138,322,000 00	4,841,270 00
1950, Feb. 1	3¼	Canada	50,000,000 00	1,625,000 00
1951, Feb. 1	3¼	Canada	50,000,000 00	1,625,000 00
June 15	3	Canada	643,534,250 00	19,306,027 50
Nov. 15	3¼	Canada	60,000,000 00	1,950,000 00
1952, Feb. 1	3¼	Canada	50,000,000 00	1,625,000 00
Oct. 1	3	Canada	324,945,700 00	9,748,371 00
Oct. 15	4	Canada	56,191,000 00	2,247,640 00
1953, Jan. 15	3	New York	30,000,000 00	900,000 00
1954, Mar. 1	3	Canada	669,658,900 00	20,089,767 00
1955, May 1	3¼	London	‡5,170,844 97	168,052 46
June 1	3	Canada	40,000,000 00	1,200,000 00
June 1	3	Canada	55,000,000 00	1,650,000 00
1956, Nov. 1	4½	Canada	43,125,700 00	1,940,656 50
Nov. 1	3	Canada	*845,700,000 00	25,371,000 00
1957, Nov. 1	4½	Canada	37,523,200 00	1,688,544 00
1958, Jan. 15	3	New York	30,000,000 00	900,000 00
June 1	3	Canada	88,200,000 00	2,646,000 00
Sept. 1	4	London	‡3,517,064 67	140,682 59
Nov. 1	4½	Canada	276,687,600 00	12,450,942 00
1959, Nov. 1	4½	Canada	289,693,300 00	13,036,198 50
1960, Oct. 1	4	New York	100,000,000 00	4,000,000 00
1961, Jan. 15	3¼	New York	48,000,000 00	1,560,000 00
1963, July 1	3¼	London	‡3,751,632 05	121,928 04
1966, June 1	3¼	Canada	54,703,000 00	1,777,847 50
Sept. 15	3	Canada	55,000,000 00	1,650,000 00
1967, Jan. 15	3	New York	55,000,000 00	1,650,000 00
1968, Nov. 15	3	New York	40,000,000 00	1,200,000 00
Treasury Bills due April 2, 1943	·517	Canada	45,000,000 00	232,650 00
Treasury Bills due April 16, 1943	·514	Canada	45,000,000 00	231,300 00
Treasury Bills due April 30, 1943	·512	Canada	45,000,000 00	230,400 00
Treasury Bills due May 14, 1943	·508	Canada	55,000,000 00	279,400 00
Treasury Bills due May 28, 1943	·501	Canada	55,000,000 00	275,550 00
Treasury Bills due June 11, 1943	†·501	Canada	55,000,000 00	275,550 00
Deposit Certificates	·75	Canada	‡790,000,000 00	5,925,000 00
			7,661,695,968 29	199,122,036 06
War Savings Certificates	**3	Canada	‡186,500,000 00	5,595,000 00
War Savings Stamps	.....	Canada	‡4,000,000 00	—
Non-Interest Bearing Certificates	.....	Canada	‡9,000,000 00	—
			7,861,195,968 29	204,717,036 06
Payable in Canada			$7,409,505,720 85	94·25%
Payable in New York			439,000,000 00	5·59%
Payable in London			12,690,247 44	0·16%
			$7,861,195,968 29	100·00%

* Preliminary figure. † Estimated rate. ‡ Estimated amount.
** 3 per cent on purchase value if held to maturity (7½ years from date of issue).

[Mr. Ilsley.]

INDIRECT LIABILITIES

65. Bonds and debenture stocks bearing the guarantee of the Dominion and outstanding in the hands of the public are estimated to total $716,348,777 as of March 31, 1943, a decrease of $102,492,940 during the fiscal year under review. This decrease is accounted for mainly by the purchase of Canadian National Railway Company securities from the Government of the United Kingdom, as provided for under The War Appropriation (United Kingdom Financing) Act, 1942, and the redemption of guaranteed railway securities by means of loans from the Government.

66. There will also be outstanding at the close of the fiscal year other contingent liabilities assumed under Relief, Seed Grain and other legislation.

67. Under the terms of an Order in Council dated July 10, 1942, the Commodity Prices Stabilization Corporation, a Government-owned Corporation, was authorized to guarantee certain advances and interest thereon obtained by any person from a chartered bank in order to purchase coal, coke or briquettes in the summer of 1942. The liability of the Corporation is limited to twenty per cent of the aggregate amount of advances made by each bank, but not exceeding in the aggregate $5,000,000. The amount of these advances outstanding on January 31, 1943, was $622,828, and the contingent liability of the Corporation was $124,566.

68. Under the terms of an Order in Council dated October 9, 1942, the Commodity Prices Stabilization Corporation was authorized to guarantee certain advances, obtained by any person engaged in the production of logs or lumber, from a chartered bank. The liability of the Corporation is limited to fifteen per cent of the aggregate amount of advances made by each bank, but not exceeding in the aggregate $2,500,000. The amount of these advances outstanding on January 31, 1943, was $238,288, and the contingent liability of the Corporation was $35,743.

69. Guaranteed bank advances to the Canadian Wheat Board outstanding as at February 13, 1943, on account of wheat amounted to $91,880,239. This amount constitutes the Board's gross liability to the banks and is related mainly to the purchase of wheat of the 1939, 1940, 1941 and 1942 crops. The guarantee of the Dominion to the Winnipeg Grain and Produce Clearing Association Limited referred to in previous budget speeches is still outstanding. However, no liability accrues from day to day in connection with this guarantee as margin deposits are made to the Clearing Association.

70. By Order in Council passed in 1942 the Canadian Wheat Board was empowered to deal in flaxseed, soybeans, oats and barley. In order to finance these operations, guaranteed bank advances were obtained from certain chartered banks. The amount of these guaranteed advances outstanding on February 13, 1943, was flaxseed $7,444,191; soybeans $1,032 and oats and barley $227,257.

71. Before operations under the Home Improvement Loans Guarantee Act were discontinued (October 1, 1940), 125,724 loans had been made by banks and other approved loaning institutions to home owners under the terms of this Act and the total amount of such loans was $49,959,055. The Dominion's contingent liability arising out of these loans is limited to 15 per cent of the aggregate of such loans made by approved lending institutions, but as the balance of these loans estimated to be outstanding on March 31, 1943, will have been reduced to $3,000,000, the contingent liability of the Government is limited to this amount. Up to January 31, 1943, 1,047 loss claims for an aggregate amount of $361,503 had been paid. In terms of total losses to total volume of loans, this loss ratio is only ·724 of one per cent.

72. Under the provisions of the Appropriation Act No. 5, 1942, the Home Extension Plan was created. It provided for loans not exceeding $2,000,000 by banks under regulations similar to those of the Home Improvement Loans Guarantee Act for the purpose of financing the creation of additional self-contained housing units by alterations or additions to a building used solely or partially as a dwelling at the time application is made for the loan. The general public are now beginning to take advantage of the Plan and twenty-six loans have been made. The total amount of these loans to February 15, 1943, is $55,385. The Dominion's contingent liability arising out of these loans is limited to 15 per cent of the aggregate of such loans made by the banks or $8,307. There have been no claims for loss made by the banks.

73. Under the Dominion Housing Act, 1935, and the National Housing Act, 1938, the Government has accepted and is accepting certain obligations arising out of its contracts with approved lending institutions which, while not expressed in the form of a guarantee, may nevertheless be regarded as contingent or indirect liabilities. The manner in which losses in respect of any loan are to be borne by the Dominion and the lending institution is fixed by the contract. The general principle is that the Dominion bears two-thirds of the loss if at the time the loss is sustained the principal amount of the loan

repaid, less any other amounts due, is more than the amount advanced by the Dominion. In the case of small loans (for amounts not in excess of $4,000 in the case of a single family dwelling place or not in excess of $700 per habitable room in the case of a multiple family dwelling), the share of the loss to be borne by the Dominion is not more than 80 per cent, and not less than 50 per cent of the loss. The above provisions apply to loans made under the National Housing Act and its predecessor the Dominion Housing Act. Under the National Housing Act, a new provision has been added to encourage the making of small loans in such small or remote communities and in such districts or other communities as may be designated by the Minister of Finance in any contract. In respect of such loans, the Dominion has agreed in contracts with certain lending institutions to pay losses sustained by any such lending institution up to certain amounts determined by the contract which are not less than 7 per cent of the total amount of such loans made in such areas by the lending institution.

Order in Council of December 5, 1939, provided that after January 1, 1940, applications would be received only for loans for construction of houses containing one self-contained dwelling place and where the loan does not exceed $4,000.

Under Vote No. 452 of the Appropriation Act No. 5, 1942, an amount of $1,000,000 was appropriated to provide for advances under the National Housing Act, not exceeding with the advance made jointly by the approved lending institution, $3,200 in respect of any one house, for the construction of houses where the Minister is satisfied that permanent houses can be constructed to relieve a serious housing shortage without threatening to create a post-war surplus. Loans to the number of 19,015 have been approved at January 31, 1943, under the Dominion Housing Act, 1935, and the National Housing Act, 1938, in the amount of $78,241,380. Losses recorded and paid to January 31, 1943, amounted to $2,209, covering the Dominion's proportion of the loss on four loans. This amount represents total losses to date under both the Dominion Housing Act, 1935, and Part I of the National Housing Act, 1938. These losses are offset in part by a profit of $428 realized by the sale of ten properties. The net loss to January 31, 1943, is therefore only $1,781.

74. The following is a statement of bonds and debenture stocks and other indebtedness guaranteed by the Dominion, estimated to be outstanding on March 31, 1943:

BONDS AND DEBENTURE STOCKS GUARANTEED BY THE DOMINION GOVERNMENT AS AT MARCH 31, 1943

Date of Maturity	Issue	Interest Rate	Estimated Amount Outstanding
		%	$
Feb. 1, 1944	Canadian National	2¼	15,500,000
May 1, 1944	Canadian National	3	35,000,000
Jan. 15, 1946	Canadian National	2¼	15,000,000
July 1, 1946	Canadian Northern	6½	23,754,000
April 1, 1948	New Westminster Harbour Commissioners	4¾	700,000
Dec. 15, 1950	Canadian National	3	50,500,000
Sept. 1, 1951	Canadian National	4½	48,022,000
Feb. 1, 1952	Canadian National	3	20,000,000
Aug. 1, 1952	Saint John Harbour Commissioners	5	667,953
Feb. 15, 1953	Canadian National	3	25,000,000
July 10, 1953	Canadian Northern	3	1,131,580
Feb. 1, 1954	Canadian National	5	50,000,000
Mar. 1, 1955	Canadian National (West Indies) Steamships Limited	5	9,400,000
June 15, 1955	Canadian National	4¾	48,518,000
Feb. 1, 1956	Canadian National	4½	67,368,000
July 1, 1957	Canadian National	4½	64,136,000
July 20, 1958	Canadian Northern	3½	5,140,323
Jan. 15, 1959	Canadian National	3	35,000,000
May 4, 1960	Canadian Northern Alberta	3½	553,257
May 19, 1961	Canadian Northern Ontario	3½	4,157,623
Jan. 1, 1962	Grand Trunk Pacific	3	26,465,130
Jan. 1, 1962	Grand Trunk Pacific	4	7,999,074
July 1, 1969	Canadian National	5	56,694,000
Oct. 1, 1969	Canadian National	5	57,719,500

BONDS AND DEBENTURE STOCKS GUARANTEED BY THE DOMINION GOVERNMENT AS AT MARCH 31, 1943—*Concluded*

Date of Maturity	Issue	Interest Rate	Estimated Amount Outstanding
		%	$
Nov. 1, 1969....	Harbour Commissioners of Montreal.....	5	19,000,000
Feb. 1, 1970....	Canadian National.....	5	17,333,000
By drawings.....	Canadian National.....	2	356,541
Various dates 1943-54.....	City of Saint John Debentures assumed by Saint John Harbour Commissioners.....	Various	678,729
Perpetual.....	Grand Trunk Debenture Stock.....	5	1,673,934
do	Great Western Debenture Stock.....	5	1,104,167
do	Grand Trunk Debenture Stock.....	4	7,725,985
do	Northern Railway of Canada Debenture Stock..	4	49,981
			$ 716,348,777

OTHER LIABILITIES GUARANTEED

	Estimated Principal Amount Outstanding Mar. 31, 1943
Bank Advances, re Province of Manitoba Savings Office..... $	5,953,004
Province of Manitoba Treasury Bill.....	4,805,723
Province of British Columbia Treasury Bill.....	626,534
Bank Advances, re Canadian Wheat Board (Feb. 16, 1943):	
Wheat.....	91,880,239
Flaxseed.....	7,444,191
Oats and Barley.....	227,257
Soybeans.....	1,032
Winnipeg Grain and Produce Clearing Association Ltd. Day to day margins of the Canadian Wheat Board (closed out daily).....	—
Bank advances guaranteed under Seed Grain Loans Guarantee Act, 1938.....	Not determined.
Loans made by approved lending institutions under Dominion Housing Act, 1935, and National Housing Act, 1938.....	Indeterminate.
Loans made by approved lending institutions under The Home Improvement Loans Guarantee Act, 1935.....	3,000 000
Loans made by approved lending institutions under the Home Extension Plan (Feb. 15, 1943)	8,307
Deposits maintained by the chartered banks in the Bank of Canada (Feb. 17, 1943).....	254,832,90[illegible]
Bank Advances, re Government War Contracts—Department of Munitions and Supply (January 31, 1943).....	1,829,607
Bank Advances, re coal, coke or briquette purchases—Commodity Prices Stabilization Corporation, (January 31, 1943).....	124,566
Bank Advances, re production of logs or lumber—Commodity Prices Stabilization Corporation, (January 31, 1943).	35,743
Guarantee under Dominion-Provincial Taxation Agreements of Provincial receipts from gasoline taxes at amounts received in fiscal years ending nearest December 31, 1940.....	Indeterminate.

B CANADIAN ECONOMIC CONDITIONS

ANNUAL FIGURES

	Calendar Years						
	1926	1928	1932	1937	1939	1941	1942
Group I—Comprehensive Indexes (1935-39=100)							
Physical volume of business	87	102	69	107	107	165	202
Volume of manufacturing	89	100	66	109	105	192	243
Mining	55	64	59	104	118	215	219
Forestry	84	87	57	117	103	135	131
Carloadings	131	148	88	106	102	129	137
Electric power output	46	61	61	106	108	128	142
Employment (a)	100	111	88	114	114	152	158
National income	111	130	68	106	112	160	184
Retail sales	(e)	(e)	92	105	105	136	154
Group II.—Price Levels and Financial Factors (1926=100)							
Wholesale prices	100	96	67	84	76	90	96
Farm product prices	100	101	48	87	64	71	82
Cost of living (b)	122	121	99	101	102	112	117
Common stock prices (b)	91	145	51	116	92	68	64
Bank deposits	100	115	100	120	132	152	167
Active currency circulation	100	105	81	103	111	198	268
Group III.—Gross Value of Production in Major Industries ($ millions)							
Agriculture	1,715	1,806	767	1,039	1,205	1,379 (c)	2,134
Forestry	556	586	349	494	466 (c)	716 (c)	770
Fisheries	73	71	34	51	53 (c)	83 (c)	104
Mining (including Smelting)	277	313	265	663	663 (c)	785 (c)	792
Construction	386	488	133	352	373	640 (c)	547
Manufacturing	3,101	3,582	1,981	3,626	3,475 (c)	6,394 (c)	8,009
Group IV.—Foreign Trade and International Transactions ($ millions)							
Exports (gold excluded)	1,277	1,364	498	1,012	936	1,640	(e)
Net non-monetary gold exports (d)	30	40	70	145	184	204	(e)
Total exports, including non-monetary gold	1,307	1,404	568	1,157	1,120	1,844	(e)
Imports (gold excluded)	1,008	1,222	453	809	751	1,449	(e)
Total trade	2,315	2,626	1,021	1,966	1,871	3,293	(e)
Export balance	+299	+182	+115	+348	+369	+395	(e)
Net tourist receipts	(e)	(e)	(e)	90	78	87	(e)
Net interest and dividends going abroad	201	221	262	246	254	236	(e)

(a) 1926=100.
(b) 1935-39=100.
(c) Estimated.
(d) Adjusted for changes in stocks of earmarked gold. These figures were computed by the Bank of Canada on the basis of official trade returns.
(e) Not available.

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REVISED EDITION

CANADIAN ECONOMIC CONDITIONS

MONTHLY FIGURES

—		Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Group I.—Comprehensive Indexes (a) (1935-39=100)													
Physical volume of business	1940	114	109	107	119	119	122	123	130	132	133	142	143
	1941	144	145	144	153	156	164	167	172	178	179	184	194
	1942	192	193	189	198	196	200	204	206	206	207	208	221
Volume of manufacturing	1940	130	119	115	125	126	126	130	136	138	140	141	141
	1941	151	153	156	164	165	169	176	179	191	192	200	207
	1942	223	226	213	231	232	236	246	249	253	263	263	276
Mining	1940	116	110	115	138	120	133	140	158	152	155	164	154
	1941	160	156	156	150	155	180	225	258	284	300	291	261
	1942	258	248	234	227	211	196	213	217	226	196	192	210
Forestry	1940	121	107	109	114	122	138	140	134	131	128	127	116
	1941	131	130	134	132	127	128	137	138	149	141	132	141
	1942	138	148	148	138	133	131	128	121	116	127	117	128
Carloadings	1940	116	112	98	112	119	118	125	118	102	108	113	123
	1941	126	123	125	129	139	134	140	128	119	121	124	139
	1942	150	140	136	140	142	141	148	130	117	125	126	145
Electric power output	1940	112	114	107	112	123	124	129	119	114	109	109	111
	1941	117	116	116	126	129	123	131	126	136	137	138	139
	1942	143	138	142	144	146	147	146	143	140	138	137	140
Employment (b)	1940	121	119	118	118	119	121	122	124	126	130	133	136
	1941	139	140	141	150	151	153	155	156	156	158	160	165
	1942	172	172	172	175	174	172	172	173	172	172	175	182
Retail sales (c)	1940	90	90	106	110	120	121	103	113	114	132	136	174
	1941	102	102	119	136	143	134	122	134	137	152	147	202
	1942	128	120	145	155	159	154	137	148	154	174	165	213
Group II.—Price Levels and Financial Factors— (1926=100)													
Wholesale prices	1940	83	83	83	83	82	82	82	83	83	83	84	84
	1941	85	85	86	87	89	90	91	92	93	94	94	94
	1942	94	95	95	95	95	96	96	96	96	97	97	97
Farm product prices	1940	70	70	71	72	68	64	65	63	64	65	67	67
	1941	67	68	69	70	70	71	72	72	73	74	74	75
	1942	77	78	79	80	80	82	81	81	84	86	86	87

CANADIAN ECONOMIC CONDITIONS—*Concluded*

MONTHLY FIGURES

		Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Cost of living (d)	1940	104	104	105	105	105	105	106	106	106	107	108	108
	1941	108	108	108	109	109	110	112	114	115	116	116	116
	1942	115	116	116	116	116	117	118	118	117	118	119	119
Common stock prices (d)	1940	91	90	90	88	73	65	66	69	76	74	74	70
	1941	71	66	67	66	64	64	68	68	71	69	69	67
	1942	67	65	62	61	62	63	62	62	63	65	68	71
Bank deposits (e)	1940	142	143	139	140	139	137	136	135	138	140	140	139
	1941	146	150	149	151	154	155	154	154	153	151	153	154
	1942	156	160	166	166	160	156	156	163	169	178	189	181
Active currency circulation (e)	1940	119	120	126	125	127	143	154	159	168	173	173	178
	1941	169	175	182	186	187	194	198	206	211	217	222	230
	1942	225	234	241	245	250	254	265	278	291	305	309	317
Group III.—Other Significant Factors													
Exports (f) ($ millions)	1940	91	72	84	85	111	112	102	111	103	107	119	99
	1941	89	100	103	118	163	147	171	150	143	140	164	152
	1942	152	168	177	170	235	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....
Imports (f) ($ millions)	1940	71	71	77	86	101	91	90	97	86	109	102	102
	1941	98	90	108	106	128	115	128	138	137	141	134	126
	1942	142	120	115	142	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....
Net non-monetary gold exports (g) ($ millions)	1940	22	12	16	18	17	15	16	18	17	19	17	17
	1941	19	15	20	14	16	18	17	13	21	17	15	17
	1942	15	17	16	14	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....	(j).....
Construction contracts awarded ($ millions)	1940	9	12	12	26	28	39	29	41	52	26	55	17
	1941	27	25	14	24	41	86	32	36	39	29	23	19
	1942	13	11	18	22	24	47	32	32	30	21	22	10
War contracts awarded (h) ($ millions)	1940	36	43	31	21	30	61	92	76	72	152	67	103
	1941	87	56	67	192	124	80	128	96	54	134	59	103
	1942	84	113	58	113	108	118	113	124	127	151	113	114
War expenditure ($ millions)	1940	13	24	(i) 33	10	24	40	39	59	67	82	72	84
	1941	88	83	(i) 104	46	90	65	108	99	91	111	120	124
	1942	145	133	(i) 208	142	205	138	190	173	207	176	210	219

(a) Indexes seasonally adjusted unless otherwise indicated.
(b) As at first of month. 1926=100.
(c) Unadjusted.
(d) 1935-39=100.
(e) Based on daily average figures; index unadjusted.
(f) All gold excluded; includes exports of foreign produce.
(g) Adjusted for changes in stocks of earmarked gold. These figures were computed by the Bank of Canada on the basis of official trade returns.
(h) Contracts awarded by Department of Munitions and Supply on Canadian Account, including Capital Assistance; December, 1942, subject to revision.
(i) Includes year-end expenditure.
(j) Because of wartime restrictions trade figures are no longer published.

Mr. J. H. HARRIS (Danforth): Mr. Speaker, let me at once congratulate the Minister of Finance (Mr. Ilsley) upon his presentation and upon the cold clarity with which he set out our present position in Canada, finishing up with fire which some of us did not think was in him. To my mind it is necessary to carry through his injunctions until such time as we in this chamber are privileged to emphasize the last few words of what the minister had to say. It will be my privilege to approach this problem one week hence. In the meantime I say: Let the words of the minister sink into the minds and hearts of our Canadian people. In my opinion he perhaps did not go far enough when he exhorted the people of Canada to face this financial burden which they must bear—they should also face the necessity of more production.

I am not in accord with the idea enunciated in the first paragraphs of his speech, namely, that we have almost reached the utmost in our production. Give us a kind Providence for another season in agriculture such as we had last year. Inspire men in industry of every kind, inspire all our people with a recognition of what we are facing. I am satisfied that we have not reached an all-out production in Canada.

When the force of the taxation sinks in; when the extra cent postage stamp reminds our people of their responsibility, that will help. But it is not enough. This chamber is charged with the responsibility of telling our people the position. It will not do to wait for some disaster overseas. Therefore, in approaching this problem, I say to the Canadian people that the fiery eloquence of the Minister of Finance in the last few paragraphs of his speech should be read and pondered and sink in so that we shall all be ready and anxious to play our full part.

The reasoning in parts was, of course, a little confounding; and to my mind the logic was elementary most of the way through. At the same time we must face up to the facts of the situation. I hope that while this matter is being thought over during the next six or seven days there will not be any tendency on the part of our people, ourselves, or the fourth estate to leave the impression that everything is going all right. Let us resolve to apply ourselves to the task. If we do, the words of the minister to-night will come to fruition in deeds, more production and greater war effort by the Canadian people.

On motion of Mr. Harris (Danforth) the debate was adjourned.

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POST-WAR RECONSTRUCTION

APPOINTMENT OF SPECIAL COMMITTEE ON RECONSTRUCTION AND REESTABLISHMENT

The house resumed consideration of the motion of Mr. Mackenzie (Vancouver Centre) for the appointment of a select committee to study and report upon the general problems of reconstruction and reestablishment which may arise at the termination of the present war.

Mrs. DORISE W. NIELSEN (North Battleford): I have but a few general remarks to make this evening before the minister closes the debate upon the motion to set up a committee of this house to inquire into the problems of rehabilitation and reconstruction in the post-war period.

Without any shadow of doubt, the people of this nation will feel that it is their right to decide their own future after the winning of the victory. To-day thousands of them are fighting in every field; they are engaged in a life and death struggle, first of all, for their existence as a nation, and second, for their right to be assured of democratic progress in the future.

The democratic progress of any nation depends to a very great degree upon the will of the people for progress. It depends to a great degree upon the people's understanding of the direction which has to be taken before progress can be achieved. Canadians during the last ten years have learned much. To-day they have both the will and the understanding to go on. Personally I am of opinion that when we as a nation are rapidly approaching the great crisis when we shall be called upon to exert every effort to win the final victory, it would be well to have had committees of this house set up—even now, at this stage in the war's progress—to try to determine some of our more immediate problems. I should like to have seen a committee of this house draw up a bill of rights for labour, for there is yet much by way of contribution which labour must make before the final victory is won. I should like to have seen the committee take upon itself the function of determining further ways and means of strengthening the relations between government and management and labour. Also, a committee could have delved into the difficulties which still face agriculture, and might have drawn up a programme commensurate with the needs of our agricultural people. And these committees should recommend legislation to write on the statute books of this country what is necessary to ensure a permanent foundation which will stand us in good stead when the days of peace follow.

Our ability to go on after this war to security, to social and economic reestablish-

ment, depends to a large degree upon what we as a nation accomplish now. The foundations of our national life must be laid now if the future is to have stability. Those of us who look back over this last period of years, know that the world is moving with great rapidity, moving over a course which I hope it will never have to re-travel. To be realistic we must acknowledge that as a nation we shall emerge from this conflict as a strong capitalist state; yet I would dare to say that as such we shall emerge from this war very much different from the nation we were in 1939.

To win this war the government has seen fit to impose upon private enterprise certain controls, and for the time being private enterprise has seen fit, on account of war emergency, to accept those controls. The question which faces any committee on post-war reconstruction is one of the degree of control which shall be considered necessary in the future. The question which comes before any committee of this kind is, whether in the general interests of the nation these mild controls necessary to our war-time endeavour shall continue so that it shall be possible to raise the levels of living and security for all our people, or whether private enterprise and corporate interests in Canada will be strong enough after the winning of this war to turn back the clock, to destroy all we have built during these years of war for national unity. If they do that there will be, according to all the laws of economics, but one course for us to follow—the road backward, a road upon which we shall travel toward an era of wide and unrestricted competition, resulting in another period of chaos such as we went through in the 'thirties.

A committee on reconstruction has to consider this question of controls before it can embark upon any ideas of spacious living for the future. In my opinion one of the greatest bulwarks of strength upon which we can rely as a nation is the determinations set forth by the Atlantic charter and the hope that we have with the other united nations of collaboration with them in the post-war period to bring not only cultural but economic and social advancement to the peoples of all the united nations. In a post-war reconstruction era we, as a nation, must strive for the maximum of peaceful orderly development. That, Mr. Speaker, is the goal for which we must strive. During the war the government of this country has not been afraid to embark upon new ways of doing things. It has not been afraid to try new measures. We face, after this war is over, a new world with new conditions, conditions greatly of our own making. We must not then cling to old ways just because they are familiar to us. In times of reconstruction after the war this government must face problems in as realistic a manner as it has done in the war period and not be averse to trying new ways and new things to do.

Canada, of course, was the first nation to try price control for the curbing of inflation and did so with a great measure of success. It will be a wonderful thing in the history of these coming years if the government of Canada could be one of the first to introduce new controls to ensure the gainful employment of her own people as the first requisite for post-war reconstruction. Ways can be found.

The Atlantic charter which pledges to the peoples of the united nations continued cooperation and collaboration between them was born of war emergency. In my opinion the future trade and peace relations of this nation with others depend upon the continuation of collaboration and cooperation between the united nations. Any proposals brought forward by the committee on reconstruction must be built upon the realistic and solid implementation of the Atlantic charter and all that it stands for.

I would say again, Mr. Speaker, that whatever is brought forward by way of suggestions for post-war reconstruction by the committee must be made known at the earliest possible moment to the Canadian people. I am one of those who believe that no proposals of any committee can have life and health in them unless they have the will and the cooperation of the people of this nation behind them. For this reason I would advocate that any suggestions of this committee be brought before the people of Canada so that wide public discussion may take place upon the issues which face us. Only in that way can recommendations from the various groups in this country be brought before the committee and be embodied in its proposals.

I wonder if the majority of the people today realize how much of our thinking in pre-war days was dominated by the propaganda of our enemy. One of the great aims of Hitler during the pre-war years was to foist upon the people of the world the lie that the peoples of the Union of the Soviet Socialist Republics and their leaders were the enemy of the people of the world. To the degree that it was possible Hitler endeavoured to isolate the people of the U.S.S.R. from the rest of the world, and to a great degree he was successful. But it would be too bad if, after the

experience of these war years, we, as a nation, were to slip back into some of our pre-war thinking. It would be too bad if, after winning the military victory which we all believe will be possible for us, we should allow Hitler to win an ideological victory by continuing to destroy the faith and the confidence which have been established among the united nations during the war.

To-day the people of the U.S.S.R. and the people of Britain have a pact of collective security for the maintenance of peaceful relations for twenty years into the future. I hope very much that this nation will adhere to that pact and do everything possible to make it become a reality. To my mind it is one of the greatest guarantees for the advancement of social and economic progress in this country and all the other countries working with us.

I should like to suggest that this committee on reconstruction beware of the outcry which is likely to be raised from certain elements within this country and perhaps elsewhere against all measures of reform which will be labelled as socialist or red in their content. A situation already exists and is possibly known to members of this house where disruptive elements are tending to destroy the confidence which the united nations have between each other. Editorials are already appearing in our newspapers trying to bring to the forefront of the minds of our people fear and apprehensions as to what will be done by the U.S.S.R. after the war is over, as to what she will desire to have as her share of war spoils and what she will try to dictate in the post-war world. Such slanderous attacks as these must be guarded against and against them such a committee as we are setting up must be warned. Not only that, but within the very boundaries of this nation slanderous attacks are already being made upon labour and upon people's organizations. These are being made by the voices of appeasement which in years gone by strove to cause disunity among us and to spell defeat before we had even attempted to gather our forces and fight. They will now try to turn the clock back by labelling every reform as revolutionary. We must guard against this and see to it that every reform which is possible within the boundaries of a capitalist nation is brought forward for the people of this country who are planning and working for it. The voices of appeasement must be stilled, now and forever.

A marvellous opportunity lies before the people of Canada. We can emerge from this war stronger; we can rise as a nation to greater heights than we have ever reached before, remembering, of course, always that the true prosperity of a nation must be judged by the living standards of its people. Their education, their culture, their health, their security and the political and economic freedom which they enjoy—those are the things and those alone which spell the greatness of a nation. It is not the profits of its industry, it is not the assets of its banks, which spell the prosperity and greatness of a nation.

The committee must see to it that those new Canadians who are born to us in the coming years are born into homes where they are greeted with happy expectancy. Members of this committee must see to it that the children of this nation are regarded by our people as its most cherished and precious possession. They must see to it that the children of all our people have an equal opportunity to develop their talent and use it for the national good. They must see to it that our young people are happy in the knowledge that society has a place for them and for their creative efforts. And they must see to it that all our people have the assurance of security to establish homes and have children as is their natural right. Our returned men and women must be made to feel the tangible and concrete gratitude of this nation; the maimed and the sick and the blind and the aged and the widowed must be cared for and live as honoured citizens.

These things can be done by a nation which has the will to do them. The poet Browning has said that a man's reach should exceed his grasp. In the matter of reconstruction I say, let us reach out for the stars. Nothing short of that must satisfy us. Let us build a Canada, not where selfish interests are allowed to work for "me and mine," but one in which all the people of Canada walk forward together as one nation, confident that they are working for "us and ours".

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health): With the stirring review of the nation's finances by my colleague the Minister of Finance (Mr. Ilsley) ringing in our ears, I scarcely think it would be fair to the house, and possibly not fair to myself, that I should indulge at this time in any extended or comprehensive review of this debate. I rose for one purpose, namely to extend my own thanks to the members of the house, and especially to the hon. members who took part in this debate, for some of the most constructive contributions that I have heard during twenty-three years of parliamentary life. There was hardly a partisan note or tinge in

the whole debate. I am sure that what was said here will be of immeasurable benefit to the committee when it is constituted.

Just a word to recall the history of these various committees. On December 2, 1939, or only about a month after the war broke out, the first cabinet committee on demobilization and rehabilitation was formed. Shortly afterwards, in February, 1941, the terms of reference of that committee were extended to appoint a committee on reconstruction, and the actual personnel of that committee was formed on September 2, 1941. As a result of the formation of the cabinet committee there was appointed a general advisory committee on demobilization and rehabilitation, and that committee with ten subcommittees has been very largely responsible for all the work that has been done in the last two or three years in preparing for the reestablishment of our fighting men, when they return. Someone said last night, unknowingly, that very little had been done in three years. I wonder if that hon. member had forgotten that the pensions committee sat in this house in 1941 and that as a result of their deliberations there was enacted by this parliament what I believe to be with all its flaws—there are some flaws—the finest piece of pension legislation in any country in the world to-day.

Last year there were passed in this house three pieces of legislation—and not by order in council: the Vocational Training Coordination Act, the Compulsory Reinstatement Act, and as a result of eighteen months' deliberation by one of these committees, the Veterans' Land Act, which I think is one of the finest acts that we have on the statute books of Canada. Although the work of many of these committees has been temporarily concluded, we are still working on the question of priorities in demobilization, still working on the question of an improved scheme of returned soldiers' allowances, and administration is being improved as fast as we can from day to day. That is touching on the angle of reestablishment.

Touching on the angle of reconstruction I wish to pay my tribute to the excellent work done by those six distinguished Canadians who not only have been studying with about one hundred assistants and consultants all the problems of our national economy in Canada, but have touched upon every single problem that has been mentioned in this debate: soil erosion; rural electrification; the Ganaraska watershed, and other waters in Manitoba and flowing into the St. Lawrence and all over Canada; agriculture, with the cooperation and excellent advice of my distinguished colleague the Minister of Agriculture (Mr. Gardiner); mines and resources with the assistance of my colleague the Minister of Mines and Resources (Mr. Crerar); public works under the direction of the chief engineer of the Department of Public Works; employment boards under the distinguished leadership of Mr. Tom Moore, whose services unfortunately we were not able to retain for the last few months, but we have another excellent gentleman from Vancouver whom I know well, Mr. Percy Bengough, who will carry on and do all he can to see that labour is protected. Someone on the opposite side said the other evening that labour might be forgotten. Labour will have its proper and adequate representation. So will agriculture. We are trying to represent the interests of all the people of Canada. That work is going on. We now have a subcommittee of the economic advisory committee coordinating the efforts of the various committees, and they are all reporting to my distinguished and right hon. leader the president of the privy council of Canada (Mr. Mackenzie King). Thus it will be seen that we have now a coordinated effort in regard to the problems of reconstruction.

Reconstruction is not the same as social security. Reconstruction is the positive side of the question. Reconstruction is a challenge to government to develop positive policies, to ensure that gainful employment, or if you like, optimum employment, is available for those who are able and willing to work. Social security comes in only for the very young or the very old or those who are sick or hurt or maimed or invalided. That is a challenge to government; and that is why the Beveridge report, brilliant and able as it is, is no complete solution to the problems of the nation. The Beveridge report comes only in as a safeguard of social security when positive measures of reconstruction have to a certain extent failed. Complete cooperation between both reconstruction and social security policies is requisite, and that is what the government is now seeking to obtain through the efforts of committees of this parliament—and they are supreme over any committees outside. Their recommendations will have a tremendous influence with the government. The hon. member for Cape Breton South (Mr. Gillis) asked the other evening as to the status of this committee. I say that when this committee makes recommendations to the government they will receive the most earnest and careful attention of the government. This committee on reconstruction will do exactly what the pensions

committee did two years ago; it will call in officials of the reconstruction committee, officials of the economic advisory committee, people from other parts of Canada and outside, from the provinces if you like, and will make careful recommendations to the government. The government will be then possessed of the facts and will determine its policies. It is ridiculous to ask any government at the present time to declare policies in regard to reconstruction. All any government can do at this stage is to have ideals and objectives, and that I think we all have in this house.

Free enterprise was condemned by the hon. member for Rosetown-Biggar (Mr. Coldwell) and commended by others. Well, Mr. Speaker, I am afraid my position is halfway between the two schools of thought. I think free enterprise has gone in the history of this world. I think controlled enterprise must be the guiding maxim for future governments of mankind. We must never let capital run rampant again, and we must never again have the exploitation of natural and human resources that we sometimes had in days gone by. Therefore this is a programme of preparedness.

Once again I thank the house for the support it has given this resolution, and I thank hon. members for the kindly comments which many of them were good enough to extend to its sponsor.

Motion agreed to.

RAILWAYS AND SHIPPING

APPOINTMENT OF COMMITTEE ON ACCOUNTS AND ESTIMATES OF GOVERNMENT-OWNED TRANSPORTATION LINES

Hon. J. E. MICHAUD (Minister of Transport) moved:

That standing order 63 of the House of Commons, relating to the appointment of standing committees of the house, be amended by adding to the standing committees of the house for the present session a standing committee on railways and shipping owned, operated and controlled by the government, to which will be referred accounts and estimates and bills relating thereto of the Canadian National Railways, the Canadian National (West Indies) Steamships, and Trans-Canada Air Lines for the present session, for consideration and report to the house; provided, however, that nothing in the resolution shall be construed to curtail in any way the full right of discussion in committee of supply; and that the said committee consist of: Messrs. Donnelly, Dubuc, Durocher, Emmerson. Ferland, Gray, Hanson (Skeena), Harris (Danforth), Hazen, Howden, Howe, Jackman, Lockhart, McCulloch, Maybank, Nicholson, Parent, Pouliot, Roebuck, Ross (Middlesex East), Sanderson, Shaw, Sissons.

Mr. SPEAKER: Is it the pleasure of the house to adopt the motion? Carried.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I should like to take two or three minutes to deal with this motion.

Mr. SPEAKER: I declared the motion carried, but perhaps the hon. gentleman did not hear me.

Mr. CHURCH: I think before this committee is appointed the minister should say a word as to the procedure which will be followed. When this committee was first appointed, in the days of the late Mr. Graham, who took a great deal of interest in this work, it was made a rule that any private member of the house interested in the rialway question could attend the meetings of the committee and ask questions. That practice was followed for four or five years. I understand, however, that this rule has now been abrogated, with the result that members of this house have little opportunity of offering suggestions or constructive criticism in connection with our great public utility. We are at present conducting a war. From the beginning of the war to the end of 1940, according to a return tabled for me they received from the government for war work for 16 months, a period of a year and four months, the Canadian Pacific Railway $2,750,000, and the Canadian National $2,500,000, or more than they received in the four years of the last war. With all due respect I contend that this committee should consider suggestions and even resolutions presented by private members. For instance, I believe the government would be well advised to consider whether soldiers cannot be given better treatment. The transport officer issued an order cutting down certain train services during February, which order I understand is to be extended to cover this month as well. No doubt that is quite proper in view of the heavy winter we have experienced, but why should extra trains be provided at week-ends for civilians and not for soldiers? I understand that some of our boys in Camp Borden have not left that camp since Christmas. Many of those soldiers are family men. I know of one whose wife had a child the other day, and he was not able to be with her.

Then I think there should be some provision for considering special cases of soldiers. For example, many of the trains I have seen occupied by soldiers, at Brockville and many other points, are most unsatisfactory. But while soldiers are prohibited from travelling, we see in the newspapers almost every other day where some young Canadian athlete is

transferred from Hamilton to Victoria to take part in games; then he shows up back in Hamilton again, and finally he goes to Halifax. During all this time the soldiers are not allowed to travel at all.

I do not wish to hold up this resolution at any length, but this public utility has cost the taxpayers of Canada a great deal of money and we are never given an opportunity to discuss the affairs of this system except perhaps two or three days before the session closes, when we may have an hour or so devoted to the committee's report. In view of all the money the railways are making I think the public are entitled to some reduction in fares. Soldiers are not permitted to hitchhike; they may not go more than fifty miles on a bus, and as a result soldiers going to Camp Borden are dumped off at a point about twelve miles from Barrie and left to cover the remainder of the distance as best they can. I think the railways should be able to afford to carry soldiers and their families free over weekends. As it is now, it costs a soldier $2.25 to go home to Toronto from Camp Borden for a weekend, and if he wants to visit his family during his last leave it takes almost a week's pay. Then what is the government going to do about this Almonte disaster? Have we two bodies regulating our railways—the railway commission and the transport officer? What are the functions of these bodies?

Then there is the merchant marine, and I think we should do something about that. We have boats running from Toronto to Port Dalhousie, and one of those boats is not suitable at all. I am afraid something will happen to it, because it has been on the lake for many years. It was not good enough for Northumberland strait and therefore they sent it to the run between Port Dalhousie and Toronto, while they provided a large car ferry for Northumberland strait. I do not object to that; we were glad to see them get it, but apparently any old boat is good enough for lake Ontario. It is a wonder there has not been an accident before this, and newspaper articles show that there have been close calls. I contend that not enough information about this system is given to the public, who after all are the trustees, the owners of it. What are we doing about the tourist trade? We never have any opportunity of discussing these matters, and as a supporter of public ownership in this country I urge that the taxpayer, who has paid all these capital charges and who in addition must pay high transportation costs, should be given better service.

[Mr. Church.]

Another question is the suburban steam service. Every large city such as New York, Philadelphia, Chicago, Baltimore and so on, has a steam suburban service, which has built up the districts surrounding those cities. Let us consider the suburban service the city of Montreal has, and I would point out that under the Railway Act every other municipality is entitled to the same opportunity, upon application to the board of transport commissioners. The fact is, however, that Montreal is about the only city that has that service.

I plead with the minister to give proper consideration to steam suburban service for the larger cities, and I believe, if that service were given, it would do much to relieve the housing situation. Around Toronto we have a system of radials and buses, now owned by the city. Those systems have built up the outlying districts, so that North York, East York and West York are to a great extent inside suburban constituencies. Rural ridings have become urban ridings. When there is money for capital and maintenance of the Canadian National Railways I ask that something be done so that we may have a more modern system to take care of that problem after the war.

I have attended one or two meetings of the committee, and I have been very much disappointed. All the members seemed to be smoking cigars, and there was much humour at times in evidence. One would think he was attending a vaudeville show, because everyone was in such good humour. They would take up this item and that item, but they were given very little information. I have read the daily reports of the committee and all I have to say is that if that is the way in which we are to investigate public utilities, then we need some other system. The Canadian Pacific Railway would not conduct its affairs without further inquiries.

Another matter which should be considered is that of auditing. Although we have our own auditor general I do not think he has any check at all, because the railways have auditors of their own. Before the committee they present hotel accounts, maintenance accounts, capital accounts, answers and questions, and that is about the end of it. Then, near the close of the session the committee brings its report to the house. I contend that if the committee system is going to be a success—and this is one case in which it has never been successful—it must change its tactics. There is not enough detailed knowledge in what is contained in the report to parliament.

I do not wish to prevent the passage of the motion, but I hope the new minister will consider these matters. I should like to know if private members will be permitted to attend the committee, although they may not be members of it officially.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, before the minister replies may I reiterate, by way of emphasis, what has been said by the hon. member for Broadview (Mr. Church). There is a great deal of curiosity throughout the country with respect to the delineation of authority between the transit controller and the board of transport commissioners. I rise at this time only to ask the minister to give that matter consideration when he replies, and to indicate just where the power and authority of the transit controller begin and end, and how they affect or fit in with the power and authority of the board of transport commissioners. He might also indicate whether there has so far been any conflict between these two controls.

Mr. GORDON B. ISNOR (Halifax): Mr. Speaker, we have very little opportunity to discuss matters pertaining to our railways. This is the first one I can recall in some time. I should like to support the hon. member for Broadview (Mr. Church) in his request that greater consideration be given to the matter of suburban services. I have repeatedly placed that subject, as it affects the city of Halifax, before the vice-president of the Atlantic region, the general manager of the Atlantic region and the newly appointed Minister of Transport (Mr. Michaud). With the prevailing situation in Halifax, from the point of view of a population greatly increased by the large influx of people, a great many are obliged to live in the suburbs. And as a result of the restrictions on bus travel they are finding it exceedingly difficult to get to and from work during weekdays.

I do not wish to make a lengthy speech, but I would urge that the minister give this matter serious consideration. I am glad the hon. member for Broadview has raised it, and I hope the minister will consider the representations placed before him, with a view to seeing if he can do something to improve suburban services in so far as they affect Halifax, with its overcrowded and greatly increased population.

Hon. J. E. MICHAUD (Minister of Transport): Mr. Speaker, before the motion carries may I assure hon. members who have spoken, and who have claimed the privilege of appearing before the committee that, so far as I am concerned, in so far as the rules of the house permit they will be given every opportunity to appear and to make their suggestions. I am sure they will take advantage of the opportunity offered them. I would request the hon. member for Broadview (Mr. Church) and the senior hon. member for Halifax (Mr. Isnor) to appear before the committee and lay before the officials of the railways and the different transportation companies which come under the purview of the committee any representations they may have. Let them attend every sitting and take part in the discussions. I am sure they will be given every opportunity to voice their views. They will be given a hearing, and we shall be pleased to have their suggestions for the betterment of transportation services in Canada.

At the present time our facilities are limited, not by money or capital but by materials. Those materials are limited through priorities. Our railways—and I speak of the Canadian National Railways, but it is equally true of the Canadian Pacific Railway —are taxed to the limit. They have to transport war materials and great numbers of passengers. We feel that in certain sections and at certain times priority must be given to the transportation of war materials. This necessitates the curtailment of passenger train service, and sacrifices on the part of the travelling public. For the present, until further notice, the policy is that we request the travelling public to travel as little as possible, in order that the movement of war materials and troops may be facilitated.

Second, our facilities are limited on account of rolling stock. Since the beginning of the war our rolling stock has been taxed to more than capacity, and has been used until it is almost exhausted. We have had to make way for more important war materials, which have priority over railway rolling stock. As a result of this we have not been able to get renewals of rolling stock, as we might have hoped.

Then, may I point out that the auditors of the Canadian National Railways are appointed by act of parliament every year, and it is the duty of parliament to decide whether or not their work is satisfactory. The best way to find out is to appear before the committee when the railway accounts are being considered, and then question railway officials who will be at the disposal of the committee.

With regard to the question asked by the leader of the opposition (Mr. Graydon) as to the different functions and duties of the board of transport commissioners, and the transit controller, may I point out that there are two

officials, namely, the transit controller and the transport controller. The transit controller has nothing to do with transport by railroad, but the transport controller has been appointed as a war official to organize and establish priorities in connection with the transport of different war materials and as between war materials and passenger service. He acts as the controller of war-time transport services, while the board of transport commissioners is a peace-time organization created under the Railway Act. There is no conflict of authority or in the jurisdiction between the two; the one completes the functions of the other.

Mr. GRAYDON: Has the transport controller any authority over any other type of transportation than the railways?

Mr. MICHAUD: No. He attempts to correlate transport as between the railways and the water services.

Mr. GRAYDON: Why would it not be better to leave that under the board of transport commissioners? Why superimpose on the board of transport commissioners another controller? There are enough controllers now without adding another one. You have control now over your railways through the board of transport commissioners. Why could that board not be given the authority given to this controller? They are familiar with the whole business of transportation.

Mr. MICHAUD: It is a matter of opinion. There is no conflict of jurisdiction. The transport controller is simply a complement to the board of transport commissioners which is a peace-time organization and which has certain functions to exercise under the Railway Act. The transport controller must exercise extraordinary functions made necessary by war conditions and his duties are established by the War Measures Act. The transport controller has been functioning for some time and his services have been found to be most useful. He has succeeded in establishing some priorities and in bringing about order in the different branches of railroad transportation.

Every opportunity will be given to hon. members to come before the committee in order to obtain information or to make suggestions in connection with the betterment of the transport facilities for goods and people. I hope that when the report of the committee is brought down, valuable suggestions will be made to meet the requirements suggested by the hon. member for Broadview and the senior hon. member for Halifax.

[Mr. Michaud.]

Mr. McCANN: Does the transport controller act under the jurisdiction of the Minister of Transport or of the Department of Munitions and Supply?

Mr. MICHAUD: The transport controller comes under the jurisdiction of the Minister of Transport.

Mr. GRAYDON: That is an additional reason why he should not be there.

Motion (Mr. Michaud) agreed to.

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

Wednesday, March 3, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

WARTIME HOUSING LIMITED—NORTH VANCOUVER

Mr. REID:

1. How many houses have been constructed by Wartime Housing Limited, in north Vancouver, B.C., including staff houses?

2. What has been the total cost of these houses, including cost of land, supervision and office overhead?

3. How many of these houses are rented and what amount of rent is being charged for the various types of houses and rooms?

Mr. HOWE:

1. In North Vancouver, B.C., Wartime Housing Limited, as of February 28, 1943, completed 546 houses, two staff houses and one commissary. The complete programme provides for 750 houses, two staff houses and one commissary.

2. The project being incomplete, it is impossible to give exact figures showing the detail asked for. Total payments as of January 31, 1943, are $1,869,904.29. This sum, of course, includes payment for some uncompleted work.

3. There were 519 houses rented as of February 28, 1943. There were 162 beds occupied in the two staff houses.

Rentals are: for houses H-1 and H-2, $20 per month; for houses H-21 and H-22, $22 per month; for houses H-41 and H-42, $27 per month.

The rates in the staff houses are $4 per week for a single room and $3.25 per week each for double occupancy rooms.

WARTIME HOUSING LIMITED—PURCHASE OF LAND IN NEW GLASGOW, N.S.

Mr. BLACK (Cumberland):

1. Did Wartime Housing Limited purchase land in New Glasgow from A. D. McCormack? If so, what price was paid?

2. Did Wartime Housing Limited erect staff houses or other buildings on such land or in New Glasgow?

3. If so, were tenders called giving name and amount of each tender?

4. To whom was contract let stating what sums have been paid contractors and total sums they claim to have earned?

5. What is the cost of grading and other improvements to property?

6. What is the cost of equipment and furnishings?

7. What is the total estimated cost of the project completed and equipped?

8. How many lodgers will the buildings accommodate?

9. How many lodgers were in residence on February 1, 1943?

10. How many persons were on the operating staff on February 1, 1943?

Mr. HOWE:

1. Yes. 2·14 acres were expropriated under date of July 15, 1942, and settlement was made with the former owner Mr. A. D. McCormack for the sum of $1,861.85.

2. Yes. On the McCormack property mentioned in 1, Wartime Housing Limited erected three staff houses and one commissary. On other property in New Glasgow Wartime Housing Limited erected 136 houses.

3. Wartime Housing Limited attempted to secure but could not obtain tenders on this work other than from the contractor, Eastern Woodworkers, New Glasgow, Nova Scotia.

4. The contract was let to Eastern Woodworkers, New Glasgow, Nova Scotia. As of January 31, 1943, the amount paid to Eastern Woodworkers amounted to $506,555.64.

5. In New Glasgow for the construction of 136 houses, 3 staff houses and 1 commissary, Wartime Housing Limited paid for grading and other improvements to property including sewer, water, roads, etc., $69,328.57.

6. The cost of equipment and furnishings for all our construction in New Glasgow is $31,991.68.

7. The total estimated cost of completing 136 houses, 3 staff houses and 1 commissary in New Glasgow as of January 31, 1943, is the sum of $568,762.

8. The 3 staff houses will house 88 men each, or 264 in all.

9. On February 1, 1943, there were only 10 beds occupied in the 3 staff houses. The first one was only completed on January 15, 1943. The second was completed on February 13. The third one is still incomplete. The commissary was completed as of January 12.

10. Wartime Housing Limited had on its payroll in New Glasgow for an operating staff for the 136 houses, the 3 staff houses and the one commissary a total of 15 people, as of February 1, 1943.

NATIONAL DEFENCE TAX

Mr. ISNOR:

1. What amount was collected through the national defence tax during the period from July 1, 1941, to December 31, 1941?

2. What amount was collected through the national defence tax during the period January 1, 1942, to July 31, 1942?

3. What amount was collected through income tax from those in the income bracket of $3,000 and less per year during the years (a) 1939, (b) 1940, (c) 1941?

Mr. GIBSON:

1. $57,135,942.92.

2. $87,686,629.10.

3. (a) 1938-39, $2,594,387.
(b) 1939-40, $2,650,404.98.
(c) 1940-41, $3,142,823.45.

FIRES AT JOHN INGLIS PLANT, TORONTO

Mr. ROSS (St. Paul's):

1. Has the government knowledge of the occurrence of two fires recently at the plant of the John Inglis Company, Limited, Toronto, about the 18th of February?

2. If so, has it caused any investigation to be made?

3. Has any investigation been held?

4. What was the result of the investigation?

Mr. HOWE:

1. Yes.

2. Yes.

3. Yes.

4. There were two small fires on the premises of the John Inglis Company Limited, Toronto, during the month of February, one in a contractor's shack caused from an overheated stove; the other in a new building in which the contractors were working. In

the latter case salamanders were used to dry out the building and a tarpaulin blown by a strong wind caught fire from a salamander. Both fires were termed as accidents by fire chief Moody of the John Inglis Company Limited and the damage does not exceed $150.

INCOME TAX—REQUESTS FOR REMISSION

Mr. BLACKMORE:

1. During the last five months of 1942, in each of the nine provinces, how many income taxpayers have requested a remission of all or part of their income tax on the plea that payment of the full income tax assessed against them would seriously impair their ability to meet their unavoidable financial commitments?

2. In the cases of how many of those taxpayers was the request granted?

3. In the cases of those whose requests were denied, how many were refused because the collector completely established that the applicant was able to pay the impost without seriously impairing his ability to meet his unavoidable financial commitments?

Mr. GIBSON:

1. Information not available.

2. None.

3. Information not available.

*CANADIAN FLAG

Mr. LaCROIX (Quebec-Montmorency):

1. Has it been found necessary in England to adopt a special flag for the Canadian army to distinguish it from that of England and the sister dominions?

2. Will the Canadian flag adopted in England be the one used in Canada after the war? If not, what will then be the Canadian flag?

Mr. RALSTON: I can answer that verbally, Mr. Speaker. The answer is no. It may be that the hon. member has in mind a pennant which was presented to General McNaughton when he was general officer commanding the first Canadian division. That banner has no official status as a flag.

*TRANSPORT CONTROL—LEAVE FOR TROOPS

Mr. CHURCH:

1. Has leave for troops in training been cancelled by order of the transit controller?

2. If so, how long will such regulation continue?

3. Is any weekend leave granted such persons at present? If so, on what basis?

Mr. RALSTON: The answer is no. It was cancelled for the month of February at the request of the transport controller. The cancellation was on account of bad weather and to enable a very heavy freight congestion to be handled. As to how long the regulation will continue, there is no such regulation; and the cancellation was for February. To the third question, as to weekend leave, the answer is yes; weekend leave has been resumed to the extent to which railway facilities are available.

Mr. CHURCH: Civilians can travel, why not soldiers? Why cannot soldiers have the ordinary leave?

QUESTIONS PASSED AS ORDERS FOR RETURNS

PURCHASE OF MARKETORIUM PROPERTY, WINDSOR, ONT.

Mr. BENCE:

1. Has the government purchased a property in the city of Windsor, known as the Marketorium?

2. If so, for what purpose has this property been acquired?

3. From whom was the property acquired?

4. On what date was the property acquired?

5. What was the total purchase price of the property?

6. Was an agent employed in connection with this purchase?

7. If so, what was the name of the agent; and what amount was paid to him by way of remuneration?

8. Are alterations required on this property to make it suitable for the purpose for which it was purchased?

9. If so, what is the estimated cost of such alterations?

Mr. RALSTON: Return tabled.

ROYAL CANADIAN NAVY—OFFICERS IN SERVICE SINCE 1939

Mr. FRASER (Peterborough West):

1. What are the names of all persons who were serving as officers with the Royal Canadian Navy on September 1, 1939, and what rank did they hold at that time?

2. What was the total pay and allowances received by each such officer at that time?

3. What is the present rank of each such person?

4. What is the total pay and allowance received by each such person at the present time?

MEDICAL PROCUREMENT BOARD

Mr. SHAW:

1. When was the medical procurement board established?

2. Who are the members of this board?

3. What powers were vested in the board?

4. Has the medical procurement board undertaken a nation-wide survey to ascertain a correct picture of the situation with respect to the number and distribution of medical men?

5. If not, is any other agency carrying out such a survey?

6. Will the result of such a survey be made known to the public?

7. Has any plan been adopted for the freezing of doctors in their present locations and for the transfer of others to centres without doctors?

8. Has the government given consideration to the carrying out of a survey to determine the number and distribution of dentists?

9. Have any plans been adopted to meet the shortage of dentists in certain Canadian centres?

CONDENSED MILK

Mr. SHAW:

1. What was the total production of condensed milk in Canada during 1942?

2. What portion of Canada's 1942 production of condensed milk was purchased by the Canadian government or any department thereof for use by, (a) the armed forces, (b) others than the armed forces?

3. Was any part of Canada's production of condensed milk exported to the United States during 1942? If so, what quantity?

4. Has the government taken any steps to encourage the increased production of condensed milk in Canada? If so, what was the nature of the action taken?

MOTIONS FOR PAPERS

NORTHWEST FIELD FORCE, 1885—PENSIONS

Mr. CHURCH:

For a copy of all letters, telegrams, correspondence and other documents in the possession of the government, dated during the past three years, relating to the granting of a pension to the surviving members of the Northwest field force (1885); also a copy of any reports and proceedings of any committee in relation to this matter.

RESTRICTIONS ON CONSUMPTION OF BEER, WINES AND SPIRITS

Mr. NICHOLSON:

For a copy of all correspondence received by ministers of the government from individuals or firms engaged in the manufacture of beer, wines and spirits, regarding liquor restrictions, since the broadcast of the Prime Minister on December 16, 1942.

Mr. MACKENZIE KING: If the house is to have the correspondence from individuals and firms engaged in the manufacture of beer, wines and spirits, it would I should think also wish and ought to have the correspondence from individuals and firms other than those engaged in the manufacture of beer, wines and spirits. I suggest that if the motion is to carry it should carry with an amendment which would cause it to read:

For a copy of all correspondence received by ministers of the government from individuals or firms regarding liquor restrictions, since the broadcast of the Prime Minister on December 16, 1942.

That would mean striking out the words which restrict the return simply to the communications from manufacturers. I will say further to my hon. friend that I doubt if he can begin to realize the extent of the correspondence. Some of it is very illuminating, some not quite so enlightening or edifying. But I should think it might be advisable to have the entire correspondence brought together in the office of the Secretary of State and my hon. friend given opportunity to look it over and see what if anything there is in it that he would like to have brought forward.

Mr. HOMUTH: He would probably want it all.

Mr. MACKENZIE KING: If he did he might have to wait a long time for it, because it is a very considerable correspondence. What I wish to bring to the attention of the house is that to copy all that correspondence and have it produced means considerable expense, the employment of a stenographic staff for some little time. At this time of war public money might be spent to better advantage. I suggest to my hon. friend that the correspondence might all be brought together and that he might look it through and then if there is any particular correspondence he wishes brought down it can be brought down. If at all possible I think it advisable to avoid copying the whole of this correspondence.

Mr. NICHOLSON: My question was limited for the very reason given by the Prime Minister. However, I shall be glad to comply with his request and examine the correspondence.

Mr. SPEAKER: Does the hon. member accept the suggestion of the Prime Minister? Question dropped?

Mr. NICHOLSON: No; the Prime Minister's suggestion was that the correspondence would be brought together. I should like the motion to stand.

Mr. MACKENZIE KING: Well, does the hon. member reject my suggestion?—I have

undertaken to have the correspondence brought together in the office of the Secretary of State where he can look it over—surely my word as Prime Minister should be accepted in that respect.

Mr. COLDWELL: I think the Prime Minister misunderstood my colleague. I do not think he doubted the word of the Prime Minister, but he wished the question to stand—

Mr. MACKENZIE KING: He can restore the motion later if he is not satisfied. I do not see why this motion should be carried from day to day and week to week on the order paper.

Some hon. MEMBERS: Dropped.

Motion dropped.

INQUIRY OF THE MINISTRY

PRESS REPORT AS TO STATEMENT ON BEHALF OF ONTARIO TEMPERANCE FEDERATION

On the orders of the day:

Hon. H. A. BRUCE (Parkdale): I should like to direct a question to the Prime Minister in regard to a dispatch published yesterday in the press dated at London, Ontario, March 1:

Rev. John Coburn, chairman of the executive committee of the Ontario Temperance Federation, told the United Church ministerial association—

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend has given me no notice of this question. If he wishes to advertise himself, all right, but I submit that he should at least have had the courtesy to submit his question.

Mr. BRUCE: Mr. Speaker, this question is simply in regard to an item appearing in the press, and I wished to inquire as to its accuracy.

RATIONING

ADDITIONAL CHARGE BY PUBLIC CATERERS FOR TEA, COFFEE OR MILK

On the orders of the day:

Hon. J. L. ILSLEY (Minister of Finance): I should like to give an answer to a question asked by the hon. member for St. John-Albert (Mr. Hazen) on Monday, March 1. I should have taken the point of order that this question ought to have been placed on the order paper, but I did not do so. I would have done so if I had had time to give adequate consideration to it. However, this is the answer:

[Mr. Mackenzie King.]

On Monday last the hon. member for St. John-Albert quoted a press dispatch respecting a recent order of the wartime prices and trade board permitting public caterers to charge five cents extra for non-alcoholic beverages served with meals, and asked me to inform the house what purpose this order is intended to serve.

Public caterers purvey nothing but foods, and since the basic period have borne the "squeeze" incident to the higher cost of foods, with respect to some of which there is no ceiling. The business is highly competitive and has never been regarded as a highly profitable one. The situation had become almost impossible for many of the smaller restaurants, and the board, after full investigation, decided that some relief would have to be given in order to maintain the essential service which is provided. It was felt that the situation was not one in which a subsidy could be recommended. The solution found avoided an over-all increase in the price of restaurant meals and gives the customer a chance to decide whether or not he wishes to add to the cost of his meal, or to give up the beverage on which the price increase has been granted.

An additional consideration was, of course, that the order should have the effect of conserving tea and coffee, for which ration coupons are not demanded from the consumer in restaurants.

HOUSING

REQUEST FOR STATEMENT AS TO SITUATION IN TORONTO

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I should like to ask a question of the Minister of Finance (Mr. Ilsley) and the Minister of Munitions and Supply (Mr. Howe), in regard to the grave housing situation in the city of Toronto. The minister promised to make a statement a few days before the house closed last August and again this session. Will the minister make a statement by next Monday as to the situation regarding both peace-time and war-time housing?

Hon. J. L. ILSLEY (Minister of Finance): I do not think I will. The Minister of Munitions and Supply is in charge of War-time Housing Limited, which is the only agency carrying on government housing. So far as I know it is not proposed to carry on government housing in the city of Toronto. I do not know that there is anything I can add to that statement.

Mr. CHURCH: Last Saturday the Toronto members were requested to meet the mayor and the board of control with the provincial members. We were not given any information, because the Department of Munitions and Supply turned the whole situation over to the real estate administrator. I have a letter here from the president of Wartime Housing Limited—

Some hon. MEMBERS: Order.

Mr. CHURCH: —saying that further discussion in regard to housing in Toronto will have to be carried on with the administrator of real property.

Mr. ILSLEY: If the hon. member will put exactly what he wants to know on the order paper I will try to see that an answer is given, in so far as the real estate administrator has jurisdiction over the matter.

Mr. CHURCH: It is a dreadful state of affairs, one of Canada's worst scandals, and nothing is being done.

WAR APPROPRIATION BILL

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

Hon. J. L. ILSLEY (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to provide, *inter alia,*

1. That sums not exceeding $3,890,000,000 be granted to His Majesty towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the governor in council during the year ending March 31, 1944, for—

(a) the security, defence, peace, order and welfare of Canada;

(b) the conduct of naval, military and air operations in or beyond Canada;

(c) promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or in any other manner whatsoever; and

(d) the carrying out of any measures deemed necessary or advisable by the governor in council in consequence of the existence of a state of war.

2. That the governor in council be empowered to raise by way of loan under the provisions of the Consolidated Revenue and Audit Act, 1931, such sum or sums of money, not exceeding in the whole the sum of $3,890,000,000 as may be required for the purpose of defraying such expenses or making such advances or loans, the principal and interest of any such loan to be a charge upon and payable out of the consolidated revenue fund.

3. That the governor in council be empowered to reexpend, advance or loan moneys that may be received by way of refund or repayment of advances, loans or expenditure under the War Appropriation Acts of 1939 (second session), 1940, 1941, 1942 and 1943.

He said: Mr. Speaker, this resolution asks for authority to introduce a bill which is designed to provide the appropriation we shall require for war expenditures during the fiscal year 1943-44. The bill will be in exactly the same form as the main war appropriation of last year except for the amount of the vote to be asked for.

The magnitude of this vote and the fact that it is to provide for our direct war financial programme for the new year makes this by far the most important measure with which the house will have to deal during the present session. It will provide an opportunity for discussing and appraising not only the war programme which we are proposing for next year, but also the record of war activities and expenditures during the fiscal year now drawing to a close. In view of the courtesy of the house in refraining from extended debate on the supplementary war appropriation which was voted a week or ten days ago, every opportunity will be given to hon. members to make such inquiries and comments as they may wish to make in regard to the expenditures of the current year.

To facilitate such inquiries and debate, I will now place on *Hansard* a break-down by the main categories of expenditure, in more detailed form than previously, of the estimated expenditure of $3,890,000,000 for 1943-44. I would also call the attention of the house to the fact that the comparable amounts of estimated expenditure on the various items during the current fiscal year will be found on pages 17-24 of the white paper which I tabled in connection with the budget last evening.

The table showing the break-down of the estimated war expenditure for 1943-44 is too long to read, and if the house will permit me, I will merely place it on *Hansard* and then direct attention to some of the major items. The table is as follows:

War Appropriation, 1943-44

Summary of Estimated Expenditures by Departments

National Defence—		
Army services	$1,764,000,000	
Naval Services	489,144,967	
Air services	1,129,421,414	
Sundry services	22,500,000	
		$3,405,066,381

War Appropriation, 1943-44—Con.

Summary of Estimated Expenditures by Departments—Con.

Munitions and Supply—			
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		$ 14,240,309	
Auditor General's Office		281,500	
Civil Service Commission		597,443	
External Affairs		545,000	
Finance		143,852,000	
Fisheries		578,000	
Justice		50,700	
Labour		21,558,192	
Mines and Resources		10,288,135	
National Harbours Board		53,750	
National Research Council		2,114,708	
National Revenue		4,000	
National War Services		11,651,878	
Pensions and National Health		15,622,130	
Post Office		183,020	
Privy Council Office		727,858	
Public Works		4,490,000	
Royal Canadian Mounted Police		6,091,320	
Secretary of State		44,950	
Soldier Settlement		13,000	
Trade and Commerce		7,296,555	
Transport		8,435,215	
			248,719,663
Provision for contingencies			4,887,292
Total estimated war expenditure			$3,824,973,336
Active assets			65,026,664
Grand total chargeable to war appropriation			$3,890,000,000

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 expenditure	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, etc	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

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Department of National Defence—Con.

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	
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

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

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	
Bacon board—		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

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

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 for 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	
			$ 578,000
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	
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	

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Mines and Resources—Con.			
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	42,445		
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
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		640,000	

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

National War Services—Con.			
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	
			$ 11,651,787
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 reestablishment—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
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	

War Appropriation, 1943-44—Con.

Estimated Expenditures by Departments and Services—Con.

Public Works—Con.			
Telegraph branch—			
To provide for 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 airline	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

It will be noted that, in round numbers, the aggregate expenditures of the three defence services are estimated at $3,320,000,000 for 1943-44 as compared with an estimated $1,913,000,000 for the current fiscal year. Breaking down these totals, we find that army services account for $1,764,000,000 in 1943-44 as compared with $1,061,000,000 in 1942-43; air services, $1,129,000,000 as compared with $627,000,000; naval services, $489,000,000 as compared with $208,000,000; and sundry services, $22,500,000 as compared with $17,600,000.

The substantial increase for the air services reflects not only the expansion of the air training plan and the increased air force activities on both coasts of Canada but also the acceptance by Canada of full responsibility for maintaining and equipping thirty-eight Royal Canadian Air Force squadrons overseas and for the pay of all R.C.A.F. personnel overseas. In the naval estimates we see the effect not only of gradual expansion of our navy but also of the increased naval shipbuilding programme. The estimated increase in the expenditures of the army is accounted for not only by expanding programmes but by the substantial increase in deliveries of finished equipment and war supplies now coming from Canadian war plants and the probability of more active operations overseas. However, it would not be appropriate at this time, and I will not attempt to give detailed explanations for any of the increases or for the programme as a whole, because when the bill is before the house detailed estimates of the proposed expen-

ditures by various departments and functions will be given by the ministers who are individually responsible.

In the case of the Department of Munitions and Supply the estimated net expenditure for 1943-44 is $166 million. This compares with an estimated expenditure for the current year of about $689 million. The latter figure, however, included $200 million for the purchase of the British interest in Canadian war plants and provided for an expansion of plant and equipment much larger than will be required during the coming year. For the war activities carried on by all other departments or agencies of government the estimate for 1943-44 is $254 million as compared with an estimated expenditure during the present year of $200 million. In this connection I may point out for the information of the house that the largest single item in this category is $120,000,000 to provide for subsidies under the Commodity Prices Stabilization corporation. In view of the recent clarification of functions in regard to subsidy payments as between the wartime prices and trade board and the Department of Agriculture, part of this requirement will be assigned to the Department of Agriculture, but it is not at the moment practical to make the allocation. The remaining $65 million requested by the appropriation is an estimate of the amount required to cover cash outlays charged to active assets rather than to expenditure, and for contingencies.

I shall not now say more about the details of these estimates by departments and functions. That would be needlessly confusing to the house, before it has had time to study and digest the salient features of the table which I have placed on *Hansard*. Nor do I think it is necessary to attempt at great length to consider these proposed war expenditures in the light of our over-all financial picture. I had an opportunity of doing that only last evening in the budget address. Let me touch very briefly on a few salient points and then examine in more detail one or two general points which have been raised in the house during the last few weeks.

In the first place, I wish to enphasize that Canada's war expenditure for 1943-44 is not covered by this war appropriation of $3,890,000,000. To that should be added the billion dollar appropriation to be requested in the mutual aid bill. It is the sum of these two appropriations which represents the estimated cost of our war programme for the new fiscal year. That sum is $4,890,000,000, which, hon. members will note, is almost eighty-nine per cent of the dominion's estimated aggregate expenditure for 1943-44. It may be added that it is also nearly three times the estimated total cost of Canada's war effort during the great war 1914-18.

In the second place, I want to say that the total represents a very careful estimate of the cash outlays involved by the war effort which we believe we can accomplish during the twelve months beginning April 1 next. As I said last evening, it is not a financial programme but merely the financial counterpart of the physical or economic programme, the measure in dollar terms of the amount of man-power and resources which we believe we can throw into the war effort as our contribution to victory during the coming year. In the early years of the war the estimates of war expenditures in this country as in other countries tended to run ahead of actual accomplishments because everybody tended to underestimate the time it takes to get plants built, production under way on a large scale, and organization completed. Even last year, as the house will remember, I asked for a war appropriation substantially less than the departments estimated they could spend, but I warned the house that I would probably have to come back before the end of the year for additional funds for our direct war expenditure as well as for additional funds to enable the United Kingdom to continue her purchases of foodstuffs, raw materials and munitions in this country. Actually the departments were able to spend all they estimated and, indeed, somewhat more in some instances. Our programme was expanded in accordance with changing conditions, and early this year we decided that it would be wiser for us to meet Britain's needs for dollars during the remainder of this year not by a further gift but by purchasing outright her interest in Canadian war plants and thus getting title and full control of these plants in the name of Canada. These things, therefore, are the explanation of the supplementary war appropriation of $858 million, and not as one hon. member has said, the lack of careful planning by the government with respect to war financial expenditures.

As time goes on, the tendency to which I have referred, of expenditures to lag behind estimates, disappears and a very substantial proportion of the increased expenditures for the new year estimated by the three defence services are based on the expectation of receiving largely expanded deliveries of mechanized equipment, munitions and supplies which mark the fruition of the able and aggressive planning of production by my colleague the Minister of Munitions and Supply (Mr. Howe), and the capacity for

achievement of Canadian business management and Canadian labour. As I have said, I think we can spend during the year all of the huge sums for which we are now asking, because I believe we can achieve the production of war goods and the diversion of manpower to the armed services which our programme calls for. I am asking for all I think we can spend, but I must add this, that if before the end of the year it should prove that we shall need something additional that will be because we have actually been able to divert more of our resources to the war effort.

There are some who think that we are trying to do too much, or even already doing too much, and that we are going to bankrupt the country. Well, I want to say that we cannot do too much; that nothing which the Canadian people can do is too much to throw into this struggle for the right to survive in freedom and decency; that the way to wreck this country and bankrupt civilization is for Canada and her partners to do just a little less than enough to win. Unless I am gravely mistaken, that truth is plainly evident to the Canadian people as a whole.

Mr. HANSON (York-Sunbury): That is what we have advocated from the beginning.

Mr. ILSLEY: In this connection let me turn to a statement made by the hon. member for York-Sunbury (Mr. Hanson) on February 15, which to be found on pages 407 and 408 of *Hansard*.

> The minister expressed amazement that the people of Canada could sustain the weight of a war expenditure of the size and scope they are being asked to sustain. The answer is that this government is asking the people of Canada to bear a greater ratio of load in proportion to the national income than is the case in either of the other two large belligerent nations.

Mr. HANSON (York-Sunbury): Right.

Mr. ILSLEY:

> I have before me a review contained in a federal reserve publication issued just prior to January 15 which reveals that the proportion of the national income devoted to war purposes is considerably less in the United States than it is in either Great Britain or Canada. This bulletin shows that the war effort in the three countries is absorbing the national income according to the following percentages: United States, 24·5 per cent; Great Britain, 36·8 per cent, and Canada, 39·1 per cent. If these figures mean anything, and if I correctly interpret them, they show that the Canadian people are being asked by this government to contribute to the war effort a greater proportion of the national income than either our rich neighbours to the south or our very hard-pressed blood brothers overseas.

These figures do not show anything of the kind. There was a grave error in quotation of the publication.

Mr. HANSON (York-Sunbury): Not by me.

Mr. ILSLEY: Oh, yes. I have looked up that issue of the federal reserve bulletin, and I find that the article cited by the hon. member refers to taxes rather than to the amount of effort devoted to war purposes. I am surprised that the hon. member did not make this clear, because it is an important distinction and one that is sufficiently understandable that there should be no need for confusion.

I would not undertake to vouch for the accuracy of the figures quoted in respect of the United Kingdom and the United States. The publication in which they appear is a reliable one and the figures are carefully described and qualified. However, it would appear that in the case of Canada the figures for taxation and for national income are probably both a little on the low side, although the relationship between the two does not appear to be seriously in error, and although, furthermore, we cannot speak with any great assurance in regard to our own statistics of national income. I understand that efforts are being made to bring about substantial improvements in our own national income figures, and I hope that before long we can make comparisons of this kind with much more assurance.

However, the essential point is that the table throws no light at all on the relative proportions of their national incomes which the three countries are devoting to the war effort. They were talking about taxes; they were not talking about the relative parts of their production that they were devoting to the war effort. If the table has any significance it is as to the light which it throws on the financial policy of the three countries. In Canada, as the house knows full well, we have endeavoured to carry the "pay-as-we-go policy" as far as practicable, and in this I believe we have had a greater measure of success than most other countries. That is a reason for pride and rejoicing rather than a point to censure. Canadians will have many occasions in future years to look back on this record with satisfaction.

What is relevant for the point which the hon. member for York-Sunbury had in mind is a comparison of national incomes with total war expenditures rather than merely with the amount financed through taxation. Particularly in view of the state of our national income statistics, I would not wish to compare the three countries on this basis, even if we had such reliable figures, and I am not referring to statistics kept by any particular department, because several agencies of

government are keeping national income statistics. In fact, it is extremely difficult to get an estimate which is accurate, and I think it is found that way in other countries, as well as in Canada. Even if we had such reliable figures, the subject is one which bristles with technical difficulties, and it is by no means easy to be certain that we are comparing like with like. Many qualifications would be required before we could get a proper basis of comparison. Let me give only one example. The rates of pay for the armed forces in the United Kingdom and in other European countries are substantially lower than our rates of pay. Consequently the expenditure upon pay and allowances for the armed forces of these countries is made to appear less in proportion than it is for us here in North America, although in fact the proportion of man-power and of real economic resources may be higher. Hence war expenditures are by no means a reliable guide in themselves when one is making a comparison between different nations.

However, we do not need to attempt such complicated statistical comparisons to get at the real truth of the matter. As I pointed out in the budget, we do not need to go beyond very elementary statistics or even common observation to realize that we on the home front in Canada are still away behind the people of Britain in the degree to which we have cut down our civilian consumption for the sake of the war effort. It is fantastic to say that the moderate decline we have suffered from the peak of war-time consumption, and the increase in the inconveniences we have suffered in shopping and travelling, compare with the belt-tightening and the personal sacrifices and hardships of the British people. Furthermore, we should want to make this type of comparison rather than compare what we have done with what has been achieved in the United States which was a neutral country prior to December 7, 1941. That country has been mobilizing with tremendous speed; it has pointed its sights very high indeed, and if it is able to translate into action the $108 billion budget for which the President has asked, we may have cause for envy rather than for self-complacency.

We are doing our utmost to avoid waste or extravagance and to get as much as we can for each dollar of expenditure. I realize that in an undertaking as vast as our war programme we cannot achieve perfection in this regard, but I feel that within the inevitable human limitations we are getting good value for our money. We have put into effect a great variety of controls over expenditure, and wherever we see, or someone tells us, that one of the human cogs in a huge machine has slipped, we do our best to correct the mistake and safeguard against its recurrence. I try to avail myself of every opportunity for criticism of any expenditure that appears to be unessential or unnecessarily large, and I trust the house will do likewise. It is only by such self-criticism and such constant vigilance that we can secure economy and efficiency in any democratic, cooperative effort.

If, therefore, it be true that we are getting reasonable value for our money, it follows that those who argue that our war expenditures are drawn on too large a scale really mean that we are attempting to devote too much effort to the war. Apparently they want us to go slow, to limit our war effort, to cut down on man-power and materials. They want us to have a war effort under which we can all be comfortable rather than one which would stretch our energies and our resourcefulness to the limit. In this way they would seek to solve problems of shortages of butter and beef, and restaurant seats, and pullman cars. I for one do not believe that to be the wish of the Canadian people. That is not the type of war effort which would enable the Canadian people to hold their heads high in the family of nations. That is not the policy to which the government and this country have committed themselves.

Finally, I turn more specifically to the question: are we bankrupting the country? The hon. member for Beauce (Mr. Lacroix) appeared to build up a bogey of the country somehow running out of money, of our coming to the end of our financial resources. That is a situation which might confront one individual, or a group within the community, or even a nation in regard to its resources of foreign exchange; it is not a situation which confronts a nation in regard to its own production and internal financing. We do not pay for the war out of some hoard of money that we have accumulated in the past. We pay for it out of the taxes and savings that we obtain from the current income of the whole nation. We shall not run short of money. Indeed, our danger is the very reverse of that, namely, that we may pile up too much money in the pockets and bank accounts of Canadians, unless we strive with every effort to promote the sale of victory bonds and war savings certificates.

If we are bankrupting the nation, is it not indeed a strange type of bankruptcy? How can we use such a term to describe the process under which this country has doubled its national income in three years, has wiped out unemployment, has multiplied its production of many things and learned many types of new

skills, has expanded and diversified its production equipment, has multiplied its governmental revenues by more than four times, has enabled millions of its citizens to acquire a nest-egg for the future, has mobilized its full strength as a producing machine, and has developed a sense of productive achievement not hitherto known? No country goes bankrupt in this way; no country goes bankrupt by increasing its production and devoting part or all, or more than all of that increase to a supreme cause.

Of course our huge war expenditures do pose difficult financial problems during the war, and as I have often stated they make careful economic and financial management imperative. They involve a very large increase in our national debt, but it is a debt which we owe to ourselves, and it will be well within our capacity to manage if we follow sound policies. They make high taxes necessary if we are to share the financial burdens and the real burdens fairly and effectively. But these taxes are essentially just a reflection in financial terms of the inevitable sacrifices of goods and services which we must make if we are to wage war on the scale that is necessary to defeat the enemy, and defeat him with the least possible loss of life. Given the scale of our national war effort in terms of men and materials, lower taxes would mean only that we would have a less equitable distribution of the burden, more danger of inflation, more danger of a break-down in our economic controls. Willingness to accept high taxes and other controls; willingness to deny ourselves now in order to avoid greater self-denial tomorrow is not really a test of the strength of our war spirit or the size of our war effort, but rather a test of our intelligence and foresight in allocating the burden of the cost of war.

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. We must develop that potential to the maximum. If we do, we can develop a far higher standard of living for the average Canadian than he has ever known before, and with these higher incomes we can readily carry any debt, any debt to ourselves, that we shall accumulate during the war. Our war expenditures are both a great medium of national achievement and a great investment in our own freedom and future. To suggest that they will bankrupt Canada is to suggest that Canadians lack ability and good sense to make intelligent use of their own future. I am not so lacking in faith in the mental and moral qualities of our own people.

Mr. GRAYDON: Before moving the adjournment of the debate I wonder if I could inquire to what extent the minister is bringing down detailed break-downs of the various departments involved?

Mr. ILSLEY: It is hard to describe; I shall send a copy across to my hon. friend.

Mr. GRAYDON: In the meantime I shall move the adjournment of the debate.

Motion agreed to and debate adjourned.

SOCIAL SECURITY

APPOINTMENT OF SPECIAL COMMITTEE ON NATIONAL SOCIAL INSURANCE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a select committee of this house be appointed to examine and report on a national plan of social insurance which will constitute a charter of social security for the whole of Canada, and, to that end,

To examine and study the existing social insurance legislation of the parliament of Canada and of the several provincial legislatures; social insurance policies of other countries; the most practicable measures of social insurance for Canada, including health insurance, and the steps which will be required to effect their inclusion in a national plan; the constitutional and financial adjustments which will be required for the achievement of a nation-wide plan of social security; and other related matters.

That the said committee have power to appoint, from among its members, such subcommittees as may be deemed advisable or necessary to deal with specific phases of the problems aforesaid, and call for persons, papers, and records, to print such papers and evidence from day to day as may be ordered by the committee for the use of the committee and members of the house; that the said committee report to the house from time to time; and that the said committee shall consist of the following members: Messieurs Adamson, Blanchette, Bourget, Breithaupt, Bruce, Casselman (Mrs.) (Edmonton East), Claxton, Cleaver, Coté, Diefenbaker, Donnelly, Fauteux, Gershaw, Gregory, Hatfield, Howden, Hurtubise, Johnston (Bow River), Kinley, Lalonde, Leclerc, Lockhart, MacInnis, MacKenzie (Neepawa), Mackenzie (Vancouver Centre), MacKinnon (Kootenay East), Macmillan, McCann, McGarry, McGregor, McIlraith, Mayhew, Mitchell, Picard, Shaw, Slaght, Telford, Veniot, Warren, Wood, Wright, and that the provisions of standing order 65, limiting the number of members on special committees, be suspended in relation thereto.

He said: Mr. Speaker, at the beginning of the session my hon. friend the leader of the opposition (Mr. Graydon), expressed the hope that the government would establish the various committees as early in the session as possible. On a subsequent day my hon. friend made particular reference to the committee on social security. He will agree I think that his wishes have been met as far as it was possible for the government to meet them. All standing and special committees of the house have now been established with the exception of this one and two others, notices of which appear on the order paper.

I should like to point out that in respect to the establishment of committees a new custom seems to be growing up in the house—I do not think it existed to any extent in previous parliaments—of having a lengthy debate at the time the resolution is moved. The custom in the past has been, unless strong exception were taken for some reason or other to a committee being appointed, to have the committees appointed practically without discussion. I am not taking exception to the tendency to debate at length resolutions for the appointment of committees but wish to make it clear that it is a departure, and also that it does take up a very considerable amount of the time of the house. The discussion of the subject referred to a committee usually takes place when the committee has made its report. I realize that in some sessions the reports have been late in coming down and probably hon. members have had that in mind in wishing to discuss some of these subjects at an earlier stage.

Mr. HANSON (York-Sunbury): Many of the reports are never discussed.

Mr. MACKENZIE KING: There have been cases where that has happened. However, this year the committees will have been established at an early stage of the session and I hope will be able to report in plenty of time for such discussion as hon. members may wish to have.

I have a second reason for not wishing to discuss this resolution at any length at this stage. It is that hon. members have already devoted a very considerable time to the resolution dealing with reestablishment and reconstruction. I believe all hon. members are interested in matters pertaining to post-war conditions and to a better social order and have felt that they would wish to place on *Hansard* their views with respect to some of the features of the new social order and some of the reforms which they feel should be speedily introduced. That has been done, I believe, by hon. members in the debate on the motion respecting reestablishment and reconstruction. If we start a debate on social security at this stage it will I think lead to a repetition of much that has already been said in debate on the other committee. Reconstruction and reestablishment are of course not identical with social security but all three are part of a larger whole which relates to the social order—to social conditions as they exist at the present time and methods of improving them. Of the three, reconstruction and reestablishment cover a wider range and to that extent there would be the less necessity for discussing social security at any length at the moment.

I have also another reason, which is that I think members of the house generally are agreed upon the necessity of improving upon our measures of social security, increasing, enlarging and coordinating them. I do not think there is any difference of opinion among the members of the different groups in the house as to the objective to be aimed at. I believe we are all of one mind in that particular. There will inevitably be differences with respect to the means to be used to achieve those ends, but the question of the means to be adopted is a matter which is to be referred particularly to the committee and might therefore better be discussed when the committee has made its report. To start a debate at the present time might only serve to prejudice the larger objective by permitting a discussion that might develop into political controversy. I would hope that in this all-important matter of social security this House of Commons might be able to give a lead to other representative institutions by being as nearly unanimous as possible with respect to the measures which it may feel should be put into force.

There is, of course, the further point I have mentioned at different times, the importance of not taking up too much of the time of this particular part of the session with a discussion of measures other than those that relate immediately to the all-important war measures which have to be discussed. Were it otherwise, I am sure the impression in the country would be that parliament was devoting too much of its time at this stage to post-war matters rather than to the immediate questions of the war itself.

The resolution, as hon. members will see, is an implementation of one of the undertakings set forth in the speech from the throne, the undertaking being:

> . . . 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.

I might say to hon. members that the speech from the throne in its references to social insurance and to reconstruction and reestablishment seeks to set forth the place and significance of those problems in relation to the larger question of the existing social order and the means by which that particular order may be improved. I should like to refer more particularly to the paragraphs in the speech from the throne which have this objective in view. The speech seeks to put the significance of these measures in their true light, first of all by making clear the magnitude of the question itself, and in the second place its complexity. It seeks to follow a logical sequence in setting forth the matters which have to be considered in relation to any plan of social security. Here may I point out that these social problems are first of all in the nature of world problems and that they are also all in the nature of human problems. I emphasize these two aspects because to lose sight of either is to lose sight of what is involved in trying to reach a solution of the problems themselves or how best to improve conditions.

The speech makes reference first of all to what to-day must be the first and immediate objective of any scheme which seeks to free the world from the evils of either fear or want. Obviously the first objective is to end the fear of war.

The immediate object of the united nations—

I am quoting from the speech from the throne:

—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.

In other words, no solution of the question of social security can be effectively carried out so long as the axis powers continue to wage war against the free countries of the world. Until the axis powers are defeated all other tasks must necessarily be secondary.

But there is not only the task of defeating the axis powers; there is the further task of seeing that aggression is rendered impossible in the future. Surely we have realized as the result of two world wars in the last quarter-century that all reforms may be set pretty much at naught so long as there remains the danger of aggression on the part of great powers. If aggression is to be rendered impossible in the future it is necessary that all countries join together in carrying out some policy which will make for more in the way of cooperation between the different nations and more in the way of equality of opportunity between the peoples of the different nations. It is necessary therefore that, as a background of social effort related to national purposes, there should exist a world policy which will have the effect of maintaining good and friendly relations between the many countries of the world.

When the governments of the different countries have done what lies within their power to bring about a larger measure of cooperation between nations as a whole, there will remain the problem within the individual nations themselves. It will then soon be seen that the problem of any one nation is bound up in a very close way with the position of other nations as well. If low standards of living exist in many parts of the world and high standards in a few parts, international competition, unless regulated effectively, will soon bring the high standards down to the level of the lower standards. That is why in any post-war period an effort must be made on the part of all nations that are seeking to improve their own conditions to realize that the countries of the world are members one of another, and that cooperation and mutual aid between nations will have to replace the system whereby relations between them are governed by force.

Obviously, before undertaking new measures of social security in Canada to be made applicable to all classes, our first thought must be particularly of the men who are fighting Canada's battles and the battles of freedom at the front. That is why the committee on reconstruction and reestablishment was set up at an earlier stage in this parliament than the committee on social security which is being set up at this time, and why it is proper that the committee on reconstruction and reestablishment should demand prior interest on the part of hon. members of the house. That is why in the paragraph following the one I have just read, the speech from the throne contains this statement:

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 reestablishment, appointed at the last session, will be reconstituted.

In the course of the debate on the address some comment was made on the wording of that section. The question was asked, why seek adequate incomes for primary producers and full employment for the period after the war? It is apparent I think that during this war period there is a scale of employment such as has not existed in Canada at any previous time. Also, with respect to the incomes of primary producers, that they are being dealt with in several ways under the war measures of the government. The Minister of Agriculture (Mr. Gardiner) indicated in his speech the other day the different agreements that were being entered into at this time of war which helped to ensure markets abroad for the farmers of the country and demand for their products. But what tomorrow will be seen to have been necessary above all else is that to-day we should seek to prepare the way for ensuring a continuance of markets abroad and also a continuation of full employment once the special war conditions have passed away.

The next paragraph is as follows:

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.

I have noticed that that paragraph has been referred to, not so much in this house but in the press of some parts of our country, as being mere platitude, that to speak of freedom from fear and from want being the assured possession of all is just talking generalities so vague as to be of no value whatever. But that is not what the clause in the speech from the throne which I have quoted really means. It sets forth what I submit is obviously in the general interest. It is the general interest that freedom from fear and from want should be the assured possession of all. That may be an ideal; it is an ideal, but it is one to be aimed at; and no one, I think, can dispute the point that if we wish to have freedom from war in the future, if we wish to have a social order whereby the men and women of our country are going to have equality of opportunity in larger measure, the assurance of employment, and the like, then all parts of the world that are in competition with each other must also more or less be free from fear and from want.

Coming from the international aspect down to the national aspect, coming from a consideration of world conditions down to particular conditions in individual countries, the one set of hazards that is inevitable through life is, those hazards which arise out of economic and social conditions whereby individuals and families in countless numbers throughout the nation may at any time be reduced to a position, if not of destitution, at least of want, and certainly be held continuously in fear alike of both destitution and want. There are certain hazards which do exist under the industrial organization of society as it has come to be in our time, and which exists not through any fault of employers, not through any fault of employees, but simply from the condition in which organized society finds itself at the present time. There may be in a highly industrial organized state such as ours is, a situation where a financial crisis in another country may bring about industrial depression over a long period in our own. We all know how that fact has been verified by experience between the period of the last war and the present time. It cannot be put down to the fault of employers or of employees that thousands of men and women in our country are thrown out of work in periods of depression, when the depression arises not from conditions as they exist in our particular country but from conditions as they exist in other parts of the world. For many years past it has been recognized that a cotton famine for example in the southern United States can throw large numbers of workers out of work in the cotton textile industries in Britain. That is but an example of what in our day takes place in all parts of the world at all times. The competition of foreign labour, some new invention, high tariffs suddenly imposed, all these and many other things may affect the lives of countless men and women and leave them in a position not only of fear but very soon in a position of want and destitution.

Society having created—I put it in that particular way—conditions which permit of that sort of thing, society has to find some way to remedy it. I use the word "society" instead of "the state" because I want it to be seen that what I am saying relates to the social organization of human beings in the different countries of the globe, under an industrial system such as we have to-day. What social insurance seeks to do is to find a means whereby these inevitable hazards will be met

in some part at least through the action of the state and through action prescribed by the state.

These hazards are well known. The most common of course is unemployment. Other hazards are those arising out of old age, blindness, sickness and invalidity, the death of the breadwinner, birth and burial, where the funds to meet the obligations that arise out of these cannot be provided for in advance. Unemployment may come at any time, on a small or large scale, through no fault of their own on the part of those affected.

Any constructive system of social security is based on the theory that all industry is, or ought to be, in the nature of social service; that industry is not merely a means whereby capitalists may increase profits, or workers find the means of gaining a livelihood through wages; but that there exists also the right of the community, which makes possible the carrying on of industry, to expect that the interests and well-being of the community and its members will also be considered in the rewards of industry. In other words, industry exists to serve a social end, as well as to serve the needs of individuals. Under that view men and women are the great asset of the state. The well-being of all the human resources, the men and women, who supply the labour, the thought and skill essential for planning and carrying on industry ought to be the first concern of the state. And where the state makes possible the carrying on of industry, they are entitled to have the state see that they are protected against inevitable hazards.

May I pause to say a word as to the part the state plays in permitting industry to be carried on. Have in mind any of the large manufacturing industries, and ask ourselves the question: could these industries be carried on at all except for what organized society in the state does to make their existence possible? In the first place the state maintains law and order, without which no industry could exist for any length of time. Law and order are maintained at the expense of the taxpayers of the community. The state makes possible trade and the maintenance of foreign markets through its diplomatic and consular services, its subsidies to transportation companies, through the permission it gives transportation companies to construct their ways across the territory of the nation. The state controls inventions and patents. One could go on indicating many things to show that the carrying on of industry is made possible through the fact that the state is organized as we know it to be.

But above and beyond all that, the material resources of a country exist within the confines of the country and it is only by the implied expressed permission of the state that the institution of private property can exist. The justification of private property lies in the fact that it has been thought that because of what private property ensures of initiative, self reliance and the like, the good of the greatest number will thereby best be served. But if as a result of the institution of private property, whether it be the ownership of land or of capital, a social condition may develop which is inimical to the community as a whole, that institution has either to be modified in some particulars, controlled in some directions, or make way for some other system.

Social security does not seek necessarily, or, at all, in some cases, to abolish the institution of private property. It seeks rather to ensure that the benefits of private property will be secured to the community at large, and that through an inequitable distribution of wealth the institution of private property shall not be made a means whereby a very few may become increasingly rich and a great many suffer because of the inequalities that exist. Everywhere there are vast inequalities of circumstances and of opportunities. There is no doubt that society as it is organized to-day does enable those who are economically strong to become stronger, and at the same time does have the effect of causing the economically weak in many of the great struggles of life to become weaker while the wealth of the world has vastly increased, its distribution has become increasingly disproportionate. Community considerations afford opportunities to some, and impose handicaps on others. We see everywhere evidences of the fact that those that have large abundance find it possible to survive all the existing hazards, find it possible to go on increasing their wealth; while those who possess very little of this world's goods are the first to go completely to the wall when a condition arises such as has arisen from time to time through depressions and extensive unemployment.

Mr. MacINNIS: That is because they did not save when they had the opportunity!

Mr. MACKENZIE KING: As my hon. friend is aware, all depends on how much chance there is to save. Great care has to be taken in any scheme of social insurance not to discourage saving, and I think social insurance plans will have that carefully in view. But I wish to re-emphasize that in the order of things as they are to-day emphasis is put in very large part upon position rather than on human personality; is put upon wealth rather

than upon life; and that under any scheme of social security it is life and personality which it is intended should be the first consideration of the state and of those who are exercising authority in the carrying on of its affairs. Industrial policy must be founded upon recognition of human personality and upon recognition of community well-being.

I should like now to say a word as to the procedure set forth in the resolution. It is suggested that a committee should be appointed to consider the whole question of social security and to consider it in different aspects. Some one may repeat, as has already been said I think in the course of the debate on the address, that the government should not have to have a committee to advise, or rather to give it a policy; that the government ought to have a policy of its own. Well, the government has a policy, a very definite policy, which is set forth in the speech from the throne, and which I have already read. The government's policy is to bring into being a comprehensive national scheme of social insurance.

Why has the government deemed a reference of the matter to a select committee the most essential first step in seeking to deal with so large a measure of social security? The reason is that already in Canada we have a large number of social security measures which have grown up in a more or less haphazard manner. They have to be correlated and coordinated in one plan if progress is to be made on a national scale. They have not been introduced one in relation to the other; they have not been introduced in the one assembly. They have been introduced at one time in this parliament, at other times in provincial parliaments, but they have never been coordinated into one scheme. It is obvious that where there are social measures of that character, each having the same objective, unless they are correlated there is bound to be a great deal of overlapping and a great deal of additional cost in administration, and certain to be a great deal of confusion. It would seem, therefore, that the first step in moving further in the direction of social security would be to study carefully the existing measures of our own country and then study carefully the existing measures in other countries and the proposals that have been put forth by those who have given special study to the question of social security.

Had it wished to do so the government might have appointed a royal commission to undertake this task of surveying conditions here and presenting a national scheme. It might have called in experts and been advised by them, but it was felt that this, together with reconstruction and reestablishment, is the largest question the country is likely to have before it for our generation, and that it would be in the public interest, and particularly in the interests of members of parliament themselves, that they should have an opportunity of familiarizing themselves with the various factors bearing on this all-important question. And it was felt that this could be best effected by having a select committee of the house to study the whole matter. I should think it would be advisable for this committee to retain experts. Speaking for the government I may say that it will afford whatever in the way of facilities for effective study and research the committee itself may deem necessary and essential.

The resolution suggests that there should be subcommittees as well as the one main committee; that is because of the extent of the study that will have to be made. It will be noticed that special reference is made to health insurance. It was felt there was need to make perfectly clear some aspects of social security which perhaps were deserving of more immediate consideration than some other aspects. It has seemed to the government that the question of health insurance was in that position. That is so for this reason, that already we have on our statute book a plan of unemployment insurance and a system of old age pensions, both established by the federal parliament; we have a system of government annuities, also established by the federal parliament; we have pensions to veterans, pensions to the blind and other forms of pensions, also established by this federal government. Then in the provinces they have a series of different social measures, some of them related to accidents and others to sickness, hospitalization, widows' and mothers' allowances, maternity benefits and so on, all of which are in the nature of social security measures but which differ greatly as between the several provinces. They are not correlated in one great national scheme, and if Canada is to make progress in this field the first step now is to have the whole field surveyed and in some way as far as may be possible, a national scheme outlined.

In stating to the British people what he had found necessary in the way of study for his report Sir William Beveridge said he had been closely following all social legislation for a period of something like thirty years. Happily the committee will have the benefit of the thirty years' experience of Sir William Beveridge. I mention this simply because Sir William felt it necessary to draw the attention

of the British people to the careful study he had given the question before making his report.

I wish to draw attention to an attitude toward social security measures that has been taken in some quarters since the government's policy was announced in the speech from the throne. When the Atlantic charter was proclaimed it met with universal acceptance in this country. I have yet to find a newspaper in Canada which had not a good word to say for the Atlantic charter. One of the things most prominently proclaimed in connection with the Atlantic charter was the fact that among other things it did aim to bring about an increased measure of social security in the post-war period. I have been looking at the journals of this country, and I find that to-day some are inclined to belittle, at least, the idea of social security, as being something vague and general, something that will involve outlays greater than any country may be able to meet. Sir William Beveridge has said that he regarded social insurance as the first step to be taken toward meeting the main objectives of the Atlantic charter in so far as it had to do with social conditions. It is, I think, from that point of view that we should view questions that relate to social security.

The committee has been asked not only to give the study which I have suggested, but to report to the house on the most practicable measures of social insurance, the steps which will be required to ensure their inclusion in a national plan. Let it not be said that the committee is simply to make a study and do nothing else. If this resolution carries, the committee will have a very definite instruction from this house to do something positive, as set out in these words: to report on the most practicable measures of social insurance and the steps which will be required to ensure their inclusion in a national plan. I need not emphasize the importance of what will be involved in effecting that particular end. There are questions of finance that will have to be very carefully considered. It is not going to help any scheme of social insurance for the government to bring forward a measure that in the end may not prove practicable. So that what may be possible will have to be studied in relation to the obligations that already exist in several directions and what it is felt can be carried on in conjunction with other obligations.

Questions of jurisdiction will arise, questions between the provinces and the dominion as to whether in a national scheme the dominion should attempt to carry out all social security measures, or whether those measures in part should be under the jurisdiction of the dominion and in part under that of the several provinces. So far as administration is concerned there are some measures which, at least for a time, the provinces will I believe wish to retain. There may be others they will be prepared to hand over to the federal government.

Then there will arise immediately the question as to the source from which revenue is to be derived to carry out the different measures. That is something which will require careful consideration. The purpose of the government in this whole matter is, as quickly as may be possible, to reach an immediate improvement in and enlargement of social security measures in our country. But we realize that that cannot be done effectively until the whole position or field receives careful study.

The only other feature I might mention is the size of the committee. It is a large committee, consisting of forty-one members, to be exact. That, again, has been thought advisable for the reasons I have already indicated. So long as those of us who are in this chamber to-day continue to have any part in public affairs we shall find, as a main interest in our lives and in the life of our country, this problem of social security. The more hon. members can familiarize themselves in an intimate way with this question in all its bearings, the better it will be not only for hon. members themselves in rendering the kind of service they would hope to render to the state, but the better it will also be for the state itself. Members of this parliament have an exceptional opportunity to render a great service to their own and future generations.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, in attempting to speak in connection with the setting up and constitution of this important committee, one which will deal with the whole subject of social insurance and social security, I should like to say that with some parts of the Prime Minister's (Mr. Mackenzie King) address I am in agreement.

The House of Commons must realize that the winning of the war is the first, the major consideration of our deliberations. We must not at any time allow any other issues to interfere with our winning of the war, nor must we permit other considerations to come first. But inextricably woven into our whole war effort is the undeniable fact that there are scores of thousands, yes, hundreds of thousands of men and women who to-day, both overseas and in Canada, are fighting our

battle of freedom, and who are anxious to know that while they are fighting and are indicating their willingness to give life and limb we, here, shall be doing something to prepare for that better world for which they fight.

As far as social security and our whole scheme for a better world order are concerned, it seems to me it is not possible entirely to separate our plans for peace from our actual movements in the field of war itself. I believe almost every hon. member who has talked to younger men enlisted in his majesty's forces must have heard a statement which, on many occasions, I have heard. They must have heard it from our war workers, and the challenge it presents cannot be escaped. During the years of depression through which every nation in the world had the misfortune to pass, during those terrible years of privation and suffering with which, for some reason or another our society and our system were not able to cope successfully; during those years when we were not able to operate with full employment for our people, certain thoughts developed in the minds of our people. The result is that to-day our young men—yes, and young women, too—are considering this thought: When it comes to a war of destruction, we find the money to fight it, but when a few years ago we were faced with a war for better conditions for our people somehow or another we were not able to put our people to work. And that, let us remember, was a condition which was not confined to any one country, but was found in every nation. Perhaps at times this thought is exaggerated, and some may think too great emphasis is placed upon it; but it is a view which parliament must not lightly toss aside.

The House of Commons cannot overlook this challenge. It is a challenge to which we must give every consideration because, linked with our whole problem of social security and post-war conditions, is the thought that somehow, by some system, we must find jobs, work and wages for our people. That is the first objective toward which we must move.

There are different views as to how this can best be accomplished. Perhaps none of us in these changing days can be so dogmatic as to say that our solution—and I believe each individual has one; certainly almost every hon. member seems to have one—without the help of others will solve the problem. But the pooling of the best thought, thought which reflects the anxious minds and the most sincere desires of our people, will in my opinion eventually solve our problem and meet the challenge.

May I point out, however, that there is a feeling throughout Canada, one which will show itself in any movements which lie ahead, that when the war is over we shall have a higher sense of human values and shall give lesser emphasis to material things than we have done heretofore. If we fail in this it is my belief that we shall not win the peace for which we have longed in these years of war. The days of reaction have gone and I hope they have gone for keeps. There is no room for reactionary ideas in a world that is moving perhaps more quickly than most of us realize.

In keeping abreast of that moving world, let us not forget that we as members of this parliament must take our stand in the forefront of aggressive and progressive reform. Not only must we keep abreast; we must give leadership to that movement. In connection with this further post-Winnipeg reform which the Prime Minister brought down in the speech from the throne I should like to congratulate him upon being perhaps a converted reader of the programme and the policy laid down by the Progressive Conservative party on that occasion.

Mr. MACDONALD (Brantford City): You got the idea from the Prime Minister and you should thank him for it, not congratulate him.

Mr. GRAYDON: I only wanted to congratulate the Prime Minister; I hope the hon. member for Brantford City will not think I am doing anything other than that. I wish to say that in so far as our programme is concerned, it was a result which came from a great movement emanating from all parts of this dominion and leading toward a reformation of our economic and social structure.

Referring to the remarks made by the Prime Minister in connection with this motion I should like to point out to him that it will not be enough for the people of Canada simply to have the government set out in a speech from the throne the objectives to which they are moving. We all know the objectives to which they are moving, or toward which they should move, but we are entitled to more than that in a speech from the throne; we are entitled to be told the policy of this government. With great deference to the Prime Minister I must say that I do not think he made a very good job this afternoon of explaining the difference between the objectives of his party and the policy which the government of that party adopts. I hope in all earnestness that the report of this committee will not be brought down so close to the end of the session that there will not be time to bring in legislation

which may be founded upon the recommendations of the committee. Canada will not be satisfied with just a report of a committee with respect to the whole matter of social security. Canada will be satisfied only with, first, the bringing down of a report by the committee and then the introduction of legislation dealing with the recommendations contained in the report.

As far as health insurance is concerned, it seems to me that we should have had the health insurance bill in this house before any such legislation is considered by the social security committee. That is not going to be done, and I do not intend to deal further with that at the moment. Our unemployment insurance law forms one of the great parts of our social security scheme, but there are many things still to be desired with respect to that law. I point this out in order that this committee may consider how we can improve the whole system of unemployment insurance.

One question is being asked by the working people of this country, and it should be answered. I am sure this question is being asked of other hon. members who must have the support of labour to retain their seats. The labouring man likes the principle of the act, and we all have endorsed that principle. Here is what he is saying: If I am fired I do not get the benefits; if I quit I do not get the benefits; if I am sick I do not get the benefits—when do I get the benefits?—Of course the answer is obvious, but on the other hand I think the committee should consider this particular aspect of unemployment insurance.

There was a point I raised in the unemployment insurance committee which I raise again. I do not think any act can be perfect, but it is our job to make these acts as perfect as human brains can make them. Our working men should be assured that when they are out of employment, when they are ill or incapacitated, some benefits will be made available to them. This is what the working man is asking for to-day, and I think it is one of the subjects that should be dealt with by the committee.

When the report of the unemployment insurance committee was brought down it was pointed out that this legislation was only a step toward an objective, and the house was cautioned at the time not to expect too much from the Unemployment Insurance Act. Up to the present we have not needed the benefits available under this act to the extent that perhaps the act contemplated, but at the best it can constitute only a token piece of security for the working man and his family. We must do better than that for him.

When a working man becomes sick and loses his job there is no machinery under the Unemployment Insurance Act to provide him with benefits because he cannot meet the test of availability for employment. Where is his security? That man may be anywhere between the ages of forty and seventy years, and he must depend largely upon the charity of his friends or those who will come to his rescue. This is another matter that should be considered by the committee.

I was interested in what the Prime Minister said about not having forgotten the old virtues of thrift and saving. We must not forget those. The character of the people of this country is such that they are imbued with the idea of saving for a rainy day. However, there are many people who through no fault of their own are not able to provide the necessary umbrella for the rainy day of sickness and old age and incapacity. I refer more particularly to the necessity for improvement in our old age pension scheme. In Canada we adopted the principle of old age pensions, and I find that throughout the dominion there is very little criticism of that principle. It is a principle which the people of Canada believe in, that of securing to our older people a better deal for their old age, and once having adopted that principle we must carry it out in practice in such a way as to meet the conditions under which our older people find themselves from time to time. I am hopeful that the committee in dealing with old age pensions will first of all consider a reduction in the present age limit. There are many reasons for that, but I emphasize it largely on account of our experience since the act first came into operation. People for one reason or another seem to be burning out at an earlier age. Perhaps it is the speed at which our modern life is conducted. It seems to me that the age of seventy is now outworn as the standard age for granting the old age pension, and I should like to see the committee give serious consideration to reducing the present age limit.

Furthermore, I should like to see the committee do something else which is almost just as important as reducing the age limit. I should like them to give consideration to the many increases that have taken place in the cost of living and to readjust the amount of the old age pension so that our older people will feel that their security has been protected as not only in principle but also in actual practice as far as parliament is concerned.

I do not want to labour the point, but I believe that our older people in Canada also deserve a word of encouragement from this parliament. These men and women through the years have borne the burden and heat of the day and the toil of the years. We owe them a great deal more than sometimes we are prone to admit. I should like to see these men and women in the evening of their life not subjected to the petty investigations that are sometimes made by all kinds of organizations, governmental if you like, and carried to the point where many of our older people are almost afraid to apply for an old age pension because of the many inquiries that are made into their circumstances from time to time. I should like the committee to give serious consideration to this whole question of the means test for old age pensioners and to the question of what I fear are sometimes unnecessary petty investigations into their circumstances generally.

Another matter correlated to old age pensions is pensions for the blind. I remember well when Mr. Dunning, then Minister of Finance, brought in his bill for pensions for the blind in one of the years following 1936. The House of Commons on that occasion lived up to its highest traditions in endorsing unanimously this measure for relieving the sufferings of those who had become incapacitated through blindness. It appealed not only to the minds but to the hearts of hon. members. But there again an age limit was fixed for pensions for the blind. I hope that the committee will give serious consideration to reducing that age limit. There may have to be some age limit, but it seems to me that a man who, at thirty years of age, is incapacitated by blindness from earning a living is in the same position, as far as incapacity goes, as a man who is incapacitated by blindness at forty.

But blindness is only one form of incapacity. I should like to see the committee make a special effort to bring into our great social security scheme another group of men and women in Canada who are too often forgotten by governments and by our people generally. I refer to those men and women who for other reasons than blindness, it may be paralysis or other causes into which I could go in greater detail had I the time, are wholly incapacitated from earning a living and unable to take their place in the social and economic world of to-day. Let us not as a nation overlook those men and women. Their plight has been brought before the house on a previous occasion, and I am bringing it before the house again to-day in the hope that the committee which will deal with the whole broad matter of social security will not forget the plight of those men and women because, if we are subscribing to the new order as we should be doing, we must never forget that the new order comprises a great many classes and that this is one of them.

May I say a word on health insurance. The Minister of Pensions and National Health (Mr. Mackenzie) is prone, as are other members of the government, to refer from time to time to a draft bill as a memorandum. In dealing with the question of health insurance the minister called the draft bill on health insurance a memorandum. The minister is not in his seat at the moment; otherwise I might pursue the matter further. Suffice it to say that the rumour has been rife throughout Canada that for a considerable time there has been in the minister's department a draft bill or several draft bills on health insurance. After the many consultations there have been with men who have made a study of this subject, I believe this country expected that the Minister of Pensions and National Health would have brought down legislation on the subject at the beginning of this session. Instead, however, we find that a different policy has been adopted, whereby this and the other matters in the social security programme have been lumped together to be dealt with by the social security committee. I fail to see why the government did not bring down health insurance legislation at once. When it had been dealt with by the house and had gone through its various stages here it could if necessary, have been remitted to the social security committee, but I think this house ought to have had legislation on health insurance brought down before it had to run the gamut of the social security committee. The reasons for this, in my opinion, are fairly obvious. As far as I know, all the other matters which will be dealt with by the social security committee are the subjects of acts which are already on the statute books of the provinces or the dominion. But with regard to health insurance, although it will constitute probably the most important and far-reaching of all the enactments to be dealt with by the committee, a bill has not been brought down to the house. That angle should not be overlooked, and I draw it to the attention of the government.

The problem of health insurance is an appalling one for the citizens of Canada. It is also one which will not be entirely devoid of danger; and I think that, since the committee is to deal with it before legislation is brought in, any standardized or dominion-wide scheme should give special attention and the most exacting care to the problems of

localities—municipalities and the lesser units of our dominion legislative jurisdiction—so that when the health insurance measure comes in, it will be found to be workable having regard to the various localities in which it will have to operate. In this country we have wide divergencies, occupational, geographical, and other, among our people. For that reason care must be exercised in the general scheme so that our health insurance act shall have sufficient elasticity to be workable. Anything less will not meet the situation.

Throughout Canada there is an insistent demand for action on this matter. For many years we have had this spectre in our midst. Men who do not make a lot of money, people in the low income brackets, have a fear not only of unemployment but of the ravages, dangers and cost of sickness and ill health. Who among us has not had that fear from time to time? One may be able—some are—to prepare for the day when he is out of work; he may provide for many other eventualities and contingencies. But the great fear which haunts many people and has haunted them for a long time, particularly those who are not able to put away much for a rainy day, is the apprehension that they or their families will be subject to a long and serious illness and that they will not be able to meet the doctors', nurses', hospital and other medical bills which accumulate by virtue thereof. How many people within our own knowledge have been financially ruined almost for life through that very condition? Therefore, it seems to me, this health measure is probably long overdue, and this government and this parliament, if they can do something to alleviate the existing conditions and assure our people in the lower income brackets of some freedom from fears of sickness and of long periods of unemployment as a result of such conditions, will do something for the country in general which will be thoroughly worth while.

I hope that when a general health scheme is embodied in the form of legislation we shall not forget that some emphasis, perhaps the major emphasis, should be placed upon preventive medicine. An ounce of prevention is worth a pound of cure. Those simple words, which have been used many times during the last scores of years, contain as important a truth and carry as much weight as they ever did. The health of our people is one of the most valuable of our national assets, and in preserving it we not only avoid sickness but escape the additional cost which inevitably follows if earlier preventive steps have not been taken. As far as is humanly possible we should have social conditions in which every child and adult will be able to develop a sound mind and a sound body. I know this is not fully possible, but it ought to be one of our objectives, one to which the committee should give its constant, energetic and earnest attention. Health must be no longer regarded as a wholly private responsibility. Being, as it is, essential to our national development, there must be public responsibility as well. In this regard I say to the minister in charge of the committee that we shall expect legislation which will meet with the approval of the people and will prove workable from the point of view which we are endeavouring to attain.

In connection with the social security committee I would say this to the Prime Minister. He mentioned bringing experts in to guide and advise the committee in its work. Probably that will be necessary. Perhaps, when he speaks of having in mind a comparison of schemes of social security in other parts of the world, he is thinking of bringing to Canada authorities from elsewhere who can give advice on that point. But in the newspapers last week there appeared this rather interesting item, dated from London on February 25. It said:

> Sir William Beveridge, whose recent "cradle-to-the-grave" social security plan created a wide rift of opinion in parliament, will visit the United States and perhaps Canada on a non-government mission, he disclosed to-day. He revealed he intends to make a private survey of the causes and remedies for unemployment.

I suggest that the government should, if it has not already done so, avail itself of the services and the advice of Sir William Beveridge. If he is in this part of the continent and can find it convenient to attend a meeting of the committee, I suggest that he be invited to give his advice with respect to the problem which he has been studying in the old land. I realize that the Beveridge report can be only a guide in a certain way with regard to our problems here. On the other hand it may well be, as I think the Prime Minister or someone else pointed out in the debate on the address, that conditions in the old land and conditions here are not entirely comparable. Whether or not that is the situation, the general principles for which both countries are working and the objectives at which they are aiming make it important that if possible this committee should have the benefit of the advice of one who has made a study not merely of the British system, and has been responsible for this much talked of report, and that he should be available as far as our

committee is concerned. Therefore, in closing, I wish to indicate to the Prime Minister, in case he has not given as close study to it as the speech from the throne would rather indicate he had, the stand of the Progressive Conservative party with respect to one or two items in connection with our whole social security programme which I think are of importance at this time. This is what is said in that platform:

A social security programme, the adoption of which we advocate, would include in a unified system:

(a) Unemployment insurance;

(b) Adequate payments for the maintenance of unemployables;

(c) Retirement insurance.

To which I should like to see the committee give serious consideration.

(d) The payment of increased old age pensions, at a reduced age, until such time as the retirement insurance scheme becomes fully operative;

(e) Adequate pensions for the blind;

(f) Adequate mothers' and widows' allowance.

This in general sums up the feeling of those many men and women who attended that great convention:

We recognize the obligation of government to make available to every citizen adequate medical, dental, nursing, hospital and pre-natal care, and to further advance public health and nutritional principles so that health may be safeguarded and preserved. This programme is to be financed under a contributory system supplemented by government assistance.

May I close with these words: The adoption of a widespread and comprehensive system of social security in Canada will to my way of thinking be a definite step toward the objective of a new world order and a new order for the Canadian people jointly. It has been well pointed out that at this stage of international affairs we cannot, with respect to our own domestic problems, rely entirely upon what other nations do. One of the best jobs we can do in putting the whole world in order is to see to it that our own house is put in order, as well as the others. I do not think our job is first of all to put everyone's house in order, nor do I think it is our job to have everyone come here and put our house in order. The best job we can do, at least in a preliminary way, is to see to it that our house in Canada is put in such shape that we can fit into a broad international picture which will ensure peace, good-will and the brotherhood of man in the years that lie ahead.

Mr. S. H. KNOWLES (Winnipeg North Centre): I rise to speak on this motion because of its great importance, and because I feel that the people whom I have the honour to represent would want me to take part in this debate. I say that despite the admonition given to us a short time ago by the Prime Minister (Mr. Mackenzie King) to curtail if possible this discussion. As a new member in this house I confess I have been disturbed by the frequency with which it is suggested to private members that discussion should be boiled down to a minimum. That is not my conception of my duty as a member of this house, particularly when an important matter such as this is before us; and in view of the fact that some of us are not on the committee I feel it is our duty to make our contribution to the work of this committee when it is being set up.

The motion that is before us arises out of a deep conviction on the part of a great majority of our Canadian people, and indeed of the people of all the united nations, that the time has come to rid this world not only of fascism but also of want and of fear. That our people want us to do this is beyond all argument. Our job is to get down to brass tacks and do something about it.

Another point about which there should be no argument is that social insurance is one means of defence against want and fear. In a moment or two I want to emphasize the fact that because social insurance is a second line of defence we must pay some attention to the front line as well. But first of all I want to make perfectly clear the attitude of this group towards the Prime Minister's motion. It calls for the setting up of a select committee "to examine and report on a national plan of social insurance". To propose anything less at this stage of our history would be unthinkable. We shall support the motion. But we urge the government to go further and to bring down during this session legislation that will provide for the immediate establishment in Canada of social security at least to the extent that is now being enjoyed in our sister dominion of New Zealand, as it was so well outlined in Ottawa last May by Hon. Walter Nash.

I shall not dwell on the political consequences of failure on the part of the present government to bring down such legislation without delay; that can be left to the electorate. But I should like to emphasize the fact—I know it has been said time and again in this house, but it can be underlined—that our people are putting everything they have into the present conflict. Its cost in human life, in sacrifice, in all kinds of changes in our standards and ways of life, is immeasurable. If after this conflict is over, after all these sacrifices, we find ourselves with no adequate defences against want and fear, this

government if it has failed to provide those defences will have betrayed the people of Canada in a most critical period of their history, and in particular they will have betrayed those in our armed forces. To say at that time that back in 1943 a select committee was set up will not suffice. The government must face its responsibility to introduce legislation now. Pious language about a "charter of social security for the whole of Canada" will not do. It is not good enough for hon. members opposite to say, as many said in the course of the debate on setting up the committee on reconstruction and reestablishment, that they agree with many of our ideas for post-war security. The Liberal party is in power now. It is its responsibility, not to tell us what it will do five or ten years hence, but to bring down legislation now that will protect the people of this country against want and fear in the post-war world.

Now, Mr. Speaker, without lessening in any way my insistence that the government should bring down legislation during this session along the lines I have suggested, I want to urge upon the house a realization of the fact that social insurance at best is only a second line of defence against economic hazards, and that in the long run it will fail unless it is established in its proper place in our economy. I refer again to the statements along this line made by Sir William Beveridge in his report. At page 6 he says:

> Organization of social insurance should be treated as one part only of a comprehensive policy of social progress.

Earlier on the same page he makes this significant statement:

> A revolutionary moment in the world's history is a time for revolutions, not for patching.

On page 163 Sir William Beveridge makes some statements which have been made in this house already but which I feel warrant repetition. He is discussing, as a necessary condition to the workability of his own plans, the necessity of maintaining employment. He gives five reasons for his contention, of which I am going to quote the last two:

> Fourth, and most important, income security which is all that can be given by social insurance is so inadequate a provision for human happiness that to put it forward by itself as a sole or principal measure of reconstruction hardly seems worth doing. It should be accompanied by an announced determination to use the powers of the state to whatever extent may prove necessary to ensure for all, not indeed absolute continuity of work, but a reasonable chance of productive employment.
>
> Fifth, though it should be within the power of the community to bear the cost of the whole plan for social security, the cost is heavy and, if to the necessary cost waste is added, it may become insupportable. Unemployment, both through increasing expenditure on benefit and through reducing the income to bear those costs, is the worst form of waste.

So, Mr. Speaker, I wish to emphasize that the first and all-important line of defence against the hazards with which we are concerned is the ordering of our economy so that it will provide employment for all, together with the production of the goods and services necessary to provide a high standard of living, and the distribution of those goods among our people according to need. As I understand it, the purpose of social insurance, and of certain forms of social security which are on other than an insurance basis, is to provide protection when and where the economic system fails. But if the economic system is so full of contradictions that it is certain to break down time and again, resulting in mass unemployment with all of its hazards, it is impossible to devise a scheme of social insurance that will protect our people.

With reference to health insurance I should like to point out that if our economic system condemns millions of our people to malnutrition, to living in slums and substandard houses, in city and country alike, it is economically impossible to work out a health insurance scheme that will take care of the ill health of our people under those conditions. So that if we in this house mean what we say when we set out to devise a "charter of social security for the whole of Canada," I insist that we must give our attention to the setting up of an economic order in which social security can be maintained and in which so-called social insurance schemes will work. Social security will be a fact only when the total economy is one of security. Social insurance will work over a long period of time only when the need for its benefits is incidental and not wholesale. This means, as I see it, that our primary task is to establish an economic order which will make possible the production of an abundance of goods and services, which will distribute the nation's necessary work among our people according to ability and capacity, and which in turn will distribute the abundance that we produce amongst our people according to need. It is true that even in that kind of economy there will be certain cases of need, and properly speaking that is where social insurance should come in; those are the conditions under which social insurance can be expected to work. In other words, when social insurance functions as it should, as a second line of defence against want and fear, it can be set up in such a way

as to meet the demands that are made upon it. But when social insurance is the community's only line of defence against economic hazards, it collapses all too soon and with dire results.

So I say that we in this group will give our support to the Prime Minister's motion; but our interest in social security, which prompts us to support his motion, compels us to emphasize our advocacy of the all-important task of building a new economic order under which the people of Canada will be permitted to produce an abundance of goods and services and forthwith to share in that abundance. The idea that the people of Canada, through parliament or their government, should intervene in the economic life of the country; that the people should step in, as it were, and insist that the economy function in accordance with the interests and needs of the people, surely is not new. Certainly it ought not to sound strange in this house the day after hearing the budget speech, which was presented last evening. Despite the unwillingness of both the old parties to recognize it as a peace-time principle, this is what has happened under the stress and strain of the present war. It has been recognized that the people of Canada want the maximum production of war materials of all kinds. In order to achieve this end the government has rudely invaded the economy of this country, and what has been the result? Speaking earlier this session on matters of this kind the Minister of Finance (Mr. Ilsley) told the house he was amazed at the immensity of Canada's production, and I believe he said he had not thought it possible that we could reach the volume of production that has been attained. To make this possible the people of Canada through their government had to step into the economic system, and assert their demands. The people, through their government, are spending jointly eight, nine or ten times as much as we were spending in the years just before the war. The Minister of Finance (Mr. Ilsley) has reminded us, rightly, that these figures are simply in the nature of an index. They do not mean that we are spending untold sums of money that we do not possess, as though it would have to be paid back later. It is simply that we have mobilized our productive capacity to an extent undreamed of before the war. In passing I may say that we of this group regret that our productive capacity has not been similarly mobilized with respect to peace-time needs. We protest also the inequality in the distribution of the burdens, and we regard it as tragic that the control of our stepped-up economy has been put into the hands of those whose first concern, when the war is over, is to scuttle it all, in favour of an economy based on the idea of producing only when profit is to be made, rather than to supply the needs of our people.

My point is that when this war is over, after the way in which our production has been stepped up, after the way in which people have been given employment and real work to do, given the sense of participating in this great struggle, any government which has at heart the interests of the people, any government in fact that has any political wisdom, will have to move in the direction of the programme which we advocate. It will have to step into our economic system and assume ownership and control of our banks and our major industries, and insist on the continuing of our present volume of production.

I believe our present volume of production amounts to something in the neighbourhood of nine billions of dollars. Just now the bulk of that is being directed to the needs of war; for that is the major interest of our people. When peace comes the bulk of our national production should similarly be directed to meet the needs of our people. Private enterprise based on production for profit cannot and will not do this. It calls for cooperative effort by the people, through a people's government, who will see to it that our productive capacity is used to meet such needs as building houses. And when I say building houses I mean the rehousing of at least twenty-five or thirty per cent of the people of this country. It calls also for the building of hospitals and rest homes, and the provision of medical care on a really adequate scale. There is also the matter of rural electrification. Then, as has already been pointed out by the previous speaker, there is the absolute necessity, if we are a civilized country, of doing something a great deal better than we have thus far done for our old people, our blind, and our people who are incapacitated in one way or another.

Of course there are some who will say—in fact I overheard certain comments by someone in the group to my right while the leader of the opposition (Mr. Graydon) was speaking along this line, that all of this would cost money, and that we would not have any money left once the war is ended.

Mr. MacNICOL: Who made that statement?

Mr. KNOWLES: The suggestion was made by someone sitting close to me, that the leader of his group was asking for all kinds of things for everybody, as though no one would have to work, and as though no one would have to pay for them.

Mr. MacNICOL: The hon. member should say who made the statement. He has charged this whole group, and the doctrine he is announcing is not that of the Progressive Conservative party.

Mr. KNOWLES: I am sorry I cannot say who made the statement.

Mr. MacNICOL: The hon. member should not repeat it, then.

Some hon. MEMBERS: Withdraw.

Mr. KNOWLES: If that transcends the rules of the house, I will withdraw the statement. Nevertheless the statement is made in many quarters that any programme such as we are suggesting costs money, and because it will cost money it cannot be considered, particularly in view of the large amount we are spending just now. It is said that our war programme will leave us brankrupt at the end of the war. I am sure the Minister of Finance will agree with me when I say that such a statement is sheer nonsense, and that after all the spending of money even on the scale we are proposing to spend it during the forthcoming fiscal year is only an index.

The reality of the present situation is that we have increased our production tremendously, and that we are waging war out of our current production. Similarly we can build a million new homes after the war ends, and we can feed and clothe our people, out of our then current production, if only we will produce according to our capacity, and not within absurd financial and profit-making limitations. If we try to go back to the old order of unrestricted exploitation, the best we can look for from any form of social insurance set up within such an order is the "rationed poverty" which has been mentioned of late by certain political leaders in the country. But I insist we of the Cooperative Commonwealth Federation are right in maintaining that neither "rationed poverty" nor "pockets of unemployment" are good enough for the people of Canada in the post-war world. If we can produce materials to the value of nine billions of dollars a year, while the war is on, we can do likewise in peace time, and thus provide a good life for our people.

I wish to say further in connection with this matter of cost that sometimes we who hold the views I am presenting are accused of wanting the people of Canada, and particularly the farmers and the workers for whom we speak, to be given something for nothing. This charge is levelled at us particularly when we ask for certain social services and benefits such as a larger old-age pension at an earlier age, adequate provision for war veterans, and for widows of war veterans; for a national plan for the care of our health, including preventive measures, and for a national housing programme. Let me make it clear that in our view none of these things can be had for nothing. We are not asking that they be provided out of thin air. These things call for expenditures. They cost. But, Mr. Speaker, what is it that they cost? They cost the human effort of our people, applied to raw materials. Our workers, farmers and fishermen, including our scientists, technicians and white-collar workers of all kinds, in their daily toil, are paying the real cost of our present national production, so far as human beings are concerned.

I say again that our nine-billion-dollar level of national production has been achieved because the necessary expenditure of human effort is being made by the citizens of our country. What we ask is that this volume of production, the cost of which is being met by the labour and toil of our people, be distributed among our people according to equity and need. At the present time a large portion of our national production, which represents an expenditure of effort on the part of our people, is being applied as our people want it applied, namely, in their interest, in the defence of our country, and of freedom itself. All right; we ask that when peace comes the same principle be carried out, and that a similarly large portion of our national production, the cost of which our people as a whole will gladly pay through their daily toil on the farm, in the factory, in the office, in the schoolroom and laboratory, be channelled into the things that will provide security and a good life for all our people.

Someone asks where a million new houses will come from. They will come out of our then current production in the same way that our vast war supplies are coming out of to-day's current production. When we ask for old age pensions of at least $30 a month—and I see no reason why the figure should not be $40 or $50 a month—starting at the age of sixty-five, or even younger, someone will want to know where the money will come from. It will come out of our then current production in the same way that we are maintaining our armed forces, 700,000 strong, out of to-day's current production.

We ask that the men and women in our armed forces be kept on regular pay and allowances until they are adequately reestablished after the war, and that medical care be

made available to them for life, thus avoiding the difficulties in this connection encountered by the veterans of the last war. The question then arises in some quarters, where will the money come from? It will come out of our then current production, just as we are providing pay and allowances and medical care out of to-day's current production.

All of this will depend upon our maintaining our present volume of production, which I understand is nine billions of dollars to-day. Ten years ago I believe it was less than three billions of dollars. If we have any intention of going back to unrestricted exploitation which produces only for the sake of profit; if we have any intention of going back to an annual production of five, four, or three billions of dollars, then there will not be the slightest chance of any social insurance scheme that we may devise being of any value.

Social security calls first and foremost for the maintenance of a high level of production and for the distribution of that production, or shall I say the channelling of it into the things that will provide a good life for all our people. This good life, as I see it, should include other things, but at least it must include homes to live in, adequate food and clothing, care of health and a fair measure of life's luxuries for everyone, with dignified security in old age. Nothing less than such a programme is good enough for the Canadian people when the war is over.

I was interested in some of the comments made to-day by the Minister of Finance (Mr. Ilsley), and I endeavoured to jot down one sentence in particular with which I thoroughly agreed. I believe *Hansard* will bear out the sense of what I have jotted down. He said that no country goes bankrupt by increasing its production and devoting a large portion of that production to a supreme cause. We are doing that to-day, to the supreme cause of the present struggle. We ask that the same thing be done to-morrow, to the supreme cause of establishing and making possible a good life for the Canadian people.

There was a day when the vested interests through their newspapers and in other ways could treat the farmers and workers of this country a though they were a class apart, as though they should be grateful for the crumbs given to them from Canada's economic table. That situation does not hold any longer. Our young men for whom a few years ago there was no place in our life are to-day in positions of defence vital to our national existence and freedom. I sometimes think when I see these young men going away with "Canada" on their shoulders that in a very real sense they are Canada. They are full participants in the great struggle in which we are engaged. When these young men come back it is not going to be possible to shove them out into the cold to wait until something comes along. They are participants in this great struggle, and they deserve to be full participants in our economic life after the war is over. That means that they deserve to have jobs and to receive income sufficient to make it possible for them to share in the wealth which we hope they will be producing.

I sometimes wonder if hon. members have realized the change that has taken place in the thinking of our people. During the course of this war we have had to learn to pool our resources and work together, to think in terms of the larger community of which we are a part. That has been true both on the home front and on the battlefront. The result is that our people expect that after the war they will all be able to participate in whatever life it is possible to establish in this country. As I see it, that is what the people look for now when they envision social security.

There might have been a day twenty or thirty years ago when unemployment insurance, the providing of a few incidental benefits and a few dollars a week, would have been acceptable as social security. But that day is gone. As the previous speaker, the leader of the opposition, pointed out, our people to-day agree with the principle of unemployment insurance, but when you tell them that this legislation will provide only a few dollars a week under certain conditions, that to them is not social security. It may have been a form of social security twenty or thirty years ago, but to-day social security involves the establishment of a national economy of a high order, full production, and the provision that everyone who is willing and capable of working shall share in that production. Those who through no fault of their own are not able to share in the work are entitled, as human beings in a civilized society, to share in the goods and services that are produced. Social security is much more than the incidental schemes the government has suggested. I feel it is even more than the comprehensive scheme of social insurance to which the immediately preceding speaker referred. It calls for comprehensive changes in the whole nature of our economy, and that is what we in this group are advocating.

The people of this country are apprehensive about the future. The forces of reaction are already getting arrayed for a show-down after the war is over. The people realize that private enterprise, in spite of all the excess profits taxes that are being paid, is to-day

being given control of Canadian industry, with its greatly increased plant and equipment, to a far greater extent than before the war. Newspapers, such as the famous one in the city from which I come, the Winnipeg *Free Press,* are doing their best to confuse the issue by idealizing the old order and using abusive language to describe the kind of economy which we in the Cooperative Commonwealth Federation advocate, a Canadian economy which the people will own and control so that there will be for all an income to enable every worker and every farmer to own his own home and to have for his very own the necessities of a good life.

The people are no longer disturbed or deceived by the old argument that socialism interferes with personal living and initiative and freedom. Socialism in fact is the only possible basis for full employment, for adequate incomes, for homes for everyone, for care of our health and real security in our old age. These things spell real freedom. These things make life worth living. These things inspire people to creative effort. These things draw out initiative. You cannot turn people away from their desire for these things by trying to tell them in this day and age that that is socialism. Furthermore, Mr. Speaker, these things are what democracy ought to be seeking to achieve. As I sit in this house and hear hon. members suggest that government should not interfere with the economic life of our country, I wonder what they were sent here for. I feel that I was sent here by the constituents I represent to work on their behalf, and definitely to seek in the name of the people to control and direct the economy of this country in such a way as to make possible good homes and a good life for the people of Winnipeg North Centre and of this entire country. I think it is our duty as members of this house to give our concern and deep thought to this whole question of controlling the economy of this country in the interests of the people that they may enjoy a good life.

I have urged upon the house the desirability of this committee giving its attention to our whole economy if it is going to establish a measure of social security that will be worth while. If I have hoped for too much, I hope that the committee will at least recommend the bringing down of legislation this session to increase old age pensions, to take care of our veterans and war widows, and put into effect a national programme for the health of our people. These things would give to our people a measure of confidence that when this war is over we are really going to have a better day.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, the predecessor of the last speaker (Mr. Knowles) representing Winnipeg North Centre occupied this seat when I first entered the house. I think we both entered on the same day. In those days we both had a resolution for social insurance, unemployment insurance and health insurance. Those resolutions went to a committee, just as it is proposed to send this question of social insurance, and what was the result? It was found, in the first place, that owing to the constitution of Canada, dominion, provincial and municipal jurisdictions, such a scheme could not then be carried out; second, that the government of Canada, or any government, had no funds except what it raised from the taxpayers, and that to put such a scheme into effect the dominion would have to come to the taxpayers to get the necessary funds, and the provinces would have to do the same thing and the municipalities the same.

We have come through two wars, and the taxpayer to-day has already pretty heavy burdens. The Beveridge report has been often referred to in this house; I have read it half a dozen times. Sir William Beveridge was a professor, a teacher at Oxford university. I do not see how it came about that the government of Great Britain took the action they did; for it is well known that a teacher or a professor is a theorist, not a practical man.

I have been a pioneer in this work for many years, Mr. Speaker, and I believe that the government of the day here is taking the wrong stand. We should have, as they had in England, a two or three days' debate in the house on this subject to survey and chart a course of action. Recently I asked the Prime Minister (Mr. Mackenzie King) to have a one day debate so that we might chart a course of what should be done about social security. In the first place there can be no security without, first of all, the returned soldiers having some security when they return. The first duty of parliament in any national scheme of insurance is to insure our soldiers, to take care of them and their dependents for three years after the war. I have long advocated that, since the war began, by a resolution on the order paper, but nothing has been done about it. Nor can there be any security without an adequate housing scheme. In England the debate centred on housing. But nothing has been done to house our soldiers when they come home, or to house their dependents now. The armed forces can occupy mansion houses

in the city from which I come, the old Flavelle property and one on Crescent road, for instance, while the soldiers' dependents have to live in cellars and all that kind of thing. Some cannot find a house. If this question of social security is referred to a committee of this house I believe that that will be the end of the whole question for this session.

As I shall require about ten or fifteen minutes more to finish, Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

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

Thursday, March 4, 1943

The house met at three o'clock.

UNITED NATIONS LEADERS

MESSAGES TO MR. CHURCHILL ON RECOVERY FROM ILLNESS AND MR. ROOSEVELT ON TENTH ANNIVERSARY OF FIRST INAUGURATION AS PRESIDENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, a few days ago, on the celebration of the twenty-fifth anniversary of the establishment of the Red Army in the Union of Soviet Socialist Republics I was happy to pay a tribute to the unparalleled successes of Russian arms in the unrelenting campaign of driving the German invaders from Russian soil. News of more recent days has shown the weight and the telling effect of the sustained offensive which has been undertaken by the united nations in combat areas alike in Europe and in the far east.

One has but to mention the recent air assaults against Germany, in which Canadian bomber squadrons had a large share, and the more recent annihilation of a large Japanese convoy by the air forces operating under United States command, to realize the might of this growing offensive.

As to the air offensive against Germany, it is now estimated that during the month of February alone more than ten thousand tons of bombs were dropped on bombing objectives in German-occupied Europe; two and a half times the average for any month in 1942.

As to the successes in the Pacific, it is evident from the details so far reported that the sinking of twenty-two Japanese ships by air attack represents a most signal success, the most remarkable of the air arm in that theatre of war to date. The fact that both achievements, although many thousands of miles apart, were virtually simultaneous, is most significant. It foreshadows ultimate victory over the axis partners.

Throughout these momentous days, two in particular among the leaders of the united nations have been much in our thoughts. Both Mr. Churchill and Mr. Roosevelt have been indisposed, without doubt as a result of fatigue reactions consequent upon the strain of their recent momentous journeys. Hon. members will have observed with pleasure that Mr. Churchill was able yesterday to resume his place as chairman of the war cabinet of the United Kingdom, and that Mr. Roosevelt has also been restored to health. They will recall with equal satisfaction that to-day marks the tenth anniversary of Mr. Roosevelt's inauguration as President of the United States.

I have felt that it would be in keeping with the wishes of all hon. members were I to associate with a recognition of the latest achievements of the air forces of the united nations, alike over land and sea, messages of greeting to the British Prime Minister and to the President. With the permission of the house I shall read copies of the telegrams which I dispatched earlier to-day:

Ottawa, March 4, 1943.

Right Hon. Winston Churchill,
Prime Minister of the United Kingdom:

I should like you to know with what pleasure members of the parliament of Canada have learned that yesterday you were able again to preside at the meeting of the war cabinet. Nothing I am sure could be more encouraging at the moment of your recovery from your recent indisposition than the reports of the effects of the heavy and sustained bombing of Germany within the last few days. The latest assaults by the R.A.F., the R.C.A.F., and other allied forces in the air offensive against occupied Europe have come at a moment when the successes of the Red Army on land, and of the air forces under United States command in the Pacific have demonstrated the might of the general offensive now undertaken by the united nations. Viewed together they are prophetic of the ultimate defeat of the enemies of freedom.

It is the fervent hope of all Canadians that you may continue to gain the strength and encouragement so greatly needed in the tremendous tasks which lie ahead. Kindest personal remembrances.

W. L. Mackenzie King

Ottawa, March 4, 1943.

Franklin D. Roosevelt,
President of the United States of America:

On this tenth anniversary of your initial inauguration as President of the United States I should like to send to you on behalf of the

members of the parliament of Canada and all your good neighbours in Canada, warmest greetings and every good wish.

I am sure that on this anniversary nothing could be more welcome to you, and to the people of the United States, than the news of the magnificent successes of the air and naval forces under United States command in the continuing offensive against Japan in the Pacific area. Combined with the onward march of the Red Army in Europe and the sustained assault by the allied forces against Germany, these signal achievements are indeed prophetic of the ultimate defeat of the axis powers. In this growing offensive of all the united nations, let me assure you of our heartfelt wishes for your health and strength as the labours and sacrifices of free peoples throughout the world bring us all nearer the day of final victory. Kindest personal regards.

W. L. Mackenzie King

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, this is a singularly happy occasion. Our party in this house welcomes the opportunity of associating ourselves with the well chosen words of the Prime Minister (Mr. Mackenzie King) in his messages to the Prime Minister of Great Britain and the President of the United States. The Prime Minister's reference to the successes of the arms of the united nations on land, on sea and in the air I think is most appropriate at this time.

The Prime Minister of Great Britain, the Right Honourable Winston Spencer Churchill, took office in the United Kingdom at what may be regarded as one of the darkest hours in the whole history of the British empire, and by his words, his example and his tremendous courage inspired the people of Britain to heights which perhaps they had never before attained, at the same time extending his influence to every part of the democratic world. He came to power at a critical time; and at least it can be said to the credit of democracy that when critical situations arise men with the ability and capacity to meet them are brought to the fore. To Mr. Churchill democracy owes a debt it will never be able to repay. His restoration to health is a great relief to the people of Canada and to all those fighting in the cause of freedom and righteousness the world over.

The President of the United States, Franklin D. Roosevelt, came to power also at a critical time, not during a war but at perhaps the most trying period that democracy has ever experienced in time of peace, and what is applicable to Mr. Churchill in time of war may be applied in equal measure to the President of the United States with regard to the difficulties which he surmounted in days of peace. I am sure all hon. members of this house who have been following the life of the President of the United States will remember that in addition to his wartime achievements, which have been magnificent, he has proved to be a great friend of the little man in the country which he serves so well. His work, in close association with the Prime Minister of Great Britain and the leaders of the other allied nations, I think is understood and appreciated more than words can express, and on this tenth anniversary of his first inauguration I as leader of the Progressive Conservative party in this house want to add my words to those which have been uttered by the Prime Minister. This afternoon, Mr. Speaker, we in this house are unanimous in greeting the two great champions of democracy.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, we should like to associate ourselves with what has just been said by the Prime Minister (Mr. Mackenzie King) and the leader of the Progressive Conservative party (Mr. Graydon). It is peculiarly fitting that at this time Canada should express herself in this manner, because we are in a particular way a friend of both countries represented by these two great leaders. As part of the British commonwealth of nations we are in close association with the country led by Prime Minister Churchill, and we are also closely associated with the great republic to the south; so that we appreciate the efforts not only of these two leaders but as well of the people who support them. We are glad that they have been restored to health following their recent indisposition.

We are glad also to note that during the past few weeks the armed forces of the united nations have made great progress toward the end we all desire. But may I suggest that in offering our congratulations and in our rejoicings we should not forget that these victories do not mean that the end of the war is in sight. I think that is something we should emphasize, because, as the Prime Minister said, here and there throughout the country there is a feeling that perhaps the tide has turned and that within a short time we shall see the end of the war. This, I take it, is but the beginning.

I assure the Prime Minister that we are pleased indeed that he has sent these messages to President Roosevelt and Prime Minister Churchill, and we hope that all the peoples associated as the united nations may in due course find victory and peace.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, to-day is a day of buoyant rejoicing from one end to the other of the

Anglo-Saxon world. I think it is fitting, too, that this day we should offer solemn thanksgiving to the divine Providence that guided us during the dark days through which we have passed, and which saw fit to place at the head of our affairs during this crisis these two great and good men. I think also it would be becoming that in most sincere humility we should pray to that great divine Leader to bring us through the darker days that perhaps lie ahead, that we may arrive safely; and that when we shall have arrived we may prove ourselves in every way worthy of the victory which I feel sure will be ours.

AIR TRANSPORT SERVICES

TABLING OF NOTES RENEWING SUPPLEMENTARY ARRANGEMENT OF 1940

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I desire to lay on the table copies in English and French of the exchange of notes constituting an agreement between the Canadian and United States governments to renew the supplementary air transport arrangement of 1940. The notes were exchanged to-day between the Canadian minister in Washington and the Acting Secretary of State of the United States. These notes, which are brief, might be printed in to-day's *Votes and Proceedings*.

The substance of the notes is as follows. In August, 1939, Canada and the United States entered into an agreement relating to air transport services. Under the provisions of this arrangement both countries recognized the principle of reciprocity in the granting of operating rights to air carrier enterprises of the other country for the operation of air services between the two countries. The details of the application of this principle of reciprocity were to be adjusted later between the competent aeronautical authorities of the two countries. Those authorities met in Ottawa in September, 1940, and as a result of their deliberations Canada and the United States, in December, 1940, entered into an agreement under which the various air routes between Canada and the United States were divided between Canadian and United States air carriers. It is this agreement of December, 1940, which has been renewed to-day.

The 1940 agreement thus supplements the 1939 agreement. The 1939 agreement is now terminable on six months' notice. Under the terms of the new exchange of notes, the 1940 agreement is also made terminable on six months' notice and expires without notice at the end of the war. After the termination of the war a conference will be held between the two governments to review the situation which may then exist. This is in accordance with the general policy of the government, which is that pending a decision by the government on post-war policy no commitments respecting international civil aviation should be made which would tie the government's hands.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

BUTTER AND BUTTERFAT BONUS

Mr. HATFIELD:

1. What action, if any, has been taken by the government to bring the price of dairy butter in line with butter made in creameries?

2. What consideration has been given to increase the capacity of creameries in the maritime provinces, also transportation of cream to said creameries and the supply of cans so that more farmers can take advantage of the bonus given on butterfat processed by creameries?

Mr. ILSLEY:

1. The price schedules of board order No. 237 of the wartime prices and trade board provide that, effective March 1, 1943 the maximum prices of dairy butter throughout Canada shall be substantially the same as the maximum prices for first grade creamery butter.

2. All requests for permits for expansion of the capacity of creameries in the maritime provinces have been approved. The administrator of metal containers has been in direct communication with the Deputy Minister of Agriculture and the dairy commissioner of New Brunswick, and with the president of the Dairymen's Association of New Brunswick, and has made arrangements for shipments of milk and cream cans to the province of New Brunswick.

WARTIME PRICES AND TRADE BOARD—RELEASE OF MAN-POWER FROM NON-ESSENTIAL INDUSTRIES

Mr. BRUCE:

1. Has a plan been prepared under the direction of the wartime prices and trade board for the release of man-power from non-essential industries?

2. If so, when was it completed?

3. How many workers would be affected?

4. Why has it not been put into effect?

Mr. ILSLEY:

1. Ever since the introduction of the price ceiling on December 1, 1941, the wartime prices and trade board has had a programme for the standardization of products, simplification of manufacturing methods and economy in marketing and distribution practices. In

part, this programme has for its objective the curtailment of costs so that the price ceiling can be maintained. As various steps are taken, however, release of man-power becomes effective. The programme is a continuing one and the nature of the man-power and numbers affected cannot be precisely determined.

In addition, through its administrators and industry advisory committees the board has made a survey of the possibilities of more drastic steps in curtailment or elimination of products and services which might be employed to bring about diversions of man-power, or to meet the difficulties of developing shortages of man-power or materials. It is not possible, however, to consider this survey as a "plan" because steps to be taken require to be considered in light of conditions as they exist from time to time.

The wartime prices and trade board issued a statement of administrative principles in this connection which was published in *The Canada Gazette* of October 21, 1942.

2, 3 and 4. Answered by No. 1.

JAPANESE NATIONALS IN BRITISH COLUMBIA

Mr. REID:

What is the number of Japanese located in and around Port Arthur, Sandon, New Denver and Bridge River, British Columbia?

Mr. MITCHELL: 2,935.

WARTIME HOUSING LIMITED—HULL, QUE.

Mr. NICHOLSON:

1. What was the per unit price of each of the 100 houses built by Wartime Housing Limited in Hull?

2. What was the per unit price of the group of 50 houses built in Hull?

3. What was the average cost of providing sewers, service, etc., for each of the houses built in Hull?

4. According to present agreements, what disposition is to be made of these houses after the war?

5. Will any compensation be made to the federal government for installation of sewers, streets, etc.?

6. Was it necessary to re-lay some of the sewers in connection with the Hull project?

7. If so, what was the cost, and by whom was it paid?

Mr. MICHAUD:

1. $2,939.87.

2. $2,941.10.

3. Average cost per house for providing sewers, watermains, roads and walks was $760.66.

4. The agreement does not set forth anything relative to the disposition of these houses after the war. The agreement does contemplate that if any of the houses are sold or disposed of, they shall immediately become subject to the ordinary municipal by-laws.

5. No.

6. Yes.

7. No cost was involved for the re-laying of sewers. The work improperly done is being charged back against funds owing to the contractor under his contract with Wartime Housing Limited.

WESTERN FUEL CORPORATION LIMITED

Mr. O'NEILL:

1. Is any monetary assistance being given to Western Fuel Corporation Limited?

2. If so, on what basis and what amount has been paid to this company?

3. Is this company a subsidiary of Canadian Collieries Limited?

Mr. ILSLEY:

1. No.

2. Answered by No. 1.

3. Yes.

FLAX PRODUCTION AND PROCESSING

Mr. BENCE:

1. What is the total capacity of the flax processing plants situated in Canada and the United States of America?

2. What was the total estimated number of bushels of flax produced in Canada and the United States of America in the year 1942?

Mr. ILSLEY: The answers to these questions are as follows:

1. Approximate Canadian crushing capacity 6,395,000 bushels. Capacity of flax processing plants in United States estimated at 72,000,000 bushels, but competent authorities agree practical capacity 52,000,000 bushels. Total Canadian and United States crushing capacity 58,395,000 bushels.

2. Approximately 55·7 million bushels.

I should like to make it clear, however, that the government cannot take any responsibility for figures relating to capacity for flax production in the United States.

WAR SAVINGS CERTIFICATES

Mr. GREEN:

1. How many persons in each province are in receipt of a monthly salary for the sale of war savings certificates?

2. Are such persons engaged on a full time basis or are they at liberty to carry on some additional business or occupation?

Mr. ILSLEY:

1. Since formation of the national war finance committee, the promotion and sale of war savings certificates, war savings stamps

and victory loan bonds are now the responsibility of the National War Finance committee and no persons have been employed solely for the sale of war savings certificates.

2. Answered by No. 1.

WARTIME HOUSING—WRIGHTVILLE, QUE.

Mr. LOCKHART:

1. How many buildings of the various types have been constructed to date in Wrightville, Quebec, by Wartime Housing?

2. What is the total expenditure to date on the said project?

3. Has the work of landscaping the project been awarded? If so, to whom, and by what financial arrangement?

4. Has additional work on the street allowances in regard to sewer and water services been necessary? If so, what is the cost of the same?

Mr. MICHAUD:

1. Type H1 and 2—25 houses; type H11 and 12—100 houses; type H21 and 22—25 houses.

2. The total expenditure as of January 31, 1943 is $577,604.06.

3. The landscaping for the second project of 50 houses has been arranged at a cost of $2,400, the work being done by the federal district commission of Ottawa. The balance of the landscaping will be done this spring by the commission.

4. $7,570.28 has been expended on repairs of sewers and waterworks. This is not an expense to Wartime Housing Limited, it being chargeable to funds of the contractor in Wartime Housing Limited's possession.

Mr. LOCKHART:

In the construction of buildings by Wartime Housing at Wrightville, Quebec, what is the cost to date of, (a) acquisition of land, (b) installation and improvements or alterations of any sewers and water services, (c) grading, paving or surfacing street allowances, (d) construction per unit of dwellings, (e) improving or landscaping the street allowances, (f) installation of electricity on the street allowances and on rights-of-way, (g) connecting of electricity to dwellings per unit.

Mr. MICHAUD:

1. (a) Land acquisition, $2,197.50; (b) Installation and improvements to sewers and water services, $90,560.01; (c) Grading, paving or surfacing streets, $19,079.21; (d) Construction costs per unit: Hull No. 1, $2,939.87; Hull No. 2, $2,941.10; (e) Landscaping, $2,372.49; (f) Installation of electricity on the street allowances and right-of-way, $1,485.52; (g) Connecting of electricity to dwellings per unit, $9.90.

[Mr. Ilsley.]

HARVEST EXCURSIONS

Mr. WRIGHT:

1. What was the total cost of the harvest excursions which were run from eastern Canada during the 1942 harvest season?

2. What proportion of this cost was paid by (a) dominion government, (b) provincial governments?

3. How many men were taken on these excursions?

4. How many were returned to eastern Canada before the first date set for their return?

5. How many, if any, had to receive additional financial assistance to return?

Mr. MITCHELL:

1. $241,312.11.

2. All dominion.

3. 5,886.

4. No information available.

5. 7.

QUESTIONS PASSED AS ORDERS FOR RETURNS

R.C.N.V.R. RECRUITING ESTABLISHMENTS

Mr. FRASER (Peterborough West):

1. What is the location of each of the Royal Canadian Naval Volunteer Reserve training recruiting establishments?

2. What is the total number of enlistments for each such establishment since the commencement of the war?

3. What is the total amount of contracts awarded in connection with each of the said establishments with respect to the following, (a) for purchase of land and buildings, (b) for construction of new buildings, (c) for alterations to existing buildings?

4. What are the amounts with respect to each establishment which have been expended for such purposes in addition to amounts of such contracts?

5. What additional expenditures for such purposes are planned giving particulars of the establishments involved?

NAVAL SERVICE—CRESCENT ROAD, TORONTO, PROPERTY

Mr. CHURCH:

1. Has the navy taken over a home on Crescent road, Toronto?

2. If so, for what purpose and at what cost?

3. How many officers and ratings are housed therein?

4. What are the terms of the lease and what is the cost of repairs and maintenance for the first year?

5. What fuel is used, from whom was it purchased, and were tenders called?

6. Who negotiated the use of this site?

7. What staff is there and how many of them have served in this war at sea?

8. How many are pay officers, what are their ages and navy service?

POST OFFICES—REPAIRS AND IMPROVEMENTS

Mr. MARSHALL:

What amounts were spent during the year 1942 on post offices either by way of repairs or other improvements, by the Department of Public Works?

HON. J. G. TAGGART

Mr. NICHOLSON:

What is the total amount which has been paid to Hon. J. G. Taggart by the federal government as, (a) salary, (b) travelling expenses, (c) living allowances?

WOMEN IN THE FORCES AND CIVIL SERVICE

Mr. DORION:

1. How many females are engaged in war service, (a) in the army, (b) in the navy, (c) in the air force?

2. How many are, (a) married, (b) spinsters?

3. What number of females in each province are employed in war factories and how many are, (a) married, (b) single?

4. What number of females in each province has been engaged by the civil service commission since 1939 to December 31, 1942?

DOLLAR-A-YEAR MEN—SUBSISTENCE AND TRAVEL ALLOWANCES

Mr. ROY:

1. Does the government pay to those generally designated as "dollar-a-year men" subsistence or travel allowances on a daily basis or otherwise?

2. If so, (a) what are the minimum and maximum allowances, (b) are they subject to taxation and since when?

TIME REQUIRED FOR ANSWERING QUESTIONS—PROCEDURE IN QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, before the next order of business is called there are two matters in connection with questions that I did not raise as we went along, but which I believe should be mentioned now.

The first question on to-day's order paper, in which the hon. member for York East (Mr. McGregor) asks the number of prosecutions instituted by the wartime prices and trade board from the district headquarters at Brockville, was placed on the order paper on February 9. Could the Minister of Finance (Mr. Ilsley) expedite the answer? This seems an extraordinarily long period between the time of placing it on the order paper and the answer being given. To-day it was still permitted to stand.

The other question has reference to the question which is No. 27 on to-day's order paper. I should like to know why this question, which is a very simple one, and would take up very little space, should stand as an order for return.

Hon. N. A. McLARTY (Secretary of State): Answering the latter part of my hon. friend's question, I would say the only reason the question to which he refers was made an order for return is that it involves two departments, namely, the Department of Agriculture and the Department of Finance through the wartime prices and trade board. Returns will have to be received from each.

Mr. GRAYDON: That did not seem apparent from the question.

LABOUR CONDITIONS

DISMISSAL OF DOCTOR DAVID SHUGAR BY RESEARCH ENTERPRISES LIMITED

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, before the orders of the day are called I should like to ask a question of the Minister of Labour. I have just received a letter from the national chairman of the association of technical employees, which is affiliated with the Trades and Labour Congress of Canada, to the effect that the national secretary of that association has been summarily dismissed without notice by a government corporation known as Research Enterprises Limited. The association regard this action as a clear case of union discrimination. I should like to ask that the minister investigate this matter at once.

Hon. HUMPHREY MITCHELL (Minister of Labour): The leader of the opposition was good enough to advise me of his intention to ask this question, which has to do with the case of Doctor David Shugar. The complaint is, as stated, that he was dismissed for union activities. I received a report earlier in the week and immediately an industrial relations officer, as is customary in these cases, was dispatched to the company. I expect to have a report within the next few days, and I shall be glad to show it to my hon. friend.

WAR REFUGEES

REFERENCE TO SUGGESTED CONFERENCE IN OTTAWA

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Has the government been consulted regarding the proposal of the United States to hold a conference in Ottawa to consider ways and means of alleviating the sufferings of refugees who fled or escaped from nazi and fascist persecution? Will the Prime Minister make

a statement outlining Canada's opinion regarding this proposal, and the problem involved?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I was advised that a question such as has been asked would be asked this afternoon either by my hon. friend or by some other member of his party. With that in mind I have prepared a reply, which I shall give to the house.

I have now seen the communication from the United States government to the United Kingdom government on the subject of a refugee conference, which was given to the press in Washington last night. A copy of this statement was shown to the Canadian Legation in Washington yesterday afternoon. I am informed that the document communicated by the United States Secretary of State to the British Ambassador in Washington on February 25 was in the form of a working memorandum, which in the ordinary course of events would not have been published without further communication with the governments which it concerned.

The United Kingdom government, which has taken the initiative in raising anew the question of what further measures might be taken in concert by the governments of the united nations to relieve the position of refugees from axis occupied territories, has been in communication with the Canadian government on this subject. The Canadian government has been giving consideration to a number of suggestions put forward by the United Kingdom government and will, in due course, be glad to examine any suggestions which the United States government may wish to put forward as a contribution to the alleviation of a grave and distressing problem.

[*Later:*]

Mr. MACKENZIE KING: There is an explanation I should like to make and supplement it with a slight apology. In replying to my hon. friend the leader of the Co-operative Commonwealth Federation (Mr. Coldwell) I said that I was advised that a question such as had been asked would be asked this afternoon, and I thought it would be by one of his group. The hon. member who was kind enough to send me notice of his intention to ask the question was the hon. member for Vancouver South (Mr. Green). I should therefore like to see that he gets full credit for the reply that was made.

Mr. COLDWELL: For a moment I was afraid that the usual cooperation in our party had not been maintained.

[Mr. Coldwell.]

PRIVILEGE—MR. BRUCE

REFERENCE TO REMARKS OF PRIME MINISTER ON THE ORDERS OF THE DAY, MARCH 3

On the orders of the day:

Hon. H. A. BRUCE (Parkdale): Mr. Speaker, when addressing a question yesterday to the Prime Minister I had not proceeded very far before I was interrupted by the Prime Minister. The ensuing noise prevented my hearing exactly what was said by him. I have now the text of his remarks, which will be found on page 918 of *Hansard*. He is reported as follows:

> My hon. friend has given me no notice of this question. If he wishes to advertise himself, all right,—

I submit that that is offensive language and language which imputes a motive. This is dealt with in standing order 41, which reads as follows:

> No member shall speak disrespectfully of His Majesty, nor of any of the royal family—

Some hon. MEMBERS: Oh, oh.

Mr. BRUCE: I am just reading the complete text. Perhaps I had better skip down to the relevant passage, because it seems to be disturbing some of my hon. friends opposite. It reads:

> —nor use offensive words against either house, or against any member thereof.

Paragraph 297 states that the imputation of bad motives against a member is contrary to the rules of this house. I would therefore ask the Prime Minister to withdraw his remarks.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, may I say to the hon. member that when he rose yesterday I had very much in mind the fact that for some years he had represented His Majesty the King as his representative in the province of Ontario, and I was surprised that one who through a portion of his life had accustomed himself to the courtesies that go with such an office should have attempted to do what he was seeking to do yesterday. If I have offended the hon. member in any way I am sorry for that, and if I have used any language which is unparliamentary, I am quite prepared to withdraw it. I said just what came to my mind at the moment.

Mr. BRUCE: I should only like to add that I wished no discourtesy to the Prime Minister; I would not wish to do anything that would be discourteous to any other member of this house. This item had been published in the press throughout Canada the day before and I thought it was well known. I thought probably the Prime Minister himself had read it.

I believe I was justified in thinking that he had read it, because I had proceeded only with a few words before he stopped my reading further. He must have known what was coming.

Mr. MACKENZIE KING: I certainly knew what was coming, and I realized that my hon. friend was reading the article for that purpose. But I also knew, what I thought he himself would have recognized, that what was stated in the article was something in the nature of what had been a confidential conversation, not between myself and others but among a few persons at a meeting at which a reporter was present but at which the request was made and an assurance given that no communication would go from the meeting to the public. I have been so informed by the gentleman whose name was mentioned yesterday in the attempted reading of the article. I think my hon. friend ought to have been the first, if he had intended to seek to give publicity to something over which I had no control whatever and which was in the nature of confidential discussion on the part of others, to have spoken to me about it in advance of bringing it up in this house.

FOOD

PRODUCTION PROGRAMME FOR 1943—AGRICULTURAL FOOD BOARD

On the orders of the day:

Hon. J. G. GARDINER (Minister of Agriculture): As I do not expect to have an opportunity to reply to the question asked me the other day by the hon. member for Qu'Appelle (Mr. Perley) before it will be necessary to act upon the decision which has been made, I think I should give the house the information I have at the moment. A statement was made earlier in the session by the Minister of Finance (Mr. Ilsley) dealing with the division of authority between the food board and the Department of Agriculture on matters of production.

The food production programme for 1943 will be directed by an agricultural food board which has been set up by order in council which names four members of the staff of the Department of Agriculture as the board. This was done after consultation with the Canadian farm federation. An advisory committee of twelve will be set up. The president of the farm federation will be the chairman of that committee, one member will be nominated by each of the nine provinces and the other two members will be nominated by the farm federation. The orders in council authorizing that committee and the board have been passed, and just as soon as copies are available, I shall table them in the house.

SOCIAL SECURITY

APPOINTMENT OF SPECIAL COMMITTEE ON NATIONAL SOCIAL INSURANCE

The house resumed from Wednesday, March 3, consideration of the motion of Mr. Mackenzie King for the appointment of a select committee to examine and report on a national plan of social insurance.

Mr. T. L. CHURCH (Broadview): At five minutes to six last night I had risen to discuss the objectives of the motion of the Prime Minister (Mr. Mackenzie King) now before the house. As I look over the resolution I cannot help but feel that planning is first and social security and the conduct of the war a secondary consideration. Notwithstanding the fact that the war, up to the campaign in North Africa, had been going very badly, we are paying more attention to planning our post-war economy. So far as the war is concerned, we have never been in a more precarious state and danger than we are at the present time. One would think that the generals who won the great victories in North Africa had been forgotten in Canada as there seems to be only one general remaining here, General Beveridge, and his social planning scheme for the mother country.

As I have said before, in the maelstrom of planning talk the war seems to have been forgotten. Last year we wasted four months of the time of the house which were taken up with politics in a referendum. That is what happened notwithstanding the fact that we had not won a victory on land or sea, that we were still on the defensive. With Bill No. 80 and the referendum four months of the time of this house was wasted. It seems that we are entering another political year at this time.

While we have not been promised anything, I believe an election is coming. Before the vote of five billion dollars is passed I think it is the duty of the opposition to ask the government what are their objectives regarding the conduct of this war and as to a wartime election a second time for political reasons. Is this social planning all you are doing to win the war? I have received a great many letters from our men in England and other parts of the world who are serving their country on the land and sea and in the air and they ask what we are doing here to

urge on the government that something should be done to achieve a total war effort, and prepare for the return of the men of the forces. Not only is the government on trial at the present time but the House of Commons is also on trial before the bar of public opinion in this country for its war efforts, and for what it is doing about after the war conditions. This house has surrendered to a whole lot of bureaucratic boards and controls and subcontrols and planners and modellers who control practically the whole business of the country, so much so that the House of Commons is the forgotten agency of government to-day. At times I have protested against this almost alone for the last three years, but at last the people are beginning to wake up and see the dangers that confront them.

I admit that the Prime Minister (Mr. Mackenzie King) has done a great deal of work in his day in studying labour conditions and social problems. I have known him longer I think than any other member of the house. I remember when he was a university student and a young reporter on the Toronto *Globe,* and when he was reporting the proceedings in the courts. I remember that Colonel Denison then predicted a very bright career for him. But I say to him to-day that not only is his government on trial but so is this House of Commons.

Coming to the text of the resolution, I must say that one of the most important matters that should be taken up by the committee seems to have been forgotten, and that is the question of providing employment. We speak of freedom from want. What does that mean? To rid the masses of fear you must provide them wtih work, but the resolution makes no mention of that. I should like to have a little order, Mr. Speaker, because this is an important matter I am discussing. I do not interrupt anybody else when he is speaking and I am entitled as a private member to order when I am addressing the house.

I was saying that the question of providing employment for soldiers seems to have been forgotten by the government in proposing this resolution. The government seems to have two principles for curing unemployment. One is the ambassador cure for unemployment, sending ambassadors all over the seven seas, some of whom talk in a way that does great damage to the war effort and to this country. The other principle is the senate cure for unemployment, the appointing to the senate of young men who should be at the war. I would for national reasons suggest the return

[Mr. Church.]

of Right Hon. Arthur Meighen to the senate, and that we have appointed to the senate some representatives of the press.

I should like to refer for a moment to the British war victims fund, and to what one newspaper in Toronto, the *Evening Telegram,* has done in promoting that fund for the people of Great Britain who have had their houses and their homes destroyed and have suffered great losses in this war. Through the British war victims fund there has been brought home to the young people in the schools and colleges of Toronto and Ontario a realization amongst the younger generation of what they owe to the mother country in this war. Through this fund organized by the Toronto *Evening Telegram* there has been collected already about $2,000,000. Frequently the *Telegram* will publish pictures of little children in Toronto and in the province who have taken part in organized efforts to secure money for this fund, and other children will go out on the street corners and collect small sums from five to ten or twenty cents for this fund to help rebuild the mother country. I appreciate what has been done in that regard and the good work done by the late founder of the *Telegram,* John Ross Robertson, and the late editor, John R. Robinson, who has been succeeded by Mr. C. O. Knowles, who is continuing so well this good work. I think we all know of the good work that has been done for the Sick Children's Hospital by its founder, and what has been done in connection with health and welfare matters. I think one of the men who should be appointed to the senate is Mr. C. O. Knowles, editor of the *Evening Telegram,* for his British war victims fund.

Planning, Mr. Speaker, is the new name for socialism. Everybody is a socialist these days, everybody is a planner, and the war seems to have been forgotten as the matter of primary importance. The allies have just begun to take the initiative after more than three years of war. As Mr. Churchill has said, we are at the end of the beginning, and yet there is more talk about planning than about the conduct of the war on the land, on the sea and in the air. I have no objection to planning so long as we do not forget that the most important thing is the winning of the war.

But look at the text of this resolution. The committee is just to make a study and report, and it is a committee of this House of Commons. The Beveridge report was prepared by an interdepartmental committee on social insurance, under the control of a minister of

the crown, Mr. Greenwood. But the work here is going to be done by a committee of the house. This committee is not, as I see it, being given any objectives by the government in the matter. The plan is only half-baked. It is too complicated and uneconomic, in my opinion. Timber, for instance, to rehabilitate the whole of Britain is badly needed and will be needed for reconstruction purposes after the war. Great Britain imports sixty-five million pounds' worth of timber a year, but there is no mention made in the resolution of that trade. Sometimes I think we would get better results in the way of social security and all along the line if instead of having so many professors and high-brows on some of these control boards and commissions, while other brave men are fighting our battles overseas, we had some practical men at work on the problems that lie ahead of us. Those problems are too big for any one political party.

We are proposing to make the most serious leap in the dark which this country has ever undertaken. We are faced with the greatest problems that have ever been faced by the world, and we in this country are the first to start to take a leap into the unknown world that will follow after the war. I believe that we should get men of practical experience to guide us. We should not forget those who were our best customers before the war, the people of Great Britain, upon whom we have had to rely for a market for our products. They should be taken care of. I believe that what should be done after the war is to go back to what we had before, free enterprise; try to build up free enterprise so that means for employment will be created by empire trade as before. In that way you will remove the unemployed from the unemployment seats on to the employment seats. Our raw materials should be made available to the empire and to other nations of the world on an equal basis as far as possible and every nation be given the opportunity of living in a state of freedom.

What caused the war was simply intolerance. I believe that all parties in this house and out of it should be guided by wisdom, restraint, and tolerance, and should not show a lack of ordinary Christian charity towards their opponents with whom they may happen to disagree. As I have said before in this house, it is the little man of England personified by Strube, who is the reflection of the average man who saved the mother country which has suffered so much in this war. These little men who were strong enough to beat off Hitler and Mussolini will be able to plan the right conditions for the mother country and the empire after the war. As Admiral Southby said in the House of Commons the other day:

> There are people who seem to think that the war is being waged in order to destroy a social and economic system with which they do not entirely agree.

Admiral Southby said:

> Nothing could be further from the truth than that. We are fighting the war for our bare existence, for the right to live at all.

Then he suggests, speaking of the "little" man:

> His victory . . . will have been in vain if, when the war is over, he is obliterated by the state which he fought to preserve. The essence of the evil nazi creed is that the state is greater than any individual. The essence of democracy, as I see it, is that the state is the servant of the individual and not his master. Therefore, let us at all costs, when we are starting to rebuild the world and to improve it, not impose what is not the less a dictatorship because it masquerades under the name of something which is politely called "democratic planning." A great man, who left us not long ago and a friend of most of us in the house, Lord Tweedsmuir, better known to us as plain John Buchan, once made a speech on Abraham Lincoln, in which he said, "The powers of moderation are slow to kindle, but once they are lit they do not go out until they have burnt up much rubbish and opened a path for the advance of mankind to a better world."

I hope and believe that we are willing to advance the progress of mankind to a better world, but if it is to be a success it must be, in my opinion, a world in which there is a square deal. That means a square deal for everybody, not solely for the small man and the sick and suffering and those out of employment, but for those who have maybe a little more substance than some others have. Much of the talk of planning after the war partakes of a plan for robbing Peter to pay Paul. Well, almost everything that Peter has is being taken away from him by two wars and a long depression, with the result that when the war is over Peter will have little or nothing left.

One of the speakers in this chamber yesterday suggested, referring to the Beveridge report, that Sir William Beveridge should be invited here. I think we have enough planners right in the house and out of it without the necessity of bringing Sir William Beveridge over to Canada to tell us what to do. While I am not a Scotsman, I was surprised to hear my good friend the Minister of Pensions speak as though incentive as we had it from capital will probably have disappeared after the war. He referred to "regulated incentive."

That is all right if there is not too much regulation. But if we intend to pursue a course in opposition to what made the mother country and this country great, namely, private enterprise and free retail and wholesale business—I mean the system of free enterprise—we shall be trying to do something which the men who come home after the war will, I think, not tolerate. They are not fighting, nor are they willing to fight, for social planning from the cradle to the grave; they are fighting for the right of the people of this country to live; the right to possess private property which is derived from nature, not from man, and the state has no right to abolish it, but only to regulate its use. The position of the wholesale and the retail merchant should be restored to what it was before the war, if we are to create the maximum opportunities of employment. In Great Britain they passed the pre-war trade practices act to put free enterprise and the small retailer and wholesaler back in possession of the rights they held as citizens and business men before the war; and that is the way to build up this country, and release them from some controls.

Reference is made in the report to birth, maternity, old age and burial insurance. Well, after many of the taxpayers have done with the last few budgets I am afraid public insurance will be needed to pay their burial expenses. I can tell you that even some of the members of this house know of citizens who need that aid, and I have known of a few members of this house who left so little that aid was needed to bury them. Hon. members may laugh, but that is the fact. I know some of the undertakers in our city, and they are splendid citizens and men of real public spirit and do a great public health work. It has been my lot, I may say, to attend several funerals in the past two or three weeks, and I know in that city how the people are suffering.

We hear much talk about social planning and this new utopia and paradise which we are to live in. I can tell some of our planners that the new paradise, or part of the health and hospital social service, of which they speak so much started in the city hall of Toronto, with its modern health department. One of my colleagues, the hon. member for Parkdale (Mr. Bruce), was a senior surgeon of the Toronto General hospital, and our city was a pioneer in this social legislation. The late lamented Doctor Hastings built up the most modern health department in North America. He and the

gentlemen who supported him, the men I mentioned a few minutes ago, had to fight with the aid of the *Evening Telegram* a campaign for health reform and to reorganize the health department and the works department. By their civic efforts an outstanding programme of social legislation was achieved, including a first-class water supply, a modern sewage system, and a modern health and works department. Other newspapers gave aid later.

The hon. member for York South (Mr. Noseworthy) has for some time been, what I can call in a sporting sense, "barnstorming" all over the province of Ontario—I believe he used to play baseball, so that I do not think he will object to the term. But let me tell him that it was the planners of the city of Toronto who gave those services to the constituency he represents; it was the Conservatives of Ontario, Whitney and Beck, at Queen's Park, and the city council of Toronto and officials, who brought in the legislation which supplied cheap light and power to the homes of the province, which provided the services they now enjoy, which initiated the workmen's compensation act and many other social and health and hospital advantages. And what did the city of Toronto do? It was the pioneer of health legislation in its grants to hospitals, in instituting dental and medical inspection of school children, the eight-hour day, the improvement of the waterfront, the buying out of the street railway, the radials, the linking up of the railways and the buses, the facilitating of transportation to enable market gardeners to reach the cities and aiding by transportation the housing situation. These are some achievements of the city and the city council of Toronto. I am proud that we have always had such a splendid city council. We have always been fortunate in having a council which has done a great deal for the people of that city. Shortly before I started as a controller and as a police commissioner, in 1909 the police had only one day a month off; then they got one day a week off; and then the eight-hour day, as did the firemen, and the platoon system was put into effect and soldiers given the preference in jobs. All the services I have mentioned are municipal and have been given to the taxpayer of Toronto without the aid of one cent from the federal government, showing that this social security came largely from the municipalities, not from federal authority.

Here let me mention that the province of Ontario and the city of Toronto were attacked the other day by the Rev. Doctor J. R. Mutchmor, social secretary of the United church. I have great respect for that church and for him,

but I would point out that when Doctor Mutchmor, with Mr. Fogg, made a Cook's tour of Canada from Regina to Halifax, he seems to have been in a fog night, noon and morning. He criticizes the province of Ontario. He said last Saturday in the Toronto papers:

> The banner province of Ontario is in danger of being regarded as the spoiled child of confederation.

If he knew a little more about Toronto and Ontario, a little more about our social legislation and what has been done by the city and that province for the hospitals, the sick poor, and others, I do not believe he would have made these criticisms; and I resent them. Let me say that Ontario is the milch cow of confederation. I do not like to comment in this fashion because I have always contended for the principle of confederation, in line with the old Cornish battle-cry, "Each for all and all for each." With regard to my hon. friends below the gangway, of the five or six of them I see only the young hon. member for Charlevoix-Saguenay (Mr. Dorion) here now; he made a good speech the other day. They had a good deal to say about a certain pastor. Well, I have referred to-day to another pastor. I did not vote for church union, because I believed that, like union government, it would lead to more disunion than union. I object to remarks of Rev. Doctor Mutchmor, or Pastor Mutchmor, as reflecting on the province of Ontario, which is paying 42 per cent of the cash taxes of the dominion, and which is the forgotten province of confederation.

Doctor Mutchmor goes on to give figures about enlistments in the maritimes, compares them with Ontario, and in the name of social reform criticizes a province which has been the leader for many years past in progressive planning, hospital work, and social services of all kinds. I do not wish to say anything further about the reverend gentleman, who I understand is a very popular man in his church, except that, will all due respect, it seems to me that pastors such as the one to whom I have referred to-day should state facts and exhibit a little more wisdom, tolerance and restraint in their statements in war time in interviews given newspapers, like this interview with regard to the soldier province of Ontario, which has sent more men to the war than any other, and is now expected to provide one-half of the ten million dollars which is asked for in the Red Cross appeal. I might point out that the reverend gentleman's figures with regard to enlistments are misleading, because soldiers from Ontario are to be found all across Canada from Vancouver to Halifax; they went to all the military districts to answer the call, and I challenge his figures and remarks as to Ontario. I see here to-day my friend the head of the Canadian hospital association, the hon. member for Renfrew South (Mr. McCann). The doctors and hospitals of Canada are having a very hard time. The Toronto General Hospital was built for to-morrow. I remember when the per diem grant was fifty cents. That would not be a drop in the bucket for this parliament to contribute towards hospital service and relief of the poor and suffering and for per diem patients. There should be a grant for free insulin for those in necessitous circumstances. Without it many people who are doing useful work would be in their graves. The same applies to tuberculosis. This government will have to do much more than it has done both for education and hospitals, because the first duty of a government is to look after the health, happiness and prosperity of its citizens.

In 1935 and succeeding years we were given blueprints by our friends to my left about the war. What did they say? Not a dollar for the army; disarmament on land and sea. Knowing what vision they showed at that time what faith can we have in their vision and blueprints now?

Cheap light and power; that is what the Conservatives gave Ontario in 1905 when Sir James Whitney and Sir Adam Beck were in power; they brought cheap hydro power to the artisans and the kitchens and farms of Ontario.

Malnutrition; I remember when food was not inspected, when the milk supply of Toronto was not inspected. The city provided all these services without a cent of help from the dominion government, for all this social planning. So do other municipalities. Federal aid is needed for education and hospital work.

The last thing I want to mention is housing. The resolution does not mention that. When our soldiers come home there will be no housing for them. I have asked the Minister of Finance (Mr. Ilsley) about it on several occasions. An order for return was passed last June or July, but the return has not yet been brought down. An order for return was passed on February 22; I asked about it the other day—nothing done, and I can find no statement in the budget. Where are these soldiers to be housed? As my friend the hon. member for Parkdale or any good medical man, such as the late Doctor Hastings, will tell you, bad housing is one of the most prolific agencies for the spread of disease and ill health. Hon. members opposite cannot solve the housing problem in Ottawa, let alone all Canada. Many soldiers' families are living in cellars. The government has a big mansion on Crescent road, taken for the navy; a property in

Queen's park was taken, also the old Flavelle property. In the British parliament housing was discussed on the debate on social security and insurance. It was the most popular topic of all these. Sir William Jowitt was the minister, and the main features of the debate was a policy in regard to housing for soldiers when they come home and for their dependents and the civilian population. But nothing yet is done in Canada except talk about it. Are these people to live out on the street? The government has taken over in Toronto for war purposes many large private houses and given them to the forces; big buildings on the waterfront in Toronto and in Ottawa and other cities. Where are the houses for civilians to come from?

The Minister of Finance told me yesterday if I would put what I want on the order paper I might get an answer from a rental commissioner I never heard of, but I have been here too long to be led astray by any such play as that. The government is spending five billion dollars, but I could point out items amounting to twenty-four per cent not for the war at all, and they have not a cent for houses. I looked all through the budget speech for it. The Toronto members were requested last Saturday to attend a meeting with the board of control of that city and the city council that has done so much for hospital and health services for the public. Starting at fifty cents a day the rate went to $1.75 a day for city patients, and yet they had the same operations for nothing as the wealthy man would pay in some cases up to $1,000 for. The hon. member for Parkdale was chief surgeon when I was on the board for seventeen years with Mr. P. C. Larkin and Sir Joseph Flavelle. But bad housing causes more disease than any other agency. Toronto has not been treated right by this parliament. There is no bigotry or intolerance in that city; its principle and that of its citizens is equal rights to all and special privileges to none. Our city has not had much federal aid for years. The province of Ontario which pays so much in taxes has not been dealt with generously or fairly here or by the interprovincial report. The Minster of Finance is not going to get away with the housing failure or his controls any longer; there is no use in telling me to put something on the order paper, and I will not do it any longer. Housing is forgotten in Canada. The families of some soldiers overseas have been evicted by the bailiff.

I have asked for a national system of insurance for the soldiers; I hope the committee will look into it. The first thing is to take care of the soldiers and their dependents for three years after the war and keep them from being evicted from their homes so they will not be worried. A national life insurance sytem for all soldiers should be set up, to include provision for their dependents for three years after the war. If we are to be left at the mercy of a real estate board and a rent board, no wonder there is no housing. There is no incentive to anyone to build a home with this farcical rent control. Houses are wanted, not talk. We were twenty-five thousand houses behind when the select committee on housing was appointed in 1935; we made our report, and the new government came in and spent nearly $80,000,000 on small houses, yet to-day not a cent of the five billions for war expenditures is for that work.

I have a large industry in my riding, Lever Brothers. I have never been in the plant. They have published a monthly pamphlet on the problem of unemployment in which they say:

> It has been easy and cheap and popular to get on the social security bandwagon. In some form or other social security apparently is here to stay as a perpetual political promise leading eventually to good or bad performance. But it has been discouraging in Canada to see how enthusiastically many members of parliament and other public men have leaped forward to embrace large plans of social security without apparently having an adequate idea or asking how they are to be paid for out of increased production, or what the cost in taxation will be.

Then there is a reference to the social reconstruction plan of the James committee and the civil service committee for providing employment in the post-war period. All that is not mentioned at all in the report. It goes on to say:

> . . . it studies and states the parts which governments and industry can play in the elimination of mass unemployment; and it bases those conclusions on a study of what causes unemployment and of what monetary and budgetary policies by governments would most contribute to the productive capacity of each nation being used continuously and increasing steadily without restrictions being imposed either from the side of manufacturers or of labour. That is indispensable to eliminating distressing totals of unemployment.

The government should consider what should be done regarding trade with the mother country and the empire. Britain cannot exist without export and import trade, which will create employment here in providing these goods. In the city from which I come sixty-five per cent of the working people own their own homes, but what incentive is there to any working man to own his own home to-day? We have had two wars and a long depression in a generation; all the small savings of these people have been eaten up, and now the government will call upon them

to make even further sacrifices for 1943. There has been quite a reaction among the working classes, I believe, and I do not think they will wish to give generously to other schemes which are only half-baked, on reconstruction, and social planning, with their taxes already a burden.

We have had planning before, but the planning of the past remains as a warning to us now. It has been all based upon the principle of robbing Peter to pay Paul, and now the process has been completed because Peter has nothing left. I remember when Mr. Sydney Webb proposed that the coal mines in England be nationalized, and he even went so far as to publish a book entitled "How To Pay For the War." In that book he stated his confirmed opinion that coal could be delivered to the household cellar at a total cost of a shilling a hundredweight or a pound a ton. Out of this price, on paper, he satisfied all the demands of the miners and in addition provided money with which to pay for the war. Yet sensible people are still prepared to listen with patience to nonsense about planning. I am not objecting to all the planning in the world, as long as we do not forget the war until it is won; but when housing is left out of the planning and when the municipalities are not given consideration, any scheme is bound to fail. No doubt planning is necessary, but it should be reasonable and proper. I have every respect for the views of others, but I believe the time must come when we will have to consider whether the appointment of this committee is the best way to deal with this question. Would it not have been better to have a day's debate to chart our course and declare what is to be our policy particularly toward the British empire, which has been our best customer, and with regard to all those other matters which should be thought out first? In my view no amount of planning, and not even victory, can bring about the millenium, nor can any planning ever change the law of supply and demand. I believe there will be nations as long as the world lasts, and there will be trade barriers, and quotas and trade agreements, as resolutions like the one placed on the order paper the other day by the Minister of Finance show. The party in Ontario to which I belong has had a glorious past in labour and social legislation, and I can tell you, Mr. Speaker, that as long as I have known the Conservative party it has always taken a forward view with regard to the working classes in that province. It had no utopian ideas; it did not dwell in the clouds; it provided reforms in Ontario; it got down to brass tacks and did all the things I have mentioned. It encouraged and aided municipalities to go forward in a concerted plan of social work for the good of all the people of the country. It believes that any planning should be done for all the people, not just for some of the people.

I believe the government would do well to pay heed to the handwriting on the wall. We have been through two wars and a long depression, and if it had not been for the mother country we would not be planning to-day. Hitler after Dunkirk would be in the United States and in Canada, and we would have to make peace with the Axis powers.

Mr. GORDON B. ISNOR (Halifax): Mr. Speaker, I do not propose to follow the arguments that have been advanced by the last speaker (Mr. Church). He referred to the city of Toronto as the forgotten city. The only comment I would make is that as long as the hon. member for Broadview (Mr. Church) occupies a seat in this house there is not very much chance of the city of Toronto being forgotten.

I refrained from taking part in the debate on reconstruction and reestablishment in connection with the resolution introduced by the Minister of Pensions and National Health (Mr. Mackenzie), because I realized that anything I might have to say in that regard could very well be said in connection with the resolution now under discussion. The one is closely connected and interlocked with the other; and as the Prime Minister (Mr. Mackenzie King) so ably presented the reasons for setting up this committee, the general scheme behind it, its functions and purposes, I felt that the one committee naturally would have to work very closely with the other. One is to deal with matters of reconstruction and reestablishment as they will arise at the termination of this war, while the other deals with the study of existing social insurance legislation of this parliament and the provincial legislatures; the social insurance measures of other countries; the most practical measures of social insurance for Canada, including health insurance, and what may be necessary in order to have them included in a national plan; the financial adjustments which will be required for the achievement of a nation-wide plan of social security, and other related matters.

As I listened to the Prime Minister speak of our industrial expansion I decided to take part in the debate, because I represent a constituency on the extreme eastern coast of Canada. I wondered what effect any measures which might result from the work of this

committee would have on my section of Canada, and I think what applies to the eastern coast applies equally to the west.

I propose this afternoon, Mr. Speaker, to confine my remarks as closely as possible to the resolution moved by the Prime Minister. He dealt with many of the matters that must be studied by this committee if it is to achieve the desired result. He outlined certain social measures coming under federal jurisdiction, such as unemployment insurance, pensions for war veterans, pensions for war widows, war veterans' allowances, pensions for the blind, and old age pensions. All these, as the Prime Minister said, are matters coming directly under federal jurisdiction, though it is true old age pensions are administered by the various provinces. But in addition to these, measures of a provincial nature which I shall mention in a moment at some time or other must come under the direct jurisdiction of the federal government. We have provincial governments dealing with mothers' allowances and workmen's compensation benefits, including sickness and accident. These workmen's compensation benefits are enjoyed in all parts of Canada, but the benefits enjoyed by one province should be enjoyed by another to the same extent, and for that reason all measures of this nature must come under the jurisdiction of this government at the conclusion of the war.

The Prime Minister mentioned yesterday the great expansion which has taken place in Canada since the outbreak of war. When one reads of that development and realizes just what Canada has done in such a short period of time, starting out with practically no large industrial plants before the war, we begin to understand just what Canada's war effort means. When we note the large numbers of men employed in our war plants—20,000 in one, 30,000 in another, 50,000 in another, 120,000 in another—it makes us wonder where these men and women came from, and whether they are going to continue to live in the centres in which they are now located. In such event, what effect will that have on the districts from which they came? I would impress upon the committee the importance of this problem. I know that the committee is an able one, and I am sure it will consider carefully every question that comes before it.

The committee must consider, too, the great expansion which has taken place in the central provinces of Ontario and Quebec, and the effect it will have on the eastern and western sections of Canada. This accumulation of industrial interests, opportunities for employment and gathering together of wealth will be of much benefit to central Canada, but it will drain other portions of the country which as a result will be working under a distinct handicap. When considering this problem the committee must provide for some measure of relief for those who live outside the central part of the country.

Mr. HANSON (York-Sunbury): The decentralization of industry.

Mr. ISNOR: I do not know whether I am altogether a believer in the decentralization of industry. I am inclined to think we can get mighty good supervision from one central point, but we should not centralize our activities to such an extent as to sap the best from other parts of our country.

While I must pay tribute to the Minister of Munitions and Supply (Mr. Howe) for the wonderful results he has achieved in the development of war-time industries, from an economic standpoint I would point out to him, as I do to other hon. members, that great care must be taken not to make our economic structure top-heavy, or to sap the eastern and western sections for the benefit of the central districts.

There have been great shifts of population to the provinces of Ontario and Quebec, and this presents another problem for the consideration of the committee. It will have to decide whether this shifted population will remain in central Canada or will have to be sent back to the farms or the industrial centres whence they came, and there be given gainful occupations. We know that many farmers left their farms for the advantages offered by industry in Ontario and Quebec, and that the large wages paid in war-time industries have brought about a shortage of farm help. In this connection I have in mind particularly the condition of fishermen, who have been unable to take advantage to the same extent as the farmer of the higher wages paid in industry. At a later point in my observations I shall have a suggestion with regard to the treatment of fishermen.

The resolution clearly outlines the objectives of the committee. The hon. member for Broadview (Mr. Church) said there were no objectives, but I believe anyone reading the resolution cannot help feeling that there are definite aims covering a wide scope. I hope every angle and aspect of the subject matter of the resolution will be surveyed and every possible investigation made so that in the post-war period those who return from overseas after serving in the armed forces, as well as those who have remained in Canada, will be given employment which will obviate any condition such as that which prevailed following the last war.

Much has been said about the danger of inflation. We have taken definite steps to

control inflation, but if we are to avoid another depression we must also make plans to prevent deflation. One is as dangerous as the other. If the committee does not consider measures for the control of deflation, as no doubt it will with respect to inflation, we shall again be faced with a period of depression. Worth-while measures have been taken not only to control prices but also to control wages, and the general set-up provided by the government will go a long way toward preventing inflation. It is for this reason that I urge the committee to consider measures to deal with deflation.

May I at this point offer some definite suggestions for the consideration of the committee? In my opinion it should obtain the advice of the very best authorities in connection with social service measures. We should have a survey of social measures in both the provincial and the federal field. Old age pensions should be reviewed, with the object of ascertaining whether the present scale of payments achieves the purpose intended, whether the age bracket is correct or should be lowered, and whether the amount now paid is sufficient to meet the present cost of living or should be increased so as to conform with the cost-of-living index. It might be considered wise to have payments regulated from time to time as the index increases or decreases.

There should be a complete check-up of our present employment situation, with a view to placing men and women in industries or trades for which they are best suited. The process in this respect would be the same as that in the armed forces, where an endeavour is made to select men for certain types of work.

Almost all hon. members who spoke in the debate on the address in reply to the speech from the throne and in the debate on the resolution for the appointment of the committee on reconstruction, referred to the question of housing. I think we are all in accord with the suggestion which has been made by practically all members that Canada must undertake a housing scheme in the very near future. The question is, which is the best plan. We are not satisfied with the war-time housing scheme now in operation, nor are we entirely satisfied with the national housing scheme. It did not go far enough to meet the requirements of those earning small wages, nor do I think the present war-time housing scheme meets our needs in a full sense.

I realize that the war-time housing scheme is an emergency measure, but these houses should have been erected to provide a greater value in the post-war period when we will be demobilizing our forces. There is no reason why these houses could not be put to greater use than is planned at the present time. I was surprised to learn in the committee on rehabilitation that the estimated salvage value of these war-time houses is from $150 to $300. Surely when we invest from $2,200 to $2,500 in a house it should give a greater return than is proposed at the present time. I am sure that if the committee gives this matter serious attention we will derive greater benefit from these houses than is now anticipated. I shall not enlarge further on this, but I pass it along to the committee for their consideration and suggest that they go into the matter fully.

When the Hon. Charles Dunning was minister of finance I suggested before he introduced the scheme for national housing that a commission or board of some kind be set up to which wage earners could apply the same as they apply now for insurance. I realize that the weakness in such a plan is that at some time a large number of houses might be thrown back on the hands of the government, but with such a plan we would be building better citizens. Our people would have a stake in the community and we would have less trouble with individuals shifting from one section of the country to the other. There would not be so much moving about if these men owned their own houses. We should do everything possible to encourage the building of homes and thus create a larger group of home owners.

This committee should deal also in a broad way with health matters. There is a large representation of the medical profession on the committee, and no doubt this matter will be intelligently discussed. Ordinarily the urban districts are well supplied with medical men, while the rural districts are finding it exceedingly difficult to procure the medical attention the people require. It is not uncommon in the fishing districts—no doubt the same applies to the farming districts—for a man with an income of from $500 to $600 a year to be obliged to pay from $15 to $25 to have a doctor call in the case of illness. That is not good enough for a country like Canada. We should set up health measures that will provide more medical services for the rural districts.

Education should be considered nationally rather than be left entirely to the provinces. I realize that under the British North America Act education is a provincial matter, but the committee could study this question and make recommendations which would provide that the educational standards in all provinces shall be the same. It has also been suggested from more than one quarter that the committee

should deal with the question of recreation. This would be closely connected with any health programme. We should also make greater use of our natural resources, but as this matter has been enlarged upon to some extent I shall not pursue it further.

The committee would be well advised to take up that almost forgotten document, the Sirois report, and consider the recommendations contained therein. This report seems to have been laid aside, because I have not heard it mentioned during the past year. I suggest that the committee also consider a report prepared by the late William F. O'Connor, law officer of the senate, dealing with the benefits of the British North America Act and their relationship to the different provinces. There is a great deal of valuable information in that report.

The question of trade relations was mentioned the other day. While Canada because of its size may not be able to claim a very important place in international trade, it would be within the jurisdiction of this committee to investigate the possibilities of international trade. A number of new industries have been organized in Ontario and Quebec and we should endeavour to procure more trade with other countries.

Like the hon. member for Broadview (Mr. Church) I shall deal briefly with this matter from a local standpoint. I come from Nova Scotia—specifically from the great eastern port of Halifax—and I remember, as no doubt you do, sir, the important part played by Halifax in the last great war. I realize, as you do, the important part that Halifax is playing at the present time in the assembling of ships to carry supplies overseas. I wonder if immediately following this war Halifax is again to become the forgotten port on the Atlantic coast. If trade relations are entered into with other countries and we make use of the vast industrial expansion which has taken place in Ontario and Quebec, I hope that the committee will be able to suggest definite measures to the government whereby our Canadian ports on the east and west coasts will be utilized to the full, instead of allowing large shipments which could go through our Atlantic ports to continue to go through the ports of the United States. I do not propose to labour that because I know the importance of maintaining the friendly relations which now exist between our two countries; nevertheless for our own protection we must deal with this matter in such a way that we shall enjoy the opportunities to which we are entitled.

[Mr. Isnor.]

I have already mentioned the fishing industry. The western farmer is well looked after. By that I mean that the farmers are represented by great and powerful organizations able to present a strong case for the farmers, and nearly always the result has been that the farmers have received assistance. But the fishermen are not so well organized, and it is my hope that the committee will recommend measures of assistance to our fishermen. I believe the present Minister of Fisheries (Mr. Bertrand, Laurier) is in sympathy with that idea and will welcome any recommendations from the committee that will be helpful to him in strengthening this great natural industry which we have on our east and west coasts. I suggest to the minister and the committee that assistance be given to the fishermen in purchasing equipment, and by instructing them in the catching, curing and marketing of fish. These are definite proposals, and I hope the committee and the minister will take them into consideration with a view to assisting our fishermen on the Atlantic and Pacific coasts.

I had intended to speak on the control of our finances, but I may have an opportunity in the budget debate to express my views upon the financial position of the country and the financial measures which are proposed. I consider that this is a part of the committee's work. The committee should look into our finances with a view to providing aid not alone for large industrial concerns but for the smaller farmer and the smaller fisherman so that as a country we may enjoy the increased wealth that comes from the labours of these two groups.

In conclusion, I would leave with the committee this thought of the poet Longfellow, and if they do their work in this spirit they may deserve the reward the poet speaks of:

> Lives of great men all remind us
> We can make our lives sublime,
> And, departing, leave behind us
> Footprints on the sands of time.

Mr. J. G. DIEFENBAKER (Lake Centre): Mr. Speaker, in rising to speak on this motion of the Prime Minister (Mr. Mackenzie King), may I be permitted to congratulate the speaker who has just taken his seat (Mr. Isnor) on the fine contribution he has made to the subject before this house.

I listened yesterday to the speech of the Prime Minister, with a large portion of which I entirely agree. Generally speaking, so far as the aims and ideals of this committee are concerned, I think all of us, regardless of party considerations, believe that the time has come to prepare for the post-war period, without

neglecting the problem that is immediately before us, namely, that of assuring victory for the united nations. All over the world, and particularly among the united nations, men and women to-day are more socially conscious than they have ever been before at any time within the present generation. They believe that the responsibility rests upon the parliaments of the united nations to assure that conditions such as prevailed after the last war shall not exist after this war. I think this whole situation, so far as the problem itself is concerned, was set out in an address given by the Prime Minister on October 9 last. After speaking of the new order he went on to say:

> The new order must be based on human rights; not on the rights of property, privilege, or position.

Then he says this:

> It is necessary that social security and human welfare should be expressed in definite terms. It is, however, not my purpose to attempt to give a blueprint of the new order. Of the kind of objectives I have in mind, I would merely mention the following as a national minimum: useful employment for all who are willing to work; standard of nutrition and housing, adequate to ensure the health of the whole population; social insurance against privation resulting from unemployment, from accident, from the death of the bread-winner, from ill health, and from old age.

Those are noble sentiments and that was a very eloquent speech; but what is being done to ensure the implementation of the promise then given? There should be no necessity to-day to apologize for dealing with a subject such as this during war time. In the parliament of the United Kingdom the representatives of the people spent several days in discussing the report of Sir William Beveridge, and in giving their attention to social security they were but carrying out the principles enunciated in a letter, to which I shall only make reference to-day, which appeared in the London *Times* in December, 1940, signed by the Archbishops of Canterbury and York, by Cardinal Hinsley and by the Moderator of the Free Churches, which set forth the attitude of the Christian church to the new world. All over the world men and women say that conditions such as existed after the last war shall not be permitted to exist after this war. The Atlantic charter epitomizes that. It advocates national and international freedom from fear and want through security measures everywhere in the world.

I would point this out, that too often there are some members of political parties who would have the people believe that they have a monopoly of the desire to serve the people of Canada as a whole. The principles enunciated in Sir William Beveridge's report can be carried into effect only under a system of free initiative where men and women still enjoy freedom to engage in enterprise. That is something that must not be lost sight of. The aim of the report is to assure security. By security it means that every able-bodied man shall have the security of a job; that those who through infirmity or invalidity cannot work shall have security without work; that there shall be security for men while they are in employment and when they are unemployed; that there shall be the security of medical and hospital assistance; security of the family against the invalidity or death of the bread winner, and above all security for the men who serve the nation in the armed forces—security both for them and for their dependents. All these things can be secured under the system which has built up this country—the system of free initiative—and if they cannot be secured under this system there is something radically wrong with our thinking and our teaching.

I am not one of those who believe that when the war is over, there will be immediate and widespread unemployment. I believe that through the instrumentality of a system of public works and great power projects men will be employed, that through the transition period from war to peace, if the government will utilize the instruments which it has at hand, namely, the many scores of factories which have received assistance from the government, employment can be secured for many of our men in the necessary production of consumer goods, the need of which will be greater than ever before. Agriculture, too, should enjoy a period of prosperity when hundreds of millions of bushels of wheat become necessary to be distributed in all parts of the world, in order to restore order and to relieve people from famine. That phase of the post-war will be dealt with by the reconstruction committee.

The Sir William Beveridge plan sets out that it is necessary to insure people from the five evils of want, disease, ignorance, squalor and idleness. Security for all is a great principle, a great ideal, but unless something more is done than the setting up of a committee to investigate, with no assurance as to what is going to be done after the investigation, or when it is going to be done, it is not sufficient.

As I listened to the address of the Prime Minister the other day and to the speech which he delivered in October last, I looked back a period of years to 1919, when, at a convention of the Liberal party, certain principles were enunciated, the very same principles which are being enunciated to-day for the after-war period of this war; and I naturally asked myself this question, why have they not been implemented during the inter-

vening period of years? I wish to refer to a few of them. They represent "the terms of the labour convention and the general principles associated with the League of Nations and incorporated in the conditions of peace," and are as follows:

1. The guiding principle that labour should not be regarded merely as a commodity or article of commerce.

2. The right of association for all lawful purposes by the employed as well as by the employers.

3. The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.

The matter of minimum wages is one of provincial legislation.

4. The adoption of an 8-hour day or a 48-hour week as the standard to be aimed at where it has not already been attained.

That was implemented in 1935 by the Bennett administration, and subsequently the legislation was set aside by the courts.

5. The adoption of a weekly rest of at least 24 hours, which should include Sunday wherever practicable.

This, again, was implemented by the Bennett government, and also set aside by the courts.

The principle that men and women should receive equal remuneration for work of equal value.

In all the years, what has been done to ensure the implementation of that great principle?

The standard set by the law in each country with respect to the conditions of labour should have due regard to the equitable economic treatment of all workers lawfully resident therein.

Another great principle.

That in so far as may be practicable, having regard to Canada's financial position, an adequate system of insurance against unemployment, sickness, dependence in old age, and other disability, which would include old age pensions, (widows' pensions) and maternity benefits, should be instituted by the federal government in conjunction with the governments of the several provinces; and that on matters pertaining to industrial and social legislation an effort should be made to overcome any question of jurisdiction between the dominion and the provinces by effective cooperation between the several governments.

That was over twenty-three years ago, and as we look at the Liberal party promises of 1919 and note the similarity to the promises of to-day, I ask this: Why should it be necessary, after the length of time that the Prime Minister has been in power, to submit the matter of social security to a committee of parliament:

. . . to examine and report on . . . the most practicable measures of social insurance . . . and the steps which will be required to effect their inclusion in a national plan . . .

[Mr. Diefenbaker.]

Why the necessity after all these years?

Now, something more. What is the committee going to do? The committee is—

To examine and study the existing social insurance legislation of the parliament of Canada and of the several provincial legislatures; social insurance policies of other countries; the most practicable measures of social insurance for Canada, including health insurance, and the steps which will be required to effect their inclusion in a national plan; the constitutional and financial adjustments which will be required for the achievement of a nation-wide plan of social security. . . .

Well, now, everybody knows what it is necessary to do in order to secure the necessary jurisdiction to enact health insurance. Either there must be amendment of the British North America Act in order to permit health insurance to be placed upon the statute books by this parliament, or there must be consultations with the various provinces in order to secure their consent to the carrying into effect of a federal social insurance scheme. Surely this committee is not going to be asked to shadow-box with the problem, to go through the motions of leading the people of Canada to believe that there will in fact be something done; for the Prime Minister, possibly not intentionally, has failed to state what will be done when the committee reports, whether anything will be done, and when anything will be done.

In connection with unemployment insurance, for a period of about sixteen years the general attitude taken by the government was that such legislation could not be introduced because of provincial rights under the British North America Act. In 1935 legislation setting up an unemployment insurance act—and also, I point out, a health insurance act, sections 39 to 41 of the Employment and Social Insurance Act—was submitted to the Supreme Court of Canada and by way of appeal to the privy council by the government of the day which for many years had stated that they believed in the principle, and was declared to be beyond the powers of the parliament of Canada.

In 1940 the matter again came up, and I remember very well the then Minister of Justice pointing out the difficulties in connection with the situation. He introduced a resolution of parliament asking the imperial parliament to amend the British North America Act by adding to section 91 the power to put into effect "unemployment insurance". And the minister pointed out that otherwise all the provinces would have to be consulted or be persuaded to submit to its being administered by a body which was not responsible to them.

When the Prime Minister speaks again in this debate I think we as members of this committee that is to be set up, and, if not we, this parliament, and certainly the people of Canada, have a right to know whether the provinces have been consulted, which provinces have been consulted, and what have been their answers. Are they willing to give up their powers under the British North America Act respecting health insurance?

When the Prime Minister was speaking yesterday he referred to this, and this is what he said, as reported at page 937 of *Hansard:*

> Questions of jurisdiction will arise, questions between the provinces and the dominion as to whether in a national scheme the dominion should attempt to carry out all social security measures, or whether those measures in part should be under the jurisdiction of the dominion and in part under that of the several provinces.

Why have we not been told whether the provinces have been consulted? Surely the committee will not be required to communicate with the various provincial governments of Canada and ascertain from them what they are prepared to do. If we are to wait until the provincial governments would answer the committee as to whether or not they are going to release their powers I think the committee would wait quite a long time.

Then the Prime Minister went on to say:

> So far as administration is concerned there are some measures which, at least for a time, the provinces will I believe wish to retain.

What are the measures the provinces wish to retain? Is it the matter of health insurance? Is it the matter of other insurance to which reference has been made? What provinces have indicated their willingness to cooperate? These are questions I ask the Prime Minister to answer. Then he says:

> There may be others they will be prepared to hand over to the federal government.

That is too indefinite. A committee is to be set up by this parliament to look into the question of assuring the men and women of this dominion that after this war there will be security against invalidity and against unemployment or while unemployed—we already have that—and security against disease as far as that is practicable. Yet we have no assurance that when we get through with our work all the provinces will agree to this parliament passing the necessary legislation, or that any of the provinces will give up their jurisdictional rights as far as health insurance is concerned. All those things should have been done earlier. The Prime Minister and the government should give the people of Canada the assurance now that when this committee works, as I know from the personnel it will, and arrives at final conclusions, its recommendations will be brought into effect; that this parliament has the power to bring them into effect; that the provinces have agreed thereto, or that the necessary amendment of the British North America Act will be applied for to enable parliament to pass a health insurance act.

In 1940 the government knew that health insurance and many of these things that were advocated in 1919 could not be carried into effect without an amendment of the constitution. Then why was it, with the realization how necessary health insurance was, that when the imperial government was approached in 1940 the application for amendment of the British North America Act was restricted to just one thing, namely, unemployment insurance? I think in large measure what accounts for the fact that our social legislation is behind that of most of the other democratic nations of the world is that there has been divided responsibility, divided jurisdiction as between the federal and provincial governments. It has held Canada back from being able to take the position that Great Britain has in social legislation. She has had workmen's compensation since 1897, old age pensions since 1908, and by way of contribution some years later, unemployment insurance since 1912 and compulsory health insurance since 1912. Canada has been hedged in by constitutional difficulties in the enactment of social legislation. Surely the committee will not be doing anything effective if all that it does is to consider what social legislation has been passed in other countries, without the assurance that something will be done to carry its recommendations into effect.

It is a singular fact, as was pointed out yesterday in the very careful summary in respect of social legislation given by the leader of the opposition (Mr. Graydon) that we had to wait until after the Winnipeg convention before social legislation was made so large a part of the programme of this government. That may account for the fact that, the convention being over only six or seven weeks ago, sufficient time had not elapsed to enable the government to communicate with the various provincial governments on these matters. I believe that the time has come, if we wish to build up in Canada equality in social legislation, that the provinces must give up some of their rights to the central authority. We have one law in regard to minimum wages in one province, and a different law in another; we have different provisions for mothers' allowances, maternity grants and so on in the different provinces. Great strides have been

made by the provinces, but there is no uniformity in social legislation. The result is that in one province the deathrate in childbirth is very much greater than in other provinces, and in saying that I have no particular province in mind. The fact is that there are not uniform social services; and if we are in earnest about doing something for the men who will return after the war; if we are to have the social consciousness of the ordinary man on the street carried into legislative effect, then I believe the time has come when the field of social legislation should be taken over by the dominion government. I believe there would be very little difficulty if representations were made to the provincial governments. In his speech the Prime Minister indicated that there might be some difficulty, but he also indicated that in regard to many matters he believed the provinces would be prepared to permit the federal government to put such legislation into effect.

We in his majesty's opposition have certain definite ideas in reference to this problem. We believe that the state's share of the cost of all social security measures should be borne by the dominion, and the time has come when this should be put into effect. In the next place we believe that it is the obligation of the government to make available to every citizen adequate medical, dental, nursing, hospital and prenatal care, with further advanced public health and nutritional principles so that health may be safeguarded and preserved; that the time has come to put into effect legislation to assure adequate payment for the maintenance of unemployables; retirement insurance, and the payment of increased old age pensions at an earlier age than seventy years. I am going to pause there for a moment, Mr. Speaker, and suggest that there could be no better way to assure the morale of Canada as a whole than for the government immediately to bring into effect cost-of-living allowances for old age pensioners. Let us forget the difficulties of financing as far as old age pensions are concerned, as between the federal government and the provinces. Old age pensions for the period of the war should be immediately increased to a point much higher than the present destitution level. If that could be done it would meet with approval all over Canada; it would not require the approval of the provinces if the dominion government were prepared to pay the extra cost, and by paying that extra amount we would bring new hope to those people, many of whom to-day, by reason of the small allowance, are living under circumstances very little better than destitution.

[Mr. Diefenbaker.]

Finally, if ever there was a problem to challenge the imagination it is the after-war problem, the problem of the new world of which the Prime Minister, Mr. Churchill and President Roosevelt have spoken so often. Just in that connection I thought it was particularly appropriate that the messages read earlier to-day should have been sent to the Prime Minister of Great Britain and the President of the United States. It was appropriate on account of the fact that they have dominated the world situation; they have given hope to the democracies; they have built up a determination in their nations that know no word but victory. Both have been leaders in social reform, and to-day the social security legislation of Great Britain is far ahead of ours, while across the line in the United States President Roosevelt in the last ten years has brought in social legislation designed to improve the lot of the common man to a degree never before equalled on the continent of North America. We believe this matter of social security is so important that the government should now appoint a minister of social security and reconstruction, to be charged with the administration of social security measures. That is what we advocate in our platform. We believe that with the load of responsibility at present being carried by the Prime Minister and the other members of the cabinet, with the division of responsibility among departments as far as social legislation is concerned, this problem, which now looms larger than ever before, is worthy of a minister to head a department which will administer social security laws for the uniform benefit of all parts of Canada.

I come back once more to the resolution setting up the committee. If read cursorily, this resolution gives promise that something will be done; but if read carefully, it says only that a select committee will be set up; that the committee will investigate; that it will study systems in Canada and elsewhere. There is no suggestion in the resolution that any action will be taken. That may be perfectly proper, but what is significant is that when the Prime Minister, whose interest in social legislation has always been very keen, delivered his speech yesterday he left no hope with those who heard him that the recommendations of the committee would be carried into effect in whole or in part. I think the people of Canada have a right to be assured now by the Prime Minister that jurisdictional difficulties with the provinces will be removed. Let him frankly inform the house of the attitude taken by each of the provinces if they have been consulted, and, finally, whether or not it is the intention of the government to bring in a resolution to amend the British North

America Act. The setting up of the committee will build up fond hopes; and if no action is taken on its recommendations there will be a feeling of resentment among the people if, when all the nations are building for the new world, this parliament intends only to set up a committee but does not intend to carry its recommendations into legislation.

Mr. J. A. MARSHALL (Camrose): Mr. Speaker, last year I was a member of two very important committees, one the committee on reconstruction and the other set up to investigate canteen funds. To a certain extent the work of those two committees clashed. Feeling I could not do justice to both I made an agreement with my colleague, the hon. member for Acadia (Mr. Quelch) that he should take one committee and I the other. He devoted his time entirely to the work of the reconstruction committee, and I went on with the work of the canteen funds committee. That accounts for the fact that I was unable to give as much time to the committee on reconstruction as I should have liked.

My remarks this afternoon perhaps should have been given on the resolution sponsored by the Minister of Pensions and National Health (Mr. Mackenzie). I intended to speak on that resolution, but on account of the lateness of the hour, and the desire of the minister to close the discussion I considered it would be unfair to hold up the formation of the committee any longer, because had I spoken it would have meant carrying the debate into another day. Therefore I waved my right on that occasion, with the result that the remarks I intended to make then I shall make now.

Speaking in the debate to set up the committee on reconstruction, the hon. member for Acadia placed his finger on the cancer which has been eating at the heart of the economic life of Canada.

I have been prompted to enter this debate by reason of a trend of thought I felt I sensed throughout a number of the speeches on the resolution to set up the committee on reconstruction, and in some of the speeches on the resolution at present under discussion. Under the guise of social security measures there seems to be a tendency to centralize power in a central authority, thereby taking away some of the rights and privileges of lesser governments. Not only is that taking place in single nations, but there is the trend to tie all nations of the world together, place them under one central authority, the enforcement of law in that central body being placed in the hands of an international police force.

The type of individual who desires such conditions is to my mind a dangerous one. We are setting up bureaucracies which I believe will be very difficult to do away with at the close of the war. It would be interesting to know the source from which this trend of thought emanates. I believe the idea of the world planner or bureaucrat originated in an institution in Great Britain known as the London school of economics. This institution was set up a number of years ago by an influential and rich man named Sir Ernest Cassel. He endowed it with an immense amount of money, and its avowed purpose, in his own words was—and still is—that of training bureaucrats for future socialist states.

One of the research committees operating under this school of economics issues a publication known as "PEP," the three letters standing for the three words Political and Economic Planning. Early in the war there appeared in this publication an article from which I should like to quote one sentence, because I believe it reveals the tactics being followed at the present time:

> Only in war or under the threat of war will a British government embark on large-scale planning.

I suggest to the house that this is a most subtle utterance. Herein I believe lies the reason for the undue haste, shall I say, of trying to saddle upon the shoulders of the Canadian people, who at this time are most anxious about the prosecution of the war, schemes and plans which could not possibly be saddled upon them in peace time.

Let me first of all deal with world planning. There are those who believe that success can be achieved to-day only by tying all the nations together under a central authority. They believe that international trade is a solution of the problem. They believe that the amalgamation rather than the cooperation of countries is one of the factors tending toward a new day. I believe those good people are misguided. They seem to hold that what is national is inherently bad, but what is international is positively good. They wish to establish once again institutions which have been more or less discredited in the past. I refer to the institutions of the Bank of International Settlements, and the League of Nations. The Bank of International Settlements is a pro-axis organization. The chief shareholder in that bank is Germany, and the majority of the shares are controlled by axis countries. If anyone cares to have proof of that he has only to read the British *Hansard* of the last few months of 1942. It will be found that that institution was the subject of many questions as well as discussion.

Then we have the League of Nations, that brain-child of a United States college professor which was dumped on the doorstep of Great Britain and her allies at the close of the last war and then was disowned by its creator. Both of those institutions were, and still are free from national bias. Their policy is to get every nation into debt with equal impartiality. One in particular is working secretly and guards its workings most jealously from prying minds. The League of Nations was the international instrument by which reconstruction loans at usurious rates of interest were fastened upon many of the small nations of Europe. One example is the League of Nations loan to Austria. This allowed for a premium on redemption and yielded a rate of approximately eight and a half per cent per annum although it was soundly secured and internationally guaranteed. The second instance is the League of Nations loan to Hungary which carried a rate of nearly 9½ per cent per annum. The objective of the loans was to keep those countries under an orthodox economy, to keep them permanently enslaved under a debt system. Similar loans were made to Greece and Bulgaria.

For a few moments I should like to turn my attention nearer home. As I have said, these world planners are endeavouring to take powers away from the local governments and centralize them in one central authority. They work on the premise that nine wrongs make a right. They believe that if one man the worse of liquor is not able to reach his home safely, then nine men the worse of liquor will be able to get home all right provided they are tied together. They believe that if you take the provinces of Manitoba, Saskatchewan, Alberta, British Columbia and the others, all of which are loaded heavily with debt, and bring them under the control of a central government in Ottawa, all their worries will be at an end and their debt problems will be solved. These planners forget that the central government in Ottawa has balanced its budget only fifteen times in seventy-five years. Debt has been piled up in sixty years out of the seventy-five to the stage where it now threatens to engulf us.

I am not convinced, therefore, that the way to solve any problem is to make it larger. There are certain definite limits beyond which one's faith cannot go.

What is the strategy of these bureaucrats? First of all, this government set up the Sirois commission which brought in a report that, had it been adopted, would have centralized all authority in Ottawa. Fortunately for the people of Canada that report was rejected, not by the people themselves, it is true, but by their elected representatives. It is "only in times of war or under threat of war that the Canadian government will embark upon large-scale planning."

The first step taken in Canada during the war was to saddle the Canadian people with an unemployment insurance scheme. This scheme was pronounced economically sound by one expert actuary, but it was declared to be economically unsound by another. The bill was passed in 1941, a war year. I contend that that bill would never have been put upon the statute books during years of peace. Unemployment insurance flourishes in times of war and in years of prosperity, but it bogs down in times of peace and in years of depression. That has been the experience in Great Britain, and that is why a commission was appointed to find out what could be done to tie together all the various schemes in order to make them work. That was the first step in this programme of centralization.

We come now to the next step. We are asked to adopt a national health scheme. In the last speech I made in this house on the address in reply to the speech from the throne, I prophesied that a plan of social security had already been formulated and that it would be brought out and presented for approval at the proper time. I was not surprised, therefore, to read in the *Financial Post* of February 27, 1943, right on the front page, under the heading "Social security report ready" the following:

> Canada's first attempt at a pre-Beveridge report—the study on social security for Canada in terms of post-war planning—is now in the Prime Minister's hands, the *Financial Post* is informed.
>
> The report covers some 150 pages and will presumably be available to the newly-formed parliamentary committee on social security and the parliamentary committee on reconstruction.
>
> Prepared in less than two months, it has been turned out under the direction of the James committee on post-war reconstruction.
>
> The report is intended as an educational document showing the background and present position of social security legislation and planning in Canada, and to indicate what would be required in respect of a comprehensive social security programme for Canada.

What is the use of setting up a committee if the plans are already cut-and-dried? All that we shall be asked to do is to give our approval to them and then they will be turned over to the publicity boys to sell them to the general public. This government, prodded by bureaucracy, appears to be determined to preserve the old order even though it means centralization and regimentation.

I should like now to direct the attention of members of the house and of members of the

two committees which have been set up, to a resolution standing on the order paper in my name, and which I am sponsoring on behalf of the Social Credit group with which I have the honour to be associated. The resolution reads:

Whereas the men of our fighting forces are very properly looking to the people at home to see that when they return it will be to a country worthy of their magnificent courage, their unstinting sacrifices and the ideals for which they are fighting;

Therefore be it resolved,—That, in the opinion of this house, the minimum measures for the rehabilitation of the men of our fighting forces and their dependents shall be:

1. (a) On demobilization, persons who have served in the Canadian armed forces or merchant marine shall, while domiciled in Canada, receive a monthly income equivalent to not less than the full pay and all allowances including subsistence, for a private in the army, for a period of not less than three years, to enable the individual to become established in the economic life of the country, (b) thereafter they shall receive a monthly income (irrespective of any earned income) sufficient to ensure adequate basic economic security for the family against loss of income through any cause whatever.

2. Dependents of persons who have been killed in action and of persons who have died while serving in the armed forces and merchant marine shall be provided with a pension equivalent to not less than the full benefits under clause 1 (a) during the life time of the mother or widow and, in the case of children until they become 18 years of age, when they shall be eligible for a special allowance to complete their education.

I commend this resolution to the earnest consideration of the members of the house and the members of the two committees. The resolution proposes to give the men and women of our fighting forces and their dependents individual security with freedom. If you give the people of this country financial independence, that will make these schemes we hear so much about entirely unnecessary. The individuals then will be free to choose their own doctors and nurses and hospitals. The old bogey, of course, of where will all the money come from to do these things cannot be trotted out any more because the Minister of Finance (Mr. Ilsley) himself has said that what is physically possible can be made financially possible. The Prime Minister (Mr. Mackenzie King) used similar words. It requires only the willingness of the government to put this plan into effect.

Frankly, Mr. Speaker, I do not like the move of the government toward state bureaucracy. I realize that some of it is necessary in war time, but not in such large doses as are being fed to us to-day. That is not Liberalism, at least not the Liberalism that I have always known in past years.

Reforms must come. Suffering, destitution, sickness and all other evils that afflict mankind must go. We are all agreed on that. But to institute unemployment insurance and a national health scheme are simply palliatives and will not cure the disease which afflicts us. All reforms must wait on monetary reform. The greatest monopoly of all is the money monopoly, and until that problem is tackled and solved there is no hope for the people from any of these palliatives. No new Canada can be built upon a rotten foundation, and I am not yet convinced that this government desires to clear away any of the rottenness. I think these palliatives and these plans can well wait and I suggest that they wait until the Beurlings and the Merritts return to help us make blueprints of a better Canada. Let us not fool ourselves. The same old gang who lost the last peace and who admitted, as Sir William Beveridge has done, that want could have been abolished are bestirring themselves and want to write a charter of a better Canada. But the youths who ride the sky lanes over Germany, Italy, Burma and north Africa, the youths who are standing to in Great Britain awaiting the "go" sign to march to Berlin, the youths who daily brave the biting gales of the Atlantic and Pacific oceans—they are the men who, in my opinion, should write the blueprint of a new Canada. But if these youths allow the politicians of to-day and yesteryear to plan for them, they are bigger fools than I take them to be. I do not think it is likely that these young men who have donned battle-dress to win the war will meekly agree to don overalls to lose the peace.

One Englishman writing under the pen name of "Excalibur," penned a short poem which describes more pungently the situation than I could possibly describe it, and I think provides a complete answer to all world planners. The poem is as follows:

Youth Replies to Planners

We should be touched by your consideration
Of problems that affect our generation
But frankly we are not. It may disgust you
To learn it but we simply do not trust you.
We fear the gifts with which you would present us,
They hide a cunning scheme to regiment us,
Curl up, old busybodies, on your shelves
And go to sleep and—leave us to ourselves.

Mr. COLDWELL: Who is the author?

Mr. MARSHALL: "Excalibur." He writes under a pen-name. I do not know him; I should very much like to, but I have never been able to find out who he is.

Mr. COLDWELL: Where does he write? In what paper?

Mr. MARSHALL: I could not tell the hon. member.

Mr. JOHNSTON (Bow River): He is writing about the Liberal cabinet!

Mr. MARSHALL: Youth fights to win this war; the world planners fight to lose the peace. I prefer to leave the planners, the politicians, and above all the peace, to Canadian youth.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I am sure that the hon. member for Camrose (Mr. Marshall) who spoke just before the dinner recess will not expect me to follow him, because after all there is a place where international affairs can be discussed more appropriately than on this resolution. When the proper time comes no doubt we shall be able to discuss the points he raised this afternoon.

I am glad to note that the government is recommending to this house the appointment of a committee to study social security measures. But that is not enough. The government will be judged not by the problem it presents to a committee but by what it does now to impress upon the country the assurance that it is in earnest in bringing about some improvement in our social and economic conditions. I should have preferred very much had this resolution been preceded by some mention in the speech from the throne of some provision to be in the budget for an improvement in the condition of the old age pensioners, the blind, the dependents of our soldiers and the men who are being discharged now from the armed forces in the present war.

This afternoon the hon. member for Lake Centre (Mr. Diefenbaker) delved into history and referred to the Liberal programme of 1919. I have been doing the same thing.

Mr. MACKENZIE (Vancouver Centre): Doubtless.

Mr. COLDWELL: I have done it before, and I have no doubt, if the government continues the pace in regard to social legislation that it has adopted in the last twenty-three years, someone will be doing it twenty-three years hence, and with no better result than I have been able to find. It was a wonderfully attractive programme at the time. The first resolution adopted read:

> Whereas the great war and the greater epidemic have taken an appalling toll of Canadian life; and
>
> Whereas human life and physical efficiency are the nation's greatest assets; and
>
> Whereas conservation and improvement thereof should be the country's first care;
>
> Therefore this gathering of Liberals in convention assembled pledges itself to a vigorous prosecution of the measures best calculated to conserve the life and improve the physical standard of our Canadian citizenship.

That was adopted on August 5, 1919.

Mr. HANSON (York-Sunbury): That was only a chart.

Mr. COLDWELL: Yes; that I believe was the last national convention of the Liberal party in Canada.

Mr. MARTIN: We have always had our leader.

Mr. COLDWELL: If we progress no more rapidly than we have in the last twenty-three years we shall be a long time indeed before we achieve any real measures of social security.

A little further on is a resolution saying:

> That the introduction into the government of industry or principles of representation whereby labour and the community, as well as capital, may be represented in industrial control and their interests safeguarded and promoted in the shaping of industrial policies.

I am not going to comment on that, for every hon. member knows how well or how badly that particular paragraph has been put into effect. Then we go on:

> That in so far as may be practicable, having regard to Canada's financial position, an adequate system of insurance against unemployment, sickness, dependence in old age, and other disability, which would include old age pensions, widows' pensions and maternity benefits, should be instituted by the federal government in conjunction with the governments of the several provinces; and that on matters pertaining to industrial and social legislation an effort should be made to overcome any question of jurisdiction between the dominion and the provinces by effective cooperation between the several governments.

Here we are to-day in 1943 with the jurisdictional difficulty still facing us, in spite of the fact that we had the Rowell-Sirois commission sitting prior to the war and bringing these problems before us in a very striking manner in 1940.

Another paragraph read:

> That the system of retraining the soldiers unfitted for their past work because of physical injuries be extended to disabled workers in industry.

I venture to say that the soldiers are not adequately provided for and that workers in industry have never received any real benefit under this particular resolution.

I am not going to discuss the other clauses in that section.

Let me read the paragraph regarding insurance:

That provision should be made whereby any increased cost of insurance in favour of the dependents of the soldier should be borne by the state where such increase arises from disability incurred during the war.

And then:

That such pensions or allowances be granted as shall enable soldiers or their dependents as the case may be to maintain a liberal standard of living sufficient to guarantee health, education and all the necessities, comforts and amenities which go to make up a standard of living worthy of Canadian citizenship.

That policy was adopted a year after the close of the last war. To-day we are engaged in another great war, and I ask you, Mr. Speaker, if the men who to-day are being discharged are receiving an amount sufficient to provide them with a reasonable standard of health, education and the amenities which go with the standard of living which we enjoy normally in the country in which we live. The answer must be in the negative. Therefore I say that when the people of Canada look at the resolution to set up this committee they will not take the resolution as seriously as some would wish them to do because they know the past record of the government which is recommending it to this house at the present time.

May I say to my hon. friends to my right that when we look into their record in the years between 1930 and 1935 we can find no indication whatsoever that they would do any better, in spite of their new programme, if they were occupying the government benches instead of those of the official opposition. I remember perfectly well those dreadful years 1930 to 1935. I remember being on delegations meeting the government of the province in which I live and the premier telling us that we could not get programmes of public works because the dominion government, then the Conservative party, believed it was cheaper to keep people on the low level of relief at which they were kept than to enter upon a public works programme, which would involve expenditures for material as well as for wages. Nor can I forget, as few hon. members will forget, seeing the hundreds of young men moving across this country seeking work, some of them arriving in my own city one June afternoon, as decent a bunch of boys as one would find anywhere in Canada. They may have had some leaders who were not of the best type, but on the whole they were well behaved, and during their stay in our city of Regina there was raised for them the largest amount of money that was ever raised on a single tag day in that city. In the end there was a riot, during which blood was spilled. Therefore, I say that actions speak louder than words, and we need from the government, from the opposition and from all parties in this house more in the way of action and less in the way of words.

As far as we in this group are concerned, we have tried to promote throughout the country a consciousness of the need for social service measures. I do not think any hon. member sitting anywhere in this house will gainsay the fact that ever since we came into existence as a party in 1933 we have endeavoured to keep before the Canadian public the need for social security legislation. I have in my hand a copy of the manifesto that was adopted at Regina in 1933 when the Cooperative Commonwealth Federation was first placed upon a strong foundation, and I will put it on the record. At that time, as at the present time, we had this plank in the platform: publicly organized health, hospital and medical services. We went on to say:

With the advance of medical science the maintenance of a healthy population has become a function for which every civilized community should undertake responsibility. Health services should be made at least as freely available as are educational services to-day. But under a system which is still mainly one of private enterprise the costs of proper medical care, such as the wealthier members of society can easily afford, are at present prohibitive for great masses of the people. A properly organized system of public health services including medical and dental care, which would stress the prevention rather than the cure of illness, should be extended to all our people in both rural and urban areas. This is an enterprise in which dominion, provincial and municipal authorities, as well as the medical and dental professions, can cooperate.

When we look back over the last few years in our own country, the record in connection with disease and death is certainly appalling. I do not intend to give a long list of figures; I simply state that according to official records in 1941 tuberculosis took more than six thousand lives in this country. In Ontario the incidence was 29·2 per hundred thousand of population; in Quebec it was 80·8 per hundred thousand. In 1940 infant mortality per thousand of living births was 29 in Vancouver and 113 in Quebec city; and even 29 was too high. Some 3,964 mothers died in childbirth in 1939. The Verdun district of Montreal had four times the number of deaths of mothers in childbirth as the city of Regina, and even at that Regina does not stand at the top of the list of the cities of western Canada. I recall that the former Minister of National War Services, Hon. Mr. Thorson, in 1941, said that up to October 2 of that year, 44 per cent of the 217,588 volunteers examined had been rejected from class A as being unfit, class A

of course being the top class. Since the outbreak of war I am informed that more than 60,000 men have been discharged or have deserted from the armed forces, which I submit is an appalling indictment of conditions in our country.

Conditions are not growing better. Last year I had occasion to refer to the shocking conditions that existed in Halifax, and I should like to draw attention to the fact that conditions in that city have grown worse during the past year. Recently the Rockefeller foundation sent two of its physicians, Doctor D. Bruce Wilson and Doctor W. A. McIntosh, to make a survey of conditions in Halifax, at the request of the provincial minister of health, Doctor F. R. Davis. What does their report show? The deathrate in Halifax has risen from 14·5 in 1937 to 17·2 in 1941, and is almost 45 per cent higher than anywhere else in Nova Scotia. Yet in order that they may do their duty and defend our country in this time of war we are sending literally thousands of our young men and some young women to Halifax, or through Halifax to other points. It seems to me that the condition of this great Canadian city affects not only the citizens of Halifax and the people of Nova Scotia, but the people of this country as a whole. Conditions in that city ought to be a dominion responsibility. Tuberculosis, one of that city's major health problems, is not even reported as it occurs, though these doctors state that an early report by medical men would cut down the incidence of that disease very considerably. Another appalling fact is that two and a half times as many new cases of syphilis were reported in 1941 as in 1939, and the extent of the social diseases problem is unknown because provision for treatment and control is entirely inadequate. In their report these medical men state that some of the doctors in Halifax are not even reporting these cases and that the committee which was established in that city to look after this particular social disease has not been meeting. They go on to tell us of the disgraceful manner in which the food of that city is handled. They tell us of the filth around the market place, the filthy lavatory accommodation and the wretched and entirely inadequate milk supply. Yet, as I say, we are sending thousands of our young men and women through that city. I am not going to quote further from that exceedingly gloomy report, but to my mind it is a disgrace not only to the city of Halifax, not only to the province of Nova Scotia, but to the entire Dominion of Canada.

I raised this question last year after I had seen the terrible slum conditions in Halifax, but apparently very little has been done to meet the situation there. The report of these two medical men states that the slum population of Halifax is out of all proportion to the size of the city itself. I believe the Minister of Pensions and National Health (Mr. Mackenzie) has obtained or is about to obtain a copy of the report to which I have referred, and no doubt he will give it his attention; at least I hope he will do so.

Mr. MACKENZIE (Vancouver Centre): I may inform my hon. friend that we passed an order in council yesterday providing a substantial contribution toward the betterment of health conditions in Halifax.

Mr. COLDWELL: I am pleased to hear that, and may I say that I trust the minister will supervise the expenditure of the financial aid in order that it may do the job I am sure the government hopes will be done in that city. In line with this plea for the prevention rather than the cure of the disease—for such, to my way of thinking, is the real purpose of any health scheme we may adopt or support in this country—we have to consider allied nutritional problems.

I have seen a good many reports on the nutrition of the Canadian people, a people with a comparatively high standard of living. Yet it is surprising how many people in Canada are insufficiently and inadequately nourished. To a large degree that is due to inadequate incomes, but not altogether, for one sometimes finds malnutrition in families where the wrong kind of food is eaten, but who have enough money to get the right kind of food.

Those of us who visited Great Britain a year ago had the privilege of seeing some of the great community kitchens established in that country; and we learned there, with a good deal of satisfaction, that in spite of the fact that many kinds of food are scarce, and some unobtainable, and in spite of the fact that they have had to cut down very largely on the foods to which the British people were used in normal times, yet government supervision of feeding in Great Britain, even on the lower levels, so far as types of food are concerned, had improved the health of the people to the point where, we were told, the British people to-day, taken as a nation, are probably better nourished than they were in the days before the war. Therefore I say that we should be giving attention to the problem of nutrition.

I mentioned the incidence of the venereal disease, but when I was doing so I omitted to say that I hoped adequate provision would be made this year to deal with that problem. I do not know just what is in the appropriation for that work.

Mr. MACKENZIE (Vancouver Centre): There is $175,000.

Mr. COLDWELL: I believe that is a smaller amount than was appropriated shortly after the last war, when there was an appropriation of $200,000, if my memory serves me correctly.

Mr. MACKENZIE (Vancouver Centre): That was the maximum year.

Mr. COLDWELL: Yes; $200,000 was the maximum. We should be spending the maximum now. May I say again that I thought it was most unfortunate that when Mr. Bennett was Prime Minister of this country the appropriation was so drastically cut, to the point where actually the stamping out of the disease was made exceedingly difficult. I am glad, therefore, to know that something is being done in this connection, and I can assure the minister that any appropriation he sets aside for purposes of this description will receive the hearty support of my colleagues and myself.

In the short time remaining to me I should like to offer some suggestions regarding the work of the committee. I am glad to know that the reference is broad enough that the committee may examine health schemes in other countries. There are two countries in which, I think, health has been placed in the forefront of the aims of the nation. No matter what we may think of the methods used to establish the present government in Russia; no matter what we may think of what is called communism—and I suppose there is no one in this chamber who dislikes communist party methods more than I do—yet I want to say this, that if there is one thing which has been done in Russia which we should study, and one thing that should be a challenge to all democratic nations, it is the manner in which Russia has dealt with health problems. That is the one great contribution, if they have made no others, that they have made to the welfare of the human race. The manner in which they care for mothers before children are born, for children after they are born, and the manner in which they use preventive medicine right through to life's end is something we should study. In Russia that is a service accessible and free to all.

The other country I have in mind is New Zealand. I realize that New Zealand has one advantage we have not at this time, namely, the ability to institute a nation-wide health scheme because it has a unitary parliament, or one parliament governing the whole country. That is not easily possible in a confederation such as ours. But I believe that if we approach the constitutional problem in the manner in which it should be approached, and in the right spirit, we should be able to straighten out this constitutional difficulty. I believe that the basis of confederation, as written into the British North America Act, and upon which the unity of this country depends, is the recognition of certain rights, rights not only of minorities but of majorities as well. We often speak of the rights of minorities, but let us not forget that the majority also has rights. If we accept the point of view that both these rights are the fundamental basis of confederation, then it seems to me we can approach this matter in the spirit in which we ought to approach it.

I believe an attempt should be made to obtain from the several provinces an agreement with the dominion—call it a bill of rights, if you like—and into this agreement there should be written the basis of confederation. Remove the question of constitutional rights from the realm of partisan discussion, so that we may then agree as to what new powers are needed by the dominion in order to bring about the kind of social structure we desire. As I say, in that respect New Zealand has the advantage of being able to do what it wishes, because it is a unified country with a single parliament. But somehow or another we must devise ways and means of meeting this difficulty under which we labour. After all, national health and social security are not provincial problems. I often hear my hon. friends to my immediate left talking about the danger of interfering with the rights of local communities —in their case, provincial rights. Yet I often pay this tribute to Alberta: I do not know any province in Canada which in recent years has done more for its education system than has Alberta. How did they do it? Did they do it by recognizing the inherent rights of every little local school board, every little local community? Indeed, no. What they did was to adopt a larger unit of administration, and take from the local community in spite of considerable opposition, the right to control its own local schools. In that respect they found that the larger unit was more efficient; and I ask them to apply to the wider problems which confront this nation and indeed the world, the same logic as was applied by their government in relation to their local school districts.

There are certain problems which cannot be dealt with by municipalities, localities or provinces, but which must be dealt with by nations. By the same token there are certain problems, such as the elimination of war and the establishment of collective security for the world, which can be dealt with only by the cooperative effort of all the nations willing to cooperate.

I hope the committee will study the New Zealand scheme. I am quite sure it would have no difficulty in obtaining the appearance before it of a man like the Hon. Walter Nash, who is now located at Washington and who, to a large extent, was responsible for the building of their social security system. I have no doubt that in studying social security conditions in other nations, the committee can find much first-class and first-hand evidence if it will, for example, consult officials of the international labour office in Montreal. I think some hon. members know that in the international labour office in that city there is one of the leading authorities on social security, a gentleman who was invited to go to England to appear before the Beveridge committee and who has been to South America to assist some of the countries there in devising social security systems in recent years.

Mr. MARTIN: Stein?

Mr. COLDWELL: Doctor Stein. What have they in the Dominion of New Zealand that we might study? Their plan is on a national scale, and all the residents of New Zealand, no matter what their station and condition in life, are included. The plan covers almost every kind of risk such as unemployment and complete care for all residents. They pay a sickness cash benefit if the breadwinner is sick. They pay workmen's compensation, and this compensation is unaffected by the sickness benefits. They pay permanent disability pensions, old age benefits and widows' and orphans' benefits. We sometimes misname our mothers' pension in this country by calling it a widow's pension. In some of our provinces, certainly in Saskatchewan, the mother receives a small pension as long as the children are under sixteen years of age. However, as soon as the children reach that age, the pension ceases and the mother is left without any pension whatsoever. New Zealand also pays child allowances and family allowances. In addition there are discretionary emergency benefits for exceptional cases of distress. Those are the main outlines.

They cover at least one of the four freedoms, the freedom from fear, fear of old age, fear of sickness, fear of disability and so on. The nutritional programme which they are trying to put into effect, and which we ought to study, will give a measure of freedom from want. There is no means test of the type we have. An aged couple can get their sixty shillings a week while owning their own home unencumbered by the caveat which is often placed against the little pieces of property in our country and which discourages the principle of thrift of which we hear a great deal. They may have £500, or $2,500, in the bank without having their pension affected. In addition they may have an income of $5 a week to enable them to get the small comforts that aged couples require in addition to the minimum provided.

I say to the government that the people of Canada will judge the sincerity of the government, will judge the sincerity of this parliament, not by the promises—as has been pointed out, the Liberal party made promises in 1919 and they remain unfulfilled in 1943—but by the performance. To-day in the midst of this war, it seems to me that we could not do better than to increase the benefits of those in this dominion who need the assistance of the state.

I urge the committee to get down to work and to place before this house at this session a scheme which will be a challenge to us to go forward and to remove the blots to which I have referred to-night. There are those who tell us that this is not the time to do these things. Many of the things I have mentioned as being in effect in the Dominion of New Zealand have been done since the war began. Benefits have been steadily increased and expanded since the beginning of the war, and who is there in this house or anywhere else who will say that the increase of those benefits has interfered in any way with the contribution of New Zealand toward the prosecution of this war. Indeed it is often said that considering its resources and man-power and everything else, New Zealand has probably made the greatest contribution of any one of the nations in the British commonwealth of nations outside of the British isles.

I happened to note a few days ago a letter which had been written by a man who was deservedly lauded this afternoon as a great leader, the President of the United States. Does he think it is too early to begin planning for post-war reconstruction? I have a letter which I clipped from the New York *Times* of February 20. This letter was addressed by Mr. Roosevelt to the St. Louis *Post-Dispatch*, and it reads in part:

> I want to take this opportunity to commend the St. Louis *Post-Dispatch* for its interest in publishing a series of articles which discuss the aims and objectives for which the United States and the united nations are fighting. There cannot be too much discussion of this kind, and there could not be a better time for it.

No better time for a discussion of the things for which we are fighting. I say to you, Mr. Speaker, that the people of this nation are fighting this war expecting that out of it will come something better than what they have known in the past. The time to lay the foundations for that better deal is not after

the war; it is now, in order that our people may understand that we really are in earnest when we say that the world will be remade on a better pattern.

My time has expired and I do not wish to transgress further upon the courtesy of the house. But I want to say again that if we are to impress the people of Canada with our sincerity; if we are to convince them that we are indeed in earnest about doing the things that we believe should be done in the realm of social security, then we should not wait. I think the Prime Minister once said that one way of getting rid of an awkward question was to refer it to a committee. I hope that this is not just getting rid of an awkward question. If it is, I can assure hon. gentlemen opposite that the people of Canada will hold them to strict accountability.

Mr. J. A. ROSS (Souris): I listened attentively yesterday to the Right Hon. Prime Minister (Mr. Mackenzie King) speaking on this resolution that a select committee of this house be set up to examine and report on a national plan of social insurance which will constitute a charter of social security for the whole of Canada. In the past twenty-three years the right hon. gentleman has been Prime Minister for some sixteen years and leader of the opposition for the remaining seven. On August 14, 1937, with the concurrence of the then Minister of Finance and the then Minister of Justice, he had set up what was known first as the Rowell commission and later as the Rowell-Sirois commission on dominion-provincial relations, recommending to that commission first, that it was expedient to provide for a reexamination of the economic and financial basis of confederation and of the distribution of legislative powers in the light of economic and social developments of the last seventy years. That commission, as most hon. members will remember, made an exhaustive and detailed study of prevailing conditions throughout this dominion and submitted a lengthy and comprehensive report to the present Prime Minister on May 3, 1940.

This afternoon my colleague the hon. member for Lake Centre (Mr. Diefenbaker) made reference to a speech delivered in Toronto last October by the Prime Minister to a gathering of labour people and to the very fine sentiments he expressed at that meeting. The hon. member also referred to those principles of social security which were enunciated by the Prime Minister in 1919 when he accepted the leadership of the Liberal party, and the speaker who preceded me, the hon. member for Rosetown-Biggar (Mr. Coldwell), quoted at some length from that chart of the Prime Minister's which was set forth in 1919.

I should have thought, in view of all these circumstances, that the Prime Minister would present to the house at this time a bill on social security and health insurance setting forth the government's policy, instead of presenting simply the resolution now under discussion.

The report of the royal commission on dominion-provincial relations accentuates the need for some central authority to obviate the dangers of fluctuating provincial incomes during depression periods. The report shows us the urgent needs of the provinces prior to the war and their inability to carry on the necessary social and health services. It goes without saying that the situation of the provinces is even more desperate now that the war has made it necessary to invade provincial fields of taxation.

The need for a collective attack is clearly shown by the evidence brought forward by the various provinces in their submissions to the Rowell-Sirois commission. In brief, here is the picture. I quote:

Costs of medical services are increasing, but the ability of their people to pay is not increasing.

The high incidence of preventable disease and death.

Inadequacies of hospital facilities, especially in rural areas.

Inadequate accommodation in mental hospitals.

The expenditures on behalf of the mentally diseased and mentally defective have increased more rapidly than the general population rate.

The problems of cancer, mental illness, venereal diseases and tuberculosis, which ignore provincial boundaries, can best be attacked by unity, rather than by nine more or less sporadic provincial attacks.

Early diagnostic and preventive measures are needed all down the line.

The urgent need for properly organized services in the field of maternal and child health.

The increase in the costs of dependency because of illness and premature death.

The crying need for federal responsibility and financial aid—in fact, some system of national health insurance—if the problem is to be solved.

They acknowledge their provincial lacks, but state that they are unable to finance the health services they should be giving to their people.

I quote further from this pamphlet on Canadian nutrition surveys which have been made. It says:

In Canada, nutrition surveys at different income levels have been made in cities across the country; and they show that Canada has a serious nutrition problem. Dr. L. B. Pett, director of nutrition services, in the Department of Pensions and National Health at Ottawa (and also secretary of the Canadian Council on Nutrition) is conducting a wide-spread campaign to develop interest in nutrition on a community basis.

He says: "What people are we trying to reach? The answer is—everyone. . . . The Canadian dietary surveys indicated that while

a higher income tends to assure the family of better nutrition, it is no guarantee. Furthermore, these surveys showed serious dietary deficiencies among families of an annual income less than $1,500. I am informed that this comprises more than half the families in Canada, so that there is a widespread nutrition problem. . . . Therefore, in analysing the meaning of this word "everyone" it is advisable to be clear that it is not just a case of relief families, or low-income families, because surveys show that even where apparently large amounts of money are being spent on food, yet there may be malnutrition."

If there was any doubt or misunderstanding as to the report of the Sirois commission, this war has certainly proved to us the great need for the improved care of health throughout this country. In a three months period last year, of 50,000 young men who tried to enlist, 20,000 were rejected as physically unfit. To date over 70,000 men have been discharged from the armed forces during this war, many of them—I do not know just what percentage—as physically unfit.

Among the twenty-six leading countries of the world, only four have a record of maternal deaths worse than Canada's. In four years, 1932 to 1935, Canada lost 70,000 infants under one year of age and lost another 33,000 mothers and still-born infants.

A government investigation of Canadian children has shown that half a million are undernourished, one-quarter of a million have impaired hearing, 77,000 have weak or damaged hearts, 35,000 suffer from tuberculosis. On the basis of these figures, Mr. Allan Ross, who takes care of rations for the Canadian troops, labelled Canada as a C3 nation.

The Hon. J. T. Thorson, as Minister of National War Services, stated in this house on November 11, 1941, that a total of 209,000 single men between the ages of twenty to twenty-four had been called and that 44 per cent of them had been rejected on medical inspection.

Therefore I do not think there is any doubt as to the need of some system of health insurance in this country, and this need has existed for a long time past. In social security and health legislation Canada lags far behind many other democratic countries. The magazine *Health* in its autumn issue in 1942 points out that:

> Under the social security act of 1938 medical care was provided in New Zealand for all. The service included free general practitioner's service, free hospital and sanitarium service for all and other benefits.
>
> In other words, in a large proportion of the English-speaking part of the British empire the problem of medical care has resulted in legislative action which we still lack in Canada.
>
> In order to estimate the type of national health programme which may be evolved in Canada and indeed which is likely to be evolved,

it is perhaps desirable to make some additional comparisons between Canada and the United States. Conditions in the two countries are similar so plans for the remedying of defects in public health machinery may well be similar.

In the United States for constitutional reasons it should be more difficult to initiate federal action in the field of health. Yet one finds that the efficiency of federal machinery is infinitely greater than in Canada, as expenditures on national health are greater.

I should mention the importance of full-time health service and the failure of our parliament to set aside any funds whatever for this purpose. On the other hand, in the United States under the social security act of 1935, $8,000,000 was made available annually for this purpose. In 1939 this appropriation was increased to $11,000,000.

It is more than interesting to note the remarkable increase in state and local expenditures as the result of the stimulus of federal subsidy. The total amount of money available from all sources in those health jurisdictions where federal funds were budgeted was $83,790,782 for the fiscal year 1940, an increase of $32,714,421 over the previous year. While because of some confusing factors this may not give an entirely accurate picture, it is obvious that the increase and improvement in local and state health machinery in the United States is much greater in proportion to federal grants than one could reasonably expect.

But if the two items of federal expenditure give one some idea of the direction in which we might go, they give little idea of the scope and magnitude of plans for national health under consideration in the United States.

The article goes on to cite details of expenditures in the United States, and then says:

> Our own dominion expenditures on health, as I have said, are about one million dollars annually, of which $50,000 only goes to the provinces in the form of subsidy.

I know personally of a community in western Canada where a group of doctors got together and organized the area, establishing a small hospital and clinic and a contributory scheme of health insurance for the people of the area. Under this scheme the head of a family paid $25 a year, a single person $15 a year, and each local municipality paid $300 a year to take care of the health of its indigents. This has worked very satisfactorily, and if it be possible I should like to see the country zoned and organized on some such basis as I have just referred to with respect to health insurance, the scheme to be supplemented by government assistance. These people could be given proper help in the matter of dental care and other parts of a proper scheme of health insurance.

In the past, speaking in this chamber, I have repeatedly asked that the old age pension be increased. I believe also that seventy years is too high a minimum; we might well consider reducing it. And certainly, in these

difficult times, pensioners are entitled to more than the meagre twenty dollars a month which they are allowed.

I have already indicated, when speaking on the debate in reply to the speech from the throne, that if social security legislation is to function properly, the British North America Act should be amended. If that is not done, the dominion and the provinces must get together and agree on certain matters—which to date they have not done. In the programme of the Progressive Conservative party as laid down in Winnipeg last December we recognized the obligation of government to make available to every citizen adequate medical, dental, nursing, hospital and prenatal care, and to further advance public health and nutritional principles so that health may be safeguarded and preserved throughout this country; this programme to be financed under a contributory system supplemented by government assistance.

It has been pointed out that Prime Minister Churchill and President Roosevelt are not only two great figures of our democratic world today but are great leaders in social reform. We may very well at this time take a leaf out of their book.

In closing, I should like to associate myself with the appeal of the hon. member for Lake Centre (Mr. Diefenbaker) this afternoon, in advocating the appointment of a minister of social security and reconstruction, to be charged with the administration of social security and health measures in this country. This measure is advocated in our platform which is now before the public.

Mr. W. F. KUHL (Jasper-Edson): The necessity or otherwise of the social legislation envisaged in the resolution before us is, I believe, entirely dependent upon the nature of the economic order which we wish to obtain in the post-war period. Personally I can conceive of an economic order in which the necessity of such legislation is entirely eliminated. My colleague the hon. member for Camrose (Mr. Marshall), in speaking this afternoon, stated that if the proper economic adjustments were made, much of this social legislation would be unnecessary. I agree entirely with his statement. I believe that many of these special problems which we are considering, including insufficient old age pensions, the need of pensions for the blind, and inadequate health facilities, are part of a major and fundamental problem affecting the whole economic body, and that if the disease which is common to that whole economic body is eliminated, many of these problems which are regarded as special will take care of themselves.

It seems to me that our approach to this whole post-war question is analogous to that of the construction of a house. It would be foolish, of course, for a builder to consider where he was going to put the chimney, or to begin to place the chimney, or to arrange the walls or any part of the superstructure, before he built the foundation. We are proposing to erect the national edifice which is to be a fit habitation for our nation's heroes. In listening to most of the debate which took place on the resolution pertaining to post-war rehabilitation, as well as to what has already been said in the present debate, I had the impression that for the most part it has centred round the superstructure, whereas I believe that the first duty of the membership of this house as well as of the committees which have been set up is to determine the fundamentals which are to operate in our economic system. We must first fix our objectives and then govern ourselves accordingly. I do not believe that thus far this has been done. There has been very little discussion of the objectives which we are to pursue in the post-war world. But discussion of these objectives is extremely appropriate and pertinent at this time.

I wish to occupy a few minutes this evening in endeavouring to indicate what I consider are the objectives toward which we ought to strive in our economic life. The only fundamental objective which I have been able to discover in any of the addresses made thus far by hon. members is that of full employment. I cannot agree or disagree with that objective unless I know what meaning hon. members attach to it. From every side we have heard the words "full employment" as expressing an objective. But what constitutes full employment? What do those who have used the term have in their minds as to what it means? We ought to have a clear definition of the terms we use. One writer tells us that definition is the breath of science and that fruitful discussion in any field presupposes and begins with a common definition. I cannot see that we can make any progress with any discussion we undertake unless, to begin with, we define our terms.

If hon. members who have thus far employed the expression "full employment" agree with my definition of it, perhaps I can concede that full employment is a fundamental and legitimate objective. I shall endeavour if I can to clear the air a little with respect to this question of full employment and work. Generally speaking, all work may be divided into two classes. There is forced labour, and there is voluntary, self-chosen, self-initiated activity. Forced labour in turn may be

divided into two classes. There is forced labour imposed by nature, the kind of work which God referred to when He told Adam that outside of paradise nature would yield bread only by the sweat of his brow. Then there is the labour that is forced on man by other men, such as slave owners and bankers, who declare from their high position that men shall not eat—not without nature's consent, but without their consent.

Work which is imposed on us by nature is necessary, natural and dignified. On the other hand, labour which is forced on man by other men is unnecessary, unnatural, artificial and degrading. One thing that many members of this house, as well as orthodox thinkers outside, refuse to recognize, or have done thus far, is that the condition of unemployment is the consequence of the tremendous advancement of technology. We have yet to hear from these orthodox thinkers that it is the substitution of solar energy for human energy that has brought about the condition of unemployment. Also the orthodox thinkers refuse to acknowledge that because the machine has taken the place of manual labour it also takes away a man's job as well as his income. They refuse to recognize that, as a consequence of this, man is suffering, not from unemployment but from "unempayment", which is a vastly different thing. I hope to elaborate that point later. Just now I should like to give a few statistics indicating the extent to which solar energy has been substituted for human energy, as a reason for the condition of unemployment that prevailed before the war and that certainly will prevail after the war unless changes are made. On previous occasions in speaking on this question in the house I have submitted quite elaborate statistics indicating the extent to which machinery has displaced human labour. I do not intend to go to the length I have gone in the past, but I wish to submit a few figures to substantiate my argument. Most of the figures I am submitting were given by the president of the United States chamber of commerce several years ago.

In the shoemaking industry one machine operated by two men can produce a thousand pairs of shoes in one day. I would ask hon. members who suggest that the duty of industry is to provide jobs, how they are going to find jobs in industry for all those who desire to make shoes when two men with one machine can make a thousand pairs of shoes a day. It has been estimated that sufficient shoes for a whole year for every man, woman and child in the whole United States could be manufactured in sixteen days. What are the workers to do for the rest of the year if they are obliged to earn their living by being employed?

Again one man with one bottle-making machine displaces fifty-four men. Two men with one coal-conveyer displace fifty men. One man with one window-glass making machine replaces twenty men. One machine produces 525 light bulbs per minute.

Here is an interesting item on the question of public works. We have heard again and again suggestions on the part of hon. members, particularly the hon. member for Davenport (Mr. MacNicol), that public works is one way in which the unemployed can be and should be absorbed. In digging the Suez canal four thousand men dug a quantity of ground. Many years later in the construction of the Welland canal five men did the same amount of work, or five men doing as much work as four thousand did before. If we are to take advantage of technological advance and use machinery, which certainly should be a blessing instead of a curse, where shall we find jobs for all those who will be without jobs?

The same thing applies to agriculture. Here is one item. In 1820 fifty-seven man-hours of work were required to produce twenty bushels per acre; to-day it requires only eight man-hours. Where are the people going to find employment on the farms at that rate? Again, one planting machine sets twelve thousand plants an hour.

The substitution of solar energy for human energy has taken place not only in the agricultural world and the manufacturing world; it is also true in the white-collar occupations. One girl with one machine is able to deal with sixty thousand ledger entries in one hour, displacing sixty clerks. Where are the jobs coming from under those circumstances?

We have some interesting statistics that have arisen during the war, indicating the reduction in man-hours per unit of production. Here are some with reference to the production of guns. I quote from the *Financial Post*. The first two-pounder anti-tank gun required 1,219 man-hours of work; it now requires only 350. The first 6-pounder anti-tank gun required 930 hours of work; it now requires only 375. The first 40 mm. Bofors gun barrel required 186 man-hours of work; it now requires only 45. The constant trend is to the reduction of the number of man-hours required per unit of production.

An interesting item appeared in the February 27 issue of the *Financial Post* in reference to motor-car production. It stated that before

the war the motor-car industry produced automobiles to the extent of one for every eight Canadians. After the war, it indicated, the industry would be able to produce one for every four Canadians. This tremendous production, with a comparatively small number of man-hours of labour, is made possible largely through the development of electrical energy. The hon. member for Davenport has given us many interesting and profitable talks dealing with the erection of power plants and similar enterprises, but has it not occurred to him that every time a power plant is built, each new horse-power provides the equivalent of the work of ten men.

Mr. MacNICOL: Does the hon. member mean ten new jobs?

Mr. KUHL: No, I do not mean ten new jobs.

Mr. MacNICOL: It would be more like a thousand new jobs.

Mr. KUHL: Every horse-power of electrical energy developed creates mechanical men, to the equivalent of ten per horse-power. Up to the present time, according to statistics, our development of water-power has reached the point where approximately ten million horse-power are provided. On a twenty-four hour basis that is equivalent to 300,000,000 man-power. When that much mechanical power is added to our production I should like to be told where in the world all the jobs are going to come from in the post-war period, if our objective is to be the obtaining of jobs. If those who have suggested that full employment is our objective mean that men will be required only to do that work which machines cannot do, then I think I would agree with them. But if they mean that men must work eight hours or more, while at the same time machines must stand idle and rust, then certainly I will not agree with them. I submit that when a government, or for that matter any group of people, compels people to work when machines could do that work, it is imposing a condition of slavery upon the people. I submit further that when machines are available and governments or other groups compel men to work, they are usurping a prerogative which belongs to the Almighty alone. It is not work, as such, that men dislike; it is being compelled to work that men object to, and particularly being compelled to perform monotonus tasks which destroy all individualism. Compulsion, I submit, is the basis for slavery, and I understand that one of the great reasons for which we are fighting this war is to drive from the earth the philosophy of compulsion. Therefore I submit that if after the war we are to have a work state, a state in which men will be compelled to work while machines stand idle, then we shall have fought the war in vain.

I assert that what we want in the post-war period is a world in which we are absolutely free from man-forced labour and as completely free from nature-forced labour as we can possibly make ourselves. I submit that the reason why we have this vast accumulation of machines, devices, power and mass production methods is because man is constantly endeavouring to free himself from nature-forced labour in order that he may have not only an abundance of wealth—and by wealth I mean goods—but also leisure. I consider that the striving on the part of men to free themselves from nature-forced labour is a legitimate objective which should be encouraged to the maximum. I suggest that by the time this war is concluded, the tremendous advances technology had made prior to the beginning of the war and the advances it certainly has made during the war will make leisure possible for all classes of people in the post-war world, not only for the white-collared workers but for the farmers, miners, lumbermen, factory workers and fishermen. If all the machinery, power and mass-production methods that have been developed and improved upon during this war are used in the post-war world it will mean that the necessary hours of work can be reduced very substantially. Why should a man be obliged to stay at a desk for eight hours a day when a machine can reduce those hours to seven or six or five or even four? And that applies all the way through our economy.

I consider that a legitimate and desirable objective. This subject of leisure is to me very intriguing. We all strive to obtain as much leisure as we can, but the objectionable feature with which I have always been confronted in any discussion of leisure is that most people are anxious for leisure for themselves but are not anxious to see their fellow men enjoy that privilege. Oh, yes, they say; leisure would not demoralize me, but my fellow man would become a loafer and a bum if he had too much leisure. I have encountered that attitude quite frequently. As I stated in a previous speech, leisure is not a loafer's paradise. It is an opportunity, the greatest opportunity a man can have, for the expression of his creative desires.

Man cannot live a complete life unless he obtains the opportunity to express the creative instincts which were given him at the time of his creation. With regard to the use of leisure time one writer has said that in their ample leisure men and women will do any of those things for which their long education has prepared them; they will paint

pictures, explore jungles, carry out scientific research in public laboratories open to all qualified students, cultivate their gardens, write books, join in the acting of plays, invent new types of aeroplanes, learn to fly, weave rugs and learn languages.

That is a brief summary of the many, many things people would do if they had the leisure time. We all have hobbies. We all have those little things we like to do for the sheer joy of doing them—gardening, sports, and a thousand and one other things which satisfy our creative instincts. One, I believe, upon which far more emphasis ought to be placed is the matter of music. We have much too little music in our nation—much too little good music. If advantage were taken of the technological advancement in our country, and if people had ample leisure, we would have far more symphony orchestras, and far more grand operas and good music than we have at present.

Personally I cannot see how anyone can object to these objectives as being legitimate and proper. I suggest, therefore, that in the post-war world our objective is not to put people to work, but rather to arrange our economy in such a way that people will put themselves to work—and that is a vastly different thing. There is as much difference between those two states of mind as there is between freedom and slavery.

In the past the work of man has been largely for self-preservation. In the future the work of man should be mainly for self-expression. I believe, therefore, that the legitimate problem of the committee we are about to set up, and the committee on post-war reconstruction and rehabilitation, is the provision of an economic arrangement whereby there will be the most equitable distribution of the superabundance of goods which can be produced by the machine, the leisure which will be produced by the machine and the small number of necessary man-hours of nature-forced work which will remain. I believe that is a legitimate problem the committee must undertake and study.

When the problem of the distribution of goods, leisure and necessary work is tackled and solved, then I am satisfied that the need for the social legislation contemplated by the resolution under consideration to-night will largely, if not completely, disappear.

In a few words, in conclusion, I would suggest what I would consider a fair and equitable distribution of necessary hours of work, hours of leisure and the superabundance of goods which the machines can produce. I am sure all will be obliged to concede, by the time the war is concluded, that the necessary man-hours of work will be an absolute minimum. The people of Canada, all the way from sixteen to sixty, will not be required to put in eight hours a day to produce the standard of living they desire. There have been many statistics compiled as to what might be a possible division of these three elements. One which has come to me and which I think is one of the most reasonable is this. It was suggested that the necessary man-hours of work should be done by those most capable and able to do it, those possibly between the ages of twenty-five and forty-five years. Their working day would probably be reduced to six, five or four hours a day, depending only and entirely upon the extent to which solar energy is substituted for human energy. What would that mean? It would mean that those who would be most capable of doing the necessary work would not be so fagged out by the end of a day's work that they could not appreciate their leisure. They would still be in a physical and mental condition to appreciate either the creation or the rendering of some good music; or they would still be in the frame of mind to be able to indulge in any cultural pursuit of their choice. It would mean that those up to the age of twenty-five years, or thereabouts, would spend the first twenty-five years of their lives in obtaining the most complete training they could possibly secure not only for their life work but for their leisure.

The reason why leisure has been a burden on people in the past is that, in addition to its being unpaid leisure, they have not had the training to satisfy their musical, artistic and other desires. Under the plan I suggest, once an individual reached the age of forty-five years or more he could retire. I believe this presents a most attractive division of the hours of labour and leisure.

The question which remains is this: How are goods to be distributed? What is to be the most equitable distribution of goods? It has been stated again and again that our production to-day is around nine billions of dollars. That includes to a great extent capital goods for the prosecution of the war. But in peace time it is no reason why we cannot step up our production of consumable goods to nine billions, and more, the extent depending only upon the willingness of the people to apply themselves to the machinery available. If our production were stepped up to a value of ten billions of consumable goods, that would be equivalent to $1,000 per man, woman

or child for a population of ten million people, or for a family of four it would mean consumable goods to the value of $4,000.

That is what would be possible by way of production of goods in Canada. As I have indicated previously, if we are to insist that people must derive their income by reason of being employed and if we are to take advantage of machinery and power production we are demanding two things, one of which is a contradiction of the other. The only manner in which these goods can be distributed is through consumer purchasing power.

This raises another fundamental question into which my time will not permit me to go. This is a question which is the subject of much controversy and economic thinking, and it has been mentioned before by several of my colleagues. I refer to the relationship of national income to national production. It has been our constant contention in this group that national production and national income are not one and the same thing, that national income is always less than national production. Ten billion dollars worth of goods in the post-war period will not be represented automatically by ten billion dollars of purchasing power. The monetary income of the people will probably be around five or six billion dollars. There will be a shortage, a deficiency, a discrepancy, between total income and total prices.

The only manner in which this gap can be bridged is by the issuance of national money sufficient to balance income with production. It will not do any good to raise wages because immediately wages are raised, prices go up and there is no more purchasing power. Again I see absolutely no advantage in the government taking over a factory, operating it and trying to bring about distribution. If the government owned a factory it would be confronted with the same problem of the displacement of man-power by machines as confronts the private owner. The only argument I can see for government ownership of industry is in connection with administration, and personally I have yet to see any evidence which convinces me that the government can run an enterprise more efficiently than a private individual.

Once more I say that I do not believe that the operating of business is a government function. I believe that the government exists for the purpose of doing for the people what they cannot do for themselves. The people can manage their own business; they can produce the wealth of the nation, and it is the duty of the government, by the creation of proper laws, to enable the people to do this. I believe the conducting of business is the duty and obligation of the private individual.

As I say, the only way I can see to balance consumption with production is the issuance of national money to an amount equal to the difference between national production and consumption. That would not be adding water to the milk as some hon. members have suggested. It would be no different from the case of an owner of a theatre with 1,000 seats who had printed only 750 tickets. It would not do any good to redistribute the 750 tickets in order to take in 250 more customers. The printing of another 250 tickets to take in another 250 customers would not constitute watering the milk. The same thing holds true in regard to raising the national income until it equals national production.

This represents the cultural heritage of the Canadian people to which they are entitled by reason of being citizens of this modern generation. It belongs to them by reason of being the fortunate recipients of the vast heritage of discovery and invention, of culture and learning, of organization, whether social, political or industrial, of education and religion, of aspirations and ideals which have been handed down and developed generation after generation from the dim beginnings of the race.

The national dividend is something to which the citizens of Canada are entitled by reason of being citizens of this modern generation. It is their heritage and just right. When the national dividend is distributed among the people their incomes will be sufficient to buy back as much of the national production as they desire. When they are able to do that they will have security. They will then be secure at all times, in old age as well as in youth. Consequently I assert that many of the problems that we now regard as special problems, such as old age pensions, pensions for the blind, lack of health facilities and so on, will disappear when the people have sufficient purchasing power to enable them to buy as much of the national production as they desire. In conclusion, I say that I believe it is the duty of this committee as well as the committee on post-war reconstruction and rehabilitation to confine their attention to fundamentals, to the foundation of the economic system which we desire to see obtain in this country. When that is done, then I am satisfied that the need for much of the debate and the discussion and the legislation that is contemplated will disappear entirely.

Mr. J. R. MacNICOL (Davenport): Mr. Speaker, I thank the hon. member who has just taken his seat for his kindly references

to myself, but I cannot find in the resolution anything pertaining to the operation of machines, to how much they will produce, to the purchasing power of the people or to many of the other matters mentioned by him. I will try to confine my remarks to the resolution.

An hon. MEMBER: That will be a novelty.

Mr. MacNICOL: It would be a greater novelty if my hon. friend knew at any time anything about what he was speaking. Any sound economic bill which may be founded upon the report of this committee on social security and which is returned to this house through the government to carry out the objectives of the resolution will have my unstinted support. Like the Prime Minister (Mr. Mackenzie King) for as long as I have known him, ever since I have been in the house I have been a persistent advocate of national health insurance. Others in the house have likewise been persistent advocates of it. The late leader of the Cooperative Commonwealth Federation, the present hon. member for Vancouver East (Mr. MacInnis) and others I have known have never let an opportunity pass to advocate national health insurance. The hon. member for Waterloo South (Mr. Homuth), both while he was in the Ontario legislature and out of the Ontario legislature, has always been a persistent advocate of national health insurance. I intend to confine my remarks to a portion of the words of the resolution. It states:

. . . the most practicable measures of social insurance for Canada—

I suppose that means beneficial changes in the Unemployment Insurance Act. I continue to quote:

—including health insurance and the steps which will be required to effect their inclusion in a national plan.

The Prime Minister must feel a good deal of satisfaction at seeing crystallized even in resolution form his own advocacy of national health insurance. But I would much rather have seen the Prime Minister sponsor a bill at this session because I am persuaded that he knows all about the subject. He has studied it long enough, knows what should be done, and is just as familiar as I am with similar acts in all those countries in which national health insurance is in operation. While I endorse this resolution I would much sooner be rising to support a bill introduced by the Prime Minister, who for so long has been a persistent advocate of this boon. Frankly, Mr. Speaker, I am wondering why we have not a bill before us. When this matter came up during the administration of the Right Hon. Mr. Bennett, or before when there was talk about it, I made a trip to Europe and made as thorough a survey as I could of the health insurance acts in operation in Belgium, Holland, Germany, and particularly in Great Britain. The British act is, in my judgment, by far the best, and I am not saying that in disparagement of the legislation of any other country. That the British act is by far the best is only to be expected because it has been in operation ever since 1911, together with several amendments made in the intervening years. When I first heard of the government's proposal I hoped that the government would bring down a bill this session, and I can assure them that any bill that is comparable with the British act will have my support. The British legislation might not be adapted to all our conditions in Canada. Great Britain is in the happy position of having only one government which legislates for all its people. Here we are handicapped—perhaps I should not say handicapped; maybe I should say benefited—in that we have nine provincial governments and one federal government. But I have confidence that the Prime Minister could overcome that handicap just as he overcame it in the matter of unemployment insurance, and I still hope that at the earliest possible moment he will bring in a bill for national health insurance—and perhaps much earlier than any of us expect.

As I said, I made a trip to Europe to make my own observations of the operation of national health insurance. Germany had long had such legislation, their first legislation on the subject being enacted in 1883. Great Britain did not enact its legislation until 1911, but the British bill has accomplished infinitely more than the German bill. On the other hand, the British government had the great advantage of all the experience which the great labour unions of Great Britain had had. Those labour unions were the pioneers in this whole matter of health insurance or, as they called it, sick benefits. The experience of those great unions dated back to 1831, and when the British government took over the operation of national health insurance they founded their legislation very largely upon the operation of the splendid regulations which the great labour unions of Great Britain had found satisfactory in operation over a long period of years. I am a staunch supporter of the British act. It was my pleasure to visit many of the labour offices in Great Britain and to observe the administration of the act. I visited the labour offices in London, Manchester, Leeds, Sheffield, Birmingham, Glasgow, Edinburgh and Belfast. It was a pleasure

to watch the officials there administering the national health insurance scheme and all the other social legislation, for all these social measures are administered through the same offices. This government has set up unemployment insurance offices all across Canada which could within a very short time be turned into offices to administer the national health insurance legislation. All these social measures go hand in hand. I was struck by the courtesy and gentlemanliness of the officials at the labour offices in their dealings with those who came up to the desk. I never saw anywhere either in business or out of business such courtesy between man and man as I saw in those labour offices in Great Britain. My hon. friend the Minister of Labour (Mr. Mitchell) nods his head. Very likely he has had experience of them years ago and has visited them many times since. I have no doubt that in due course our own labour offices, once they have had a chance to get experience, will show the same courtesy. I am not by any means suggesting that they are discourteous, but we could not expect them to rise all at once to the standards in the old country. Undoubtedly, however, they will, because Canadians can adapt themselves as well as any other people.

The British have amended their act many times. I believe the last amendments were made in 1936. There may have been later amendments, but I have not seen them. Their scheme started off with low contributions by the employer and by the employee, and the state absorbed the difference in order to put the act into operation. The contributions in the old country have been stepped up on several occasions. I believe that to-day a man contributes twenty-two cents a week and a woman twenty-one cents a week, depending upon age and other conditions. That is not a large amount when one considers what they get in return.

At this point I would suggest to the government that when they have enacted a national health insurance act they take the opportunity to educate the great masses of the people by means of the radio, the press and public speakers, as to the benefits of health insurance. It is the great mass of the people that it will benefit, the class I am proud to belong to myself, the labouring class, for everyone that labours is a labouring man, and I certainly was of that class in big industry. The people should be educated to the fact that they will receive more in return than any twenty-two cents a week or whatever it may be which might be deducted from their pay cheques. Quite a number of deductions are being made from pay cheques to-day, and it is causing a certain amount of murmuring because the people have not, in my judgment, been educated sufficiently as to the reason for these deductions and the benefits resulting therefrom; for instance, the deduction which will be returned to them after the war. I am a very strong supporter of that provision, which was enacted last year, whereby so much is deducted and will be returned after the war.

As regards unemployment insurance, so far, on account of the great demand for labour not many of our people have had to apply at the labour offices for benefits under the Unemployment Insurance Act; but the time may come—I hope it is far distant—when many will have to go to the labour offices, turn in their cards and receive compensation during unemployment, and they will be glad of this provision, as many of their brothers in England have been glad of a similar provision up and down the years. I know this, because I have talked to many of them.

For a moment or two I wish to speak of national health insurance. What do they get in the old country in return for what they pay in? While unemployed through sickness, a man will receive eighteen shillings a week and a woman thirteen shillings a week. I have not been able to understand just why there is this big difference between the allowance to men and that to women. In addition, they get medical attention. If there is one thing which the great mass of working people in Canada deserve and have long deserved it is adequate medical attention. That they have been deprived of it is no fault of the doctors. I am one of those who believe that the class of people who walk nearest in the steps of Our Master is the medical profession; I have a very high regard for them. But the average working man cannot pay for medical attention, and therefore he goes without it. As one who has worked with hundreds of men year in and year out, I have seen times without number men almost drag themselves to their machines and remain there until, unable to work any longer, they collapsed—simply because they could not afford to call in a doctor. What a boon this measure would be to working-men! The Prime Minister has been a fervent advocate of social legislation of this kind. I beg of him to give the Canadian worker at the earliest possible moment this great boon of national health insurance.

In the course of my investigations in the old country I went into a store at Southsea. On that trip I had been to the labour offices and spent quite a time there. I talked to everybody—to the worker on the street-cars, the waitresses and waiters in restaurants and hotels, the clerks in the stores. To everyone

whom I could get in contact with I put the question, "How do you like national health insurance and"—at that time—"unemployment insurance?" I was in this store at Southsea the day when Their Majesties the King and Queen went to Portsmouth to review the fleet. I went there too; it was a wonderful demonstration. In this small store I came in contact first hand with the benefits which flow from a national health insurance act. The operator of the store is the brother of a Mr. W. Butler, a very fine citizen who lives in my riding. He had in his store on that day four clerks; he was doing a real business. While I was chatting with him a young man came in, and Mr. Butler said to him, "Hello, Jack, I am glad to see you around again. When will you be able to come back?" I have forgotten whether the day of the week was Tuesday, Wednesday or Thursday; in any event the young man replied, "I will be in on Monday." I said to him, "What has been wrong with you?" He said, "I have been sick three weeks." I said, "Well, how could you live?" I had not thought of a young man like that being in receipt of benefits under the national health insurance act. "Oh," he said, "I got along fine. I had my medical attention; it was paid. If I had had to go to hospital—which I didn't —that would have been paid. My doctor waited on me, and he was paid by the state, too; and while I have been off I have been getting eighteen shillings a week." That made a great appeal to me on account of my long association with thousands of working men, whose interests are always closer to my heart than any other interests, because they are or have been the least able to get their just dues. They cannot set their price unless they go on strike, which none of them want to do. They have been the least able to protect themselves. The case of this young man is an example of over twenty million workers in England who are under the benefits of this act. Is it not marvellous? And they have piled up tremendous resources which will take care of withdrawals for sickness for years to come, because nothing piles up faster than contributions to national health insurance paid by a whole population en masse. It may be beside the question for the Prime Minister to deal with it, but I venture to say that if he would take time, when he replies, to look up the figures relating to unemployment insurance, he would find that Canada has laid up a substantial number of millions of dollars in unemployment insurance payments. The same holds good with regard to national health insurance; we have nothing whatever to fear and the people have a great deal to gain.

[Mr. MacNicol.]

The example I gave of the young man in Butler's store at Southsea is only one of several I could mention, because I came across the same thing in many places. I am strong for this, as I was for unemployment insurance, because I believe that after this war we shall have to have a sound system of immigration. I have been over many thousand unoccupied square miles of this country, and I do not believe that we as Canadians can hold very much longer this vast area locked up between the forty-ninth parallel, the Arctic, the Pacific and the Atlantic oceans, without letting others in to help in its development. After the war we shall have to have immigration to build up the country. I look back to the years around 1907, when the late Sir Wilfrid Laurier, with whom I was personally acquainted, established a great immigration policy which helped to build up this country. I believe, whatever anybody else says, that this country would never have won the glory which it won from 1914 to 1918 but for that immigration policy which brought in that new blood from the old land. We want more of that blood. I should like to see a million enter Canada after the war. But we cannot get working men here from Britain unless they know that they are coming to a country which provides the same boons and benefits that they enjoy over there—national health insurance and other acts of that kind. We need these people; they will return to this country everything which we lay out to bring them here; but they will not come here unless they can come to the same social conditions which they enjoy in the old land.

I will go one step further and suggest this to the Prime Minister for consideration when he frames his bill, that if and when people come from the old country after the war to settle, who have been paying into unemployment insurance and national health insurance there, we make a reciprocal arrangement with the old country government that they will pay to us for their nationals who may come here the money that has been paid on their behalf, so that we shall be able to take care of them from the time they arrive here. I think we shall have to have something of that kind.

Last summer I met with a number of incidents which convinced me that the medical profession were cooperating with the government in the consideration of the framing of a national health insurance bill. I cannot say I read of labour unions being called in. Perhaps they were; I think the government would not overlook them. If they were not, I recommend that in the framing of the bill the labour unions and those who have a knowledge of labour and the rights of the great

mass of the Canadian people, the ninety-five per cent for whom the bill is to be framed—it is not going to be for the wealthy people, or the professional men—should be represented if the bill is to be for their benefit. Let the bill be framed with the best advice possible from all those classes.

I do not know that there is anything further I can add. I did not intend to speak for more than ten minutes, and I see I have gone a minute or two over that. I say in conclusion to the Prime Minister that any national health insurance bill comparable with the British measure, improved if possible to suit our Canadian conditions, will benefit the great mass of Canadians, not only the workers in the factories but the farmers in the outlying parts, among whom I saw too frequently during my trips great distress and the impossibility of getting medical attention. I am convinced that the Prime Minister has it in his heart to bring in the best bill possible. I say, do so, and he will have my support.

Mr. F. D. SHAW (Red Deer): My participation in this debate at this time is not designed to delay the passing of the resolution. However, I should like to make one or two observations.

It was apparent that the announcement of the proposal to set up a forty-one man committee to examine into all phases of social security aroused widespread interest in this country and a great deal of editorial comment. In connection with the editorial comment I should like to refer to a statement made by the Prime Minister (Mr. Mackenzie King) yesterday, as reported at page 937 of *Hansard*. He said:

> When the Atlantic charter was proclaimed it met with universal acceptance in this country. I have yet to find a newspaper in Canada which had not a good word to say for the Atlantic charter.

Further on he said:

> I find that to-day some are inclined to belittle, at least, the idea of social security, as being something vague and general, something that will involve outlays greater than any country can meet, and the like.

This is the point I wish to make in that connection. I can agree with the Prime Minister that the declaration known as the Atlantic charter did meet with widespread approval. But when we agree with the aims and objects laid down in the Atlantic charter that does not necessarily mean that we are obliged to accept all measures or suggestions designed to attain the objects laid down in the charter, advanced by this or any other government. While we agree on objectives we must retain at all times the right to criticize any proposal advanced by anyone which is designed or stated to accomplish the results that we desire.

In this connection may I say it is strange how quickly people make up their minds respecting certain matters without having given complete consideration to them. I recall that when the Beveridge report was announced the press took sides immediately, without reading it, without examining it. I am not criticizing them for doing so more than I am criticizing members of this house for having done the same. Ten minutes after the press and the radio announced that his report had been submitted to the British government, we found people across this country ready to fight if you criticized it and others ready to fight if you supported it. Was that not also true when the Sirois report was made known in this country? I know that boards of trade, town and city councils, held meetings and voted unanimously to support the Sirois recommendations, when in certain instances not a member had ever seen a copy of it. I know from personal experience in my part of the country that they sent to Edmonton or Calgary for a Liberal politician to come and tell them what the Sirois report recommended. I got into communication with some members of these boards of trade, carrying the printed document under my arm, three red books, and asked these gentlemen and others if they had seen those books. In no case could I find anyone who recognized them from the back, and very few who recognized them when I turned them around.

Let me deal with the plebiscite in the same connection. We found people in this country inspired by certain politicians who immediately, without having first given the matter proper consideration, formed a decision as to whether they would or would not support the plebiscite. They were encouraged by politicians to do that. I know of one politician who, meeting someone, would say, Are you going to vote "yes" on the plebiscite or are you going to be subversive and vote "no"? I think it is time that we should make a declaration as to whether this is a democracy; whether I have a right to think as I see fit; whether I have a right to speak as I see fit, of course having due regard for the rights of others and the safety of the state; whether I have a right to act as I please, within the same limitations. But there is a vicious type of propaganda which is going around this country at the present time, and which has been going around since the outbreak of the war, leading the average man to believe that unless he agrees with the government he is

subversive. That is a most dangerous situation. For example, at the time of the last plebiscite who dared stand on a street corner and say, "Vote 'No'." Yet any man had a perfect right to do that if he saw fit.

I mention these matters for this reason. I do not believe the members of this committee on social security should enter into their deliberations with preconceived ideas in respect of certain measures or steps that should be adopted, without having based their conclusions upon a comprehensive knowledge of the proposals in question. The committee, as I have said already, is to be made up of forty-one members, consisting of thirty Liberals, seven Progressive Conservatives, two Cooperative Commonwealth Federation, and two members from this group. I have no doubt this is based upon the representation in this house, but I trust that when the committee begins its deliberations we shall not discover that the thirty Liberals who constitute a substantial majority have already arrived at conclusions with respect to what the committee shall or shall not do. I believe we should keep the political aspect of the whole matter as far removed as possible.

There is a tremendous amount of work confronting the committee. As I examine the terms of reference I am obliged to assert that its job will not be completed in a week, a month, six months or a year. I feel that if we endeavour to rush in order to reach a conclusion by a given time, we may risk the danger of failing to do that which we have been charged to do. Speaking as one who has been proposed as a member of the committee, if this resolution passes we shall be called upon to study the social insurance schemes of the various provinces; to study the social insurance schemes of other countries; to discuss the most practical methods for social insurance in Canada, including health insurance, and the steps required to effect their inclusion in a national scheme; to look into the constitution and the financial adjustments which will be required for the achievement of a nation-wide plan of social security, and other related matters. I wonder just how many of us realize the assignment we shall have to undertake, and I use the word "have" advisedly because we all have a responsibility in this regard. I feel that one of the most important things we shall have to consider is the constitutional adjustments which may be necessary to put into effect any proposed scheme.

To-night I listened while the hon. member for Rosetown-Biggar (Mr. Coldwell) spoke in very complimentary terms about the educational system of the province of Alberta, which I believe he said was the finest in Canada. He spoke of the enlarged school divisions which he said proved the fact that we would have to deprive smaller communities of their rights. Let me make it abundantly clear that while I agree with the statement that we have the finest educational system in Canada, the school areas were enlarged because of the fact that under the existing financial system it was becoming utterly impossible for the small areas to get along. I do not believe anyone in this house is better acquainted with that fact than I, because I have had plenty of experience in those rural schools. We found that in order to reduce the overhead, in order to provide the type of education the children of that province required, under the existing financial system it was necessary to enlarge our school areas and to cut down administrative costs so as to make available for other things the money which could thus be saved. But the hon. member for Rosetown-Biggar neglected to give other reasons for the splendid school system in our province. One of them is that we brought about a drastic change in our course of studies, and a change in our methods of teaching. But probably most important of all is the fact that we have the finest departments of education and the finest minister of education in Canada. That is the complete picture with respect to the matter referred to by the hon. member for Rosetown-Biggar.

In connection with the matter at present under discussion I believe we shall have to make a decision as between one of two things. The first is, are we suffering from conditions over which we have no control, or are we suffering from conditions of our own invention and creation? I say that the approach to the problem cannot be determined without first coming to a conclusion as to which situation has created the conditions with which we have been confronted from time to time. If the booms and depressions which have been our lot in years gone by are inevitable, then I can well see where certain insurance schemes will fit into the picture, and if such were the situation I would suggest that the first thing should be to proceed with such schemes. On the other hand, if we come to the conclusion that the conditions which have made life so difficult for us in the past are of our own creation and invention, then I believe we should attack the problem from the point of view of endeavouring to eliminate those conditions. The committee, as was stated in a certain newspaper editorial, can be the architects of an enduring and beneficent reform, or the authors of tragic failure. I thought those words were significant when I read them, and I still think so. Let us hope that out of the

deliberations of the committee shall come enduring and beneficent reforms, and nothing that resembles failure in any way, shape or form.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, at the present time we are discussing an unknown quantity, and it is pretty hard for anyone to tell what the post-war period will be. The government of the country is at present in the hands of a few individuals—or of a large number of individuals—who have no direct mandate from the people, but who have been assigned certain duties by a committee of parliament which is commonly known as the government of this country. Those people have been delegated certain powers by the government, and in virtue of that situation parliament is not fulfilling its functions. What we have to do now is to try to find ways and means of correcting the situation I have described.

I hope I have made myself clear enough. I am wondering how a member of parliament or any group of members can decide upon a remedy to what will be wrong in the post-war period. In the first place, when will it come? No one knows. What will it be? No one knows. During that time will Canada still be a part of the British empire? It is very possible, but no one knows. Will Canada be part of the United States of America? It is possible; no one knows. Will Canada be an independent country? No one knows. It seems to me that in order to express any opinion respecting the future one must be better informed on the present situation.

A friend of mine suggested to me this evening that members of parliament are fulfilling the duties of an economic council. We are trying to act as the antidote to the poison which is distilled by the bureaucracy we now have in Ottawa. We shall be the antidote. Shall we succeed? It is hard to tell. I do not believe any remedy of social conditions should be artificial. Sometimes the best cure of social evils is as simple as some cures for human ailments. Sometimes the most simple cure is the most effective.

We have heard about health conditions, and about employment and unemployment in the post-war period. This is a very grave problem. What will happen to all the boys who enlisted in the army and who are doing so well? We are all proud of them. At times I have to complain about the brass hats; but no one is more proud than I of the Canadian army. If they need our support now, then they will need our support—intelligent support—when the war is over. Who believes that all those fine men who are now in the three branches of the armed services will come back to Canada to do pick-and-shovel work? Who thinks that those brilliant students who interrupted their studies to enter the armed services, either as volunteers or as trainees, will be ready to accept nothing but the dredging of the St. Lawrence waterways? Will they be ready to accept the dole? Will those fine young men who have been flying over the continents, taking a bird's-eye view of the universe, be ready to renounce all those dreams which are legitimate and which youth holds precious? Will they be prepared to start at the bottom of the ladder as common labourers? I have great respect for the common labourer. I believe sincerely the late Reverend Father Vaughan, the great English Jesuit Father, was right when he said that there is no honest work which reflects shame on the person who performs it. On the other hand, those who are fighting for the liberation of the world from certain doctrines denounced by all the democracies have every reason to think of their own future. No one has a right to assume for a single moment that a young man who goes into the army is committing suicide. I have said before, and I repeat, that my deep belief is that it is a great mistake to bring before those young men who are ready to do anything to save this country only the idea of sacrifice.

It tires me to listen to the kind of talk that is heard in this dominion. The idea that should be brought before the eyes of our youth is that of victory over any foe. Not only that; the idea of victory carries with it the idea of superiority. That is a noble feeling; it is a feeling that should be in the hearts of all the citizens of this country who are well born, who are worthy of the liberties that are given to them. I say, let us put aside this idea of inviting our young men to come into the army only with the idea of making a sacrifice. Let us give them an opportunity to do all they can, not only for us but for their own personal benefit.

I am sure that even if the history of Dieppe is repeated, the great majority of the young men, the men of middle age and the older men who are in the army in any theatre of war—I insist upon those words—will come back to this country. They know what happened in the past, and they do not want to be accorded the same treatment given to the veterans of the last war by the Borden or union government. They will not be satisfied with that. Some time before the war a former leader of the opposition who belonged to the Conservative party stated publicly that he feared a revolution. There was no war at the time. Think of the bitter disappointment these well gifted young men will have if nothing decent is offered to them when they come back to this country!

It shows one thing. Those who objected to the uprooting of the best elements in this country had a hard and painstaking task, but the fact remains that the more that remain at home, the less the government will have to do in reconstruction work. There are plants that do not live after they are uprooted, that cannot live when they are transplanted. There are also trees that never bear fruit after they are transplanted. This may be all right for some, but it is bad for others. Let me remind the house that when we were fighting for the spirit as well as the new letter of the selective service system—by new letter I mean that we fought for the spirit before the letter was printed—we thought it was vital that certain classes essential for the public welfare should not be disorganized. If the farmers do not belong to that class, I do not know who does.

I remember distinctly at the start of the war that I had the support of the Prime Minister (Mr. Mackenzie King) when I submitted certain cases to him. I had some trouble, and I wrote to my lamented friend, the former Minister of Justice, in fact I wrote to nearly all the ministers to tell them exactly what I am telling the house now. We are carrying on a fine war effort; everybody appreciates it, but that is not the only thing. It is easy to start to think of the future, but when we were working for the farmers we were thinking of the future. We were thinking of the trouble we now find ourselves in. We want this country to survive, not for just a short period after the war but for all time. We want the citizens of this country to be as prosperous as they deserve to be. I listened to some statistics which were given by the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) in connection with different parts of Canada including the province of Quebec. I have not all his statistics at hand, but he said, if I am not mistaken, that in 1940 infant mortality in Quebec city was 130. I have here the "Canada Year Book" of 1942 where, at page 137, under the heading "Infantile mortality", I find this:

> The Quebec rate continues to show steady improvement, having decreased from 100 in 1937 to 83, 78 and 70, respectively, for the following three years.

There is progress. The health units are doing exceptionally well in the province of Quebec, and my native province now compares favourably with any other part of Canada in regard to health improvement and sanitary conditions generally.

So many things have been said in this debate, Mr. Speaker, that it is hard to summarize them all, but there are a couple of things I desire to mention now. First, there is this idea of centralization. I am against it. In my humble view one of the guiding principles of Liberalism is that of decentralization; and if my grandfather, with many Ontario reformers, voted against confederation when he was a member of the legislative assembly, it was precisely because he feared the dangers of centralization in one government. Health is purely a local matter, and the tribute that was paid by my hon. friend the member for Rosetown-Biggar to Alberta is evidence that the provinces do these things very well. I should like him to come and visit my constituency. I should be very glad to take him around and show him the health units so that he could see for himself the progress that has been made in that regard.

There are, however, different ways of working for the betterment of health amongst our fellow citizens. One of them is to try to lessen unemployment in this country. That is the view which the member for Témiscouata had in mind when he made a special study of unemployment in this country and also made a survey of the cattle and horses and other live stock which the settlers in his district possessed.

But there was more to it. I know very well that there are other things, clothes especially, which can be very useful to the poor and help to keep them in good health. My hon. friend the Minister of National War Services (Mr. LaFlèche) must remember that before the war, when he was the deputy minister of national defence—and the Minister of Pensions and National Health (Mr. Mackenzie) must remember it too—I went to both of them and asked for some old army clothing to give to the settlers. I got some until the end of the year 1940; then, after a committee of the house had gone into the matter, it was impossible for me to get any more. How was that? What use was made of those clothes? Of course, Mr. Speaker, the health of our Canadian citizens should be looked after from the time a child is born, and even before that because care should be taken of the mother; that is done in all civilized countries. When a child is born it is a very delicate little thing and needs great care and warm clothes.

I do not forget that some of our most eminent citizens have come from very poor families. There in my constituency were poor settlers. They were settled on rocks, and were very poor. I shall not insist upon the unpleasant scenes that occurred when my party was in opposition and when I mentioned these people. I shall not mention them to-night because the debate is on such a high level that we must not bring into it any political parti-

sanship. But let me tell you, sir, what was done with those old clothes. Many of these settlers had been transplanted from the cities into rural sections which were not fit for colonization, and they found themselves in very hard circumstances, so much so that their little ones had no warm clothing to put on in the winter time. The consequence was that they had to stay indoors, which was prejudicial to their health. When I was able to get for them those long military coats, some of them worn out, but still able to provide warmth, the mothers would cut them down and tailor them to fit their young children, so that they could go out in the winter time and play in the sun and breathe the fresh air. Then a committee of this house sat which did not know these facts, and after that it was impossible for us to get any more of those old clothes for the children of the settlers. I got in touch with the officer in charge of the matter in the Department of Finance. Mind you, sir, he was a very nice man, and he told me that he would be pleased to do it, but he said that his authority for doing it had been taken away from him and that the thing simply could not be done. When I went to the Department of National Defence to beg for some of those old clothes for the poor children of my county, they said, "We cannot do it. The committee of the house has decided against it."

We should not wait until these little children are all dead or have suffered from the cold before we decide to look after them. There is no plan of social security or social insurance which will resuscitate them after they are dead or after they contract an illness like tuberculosis or anything which will be for them a predisposition to death. We complain that so many young men are unfit for military service. That was the complaint of the Minister of National War Services, whose excellent speech about it in London, Ontario, had wide publicity in the press. We complain about it and some think that we shall cure all that with paper and with insurance policies. We cannot wait until after the deliberations of the committee; it must be done right away. These people have not the opportunities of the children of members of the House of Commons to be well fed, well clothed, and so on; they need help at once. It is not a pleasure; it is a humiliation to go to anyone to beg for clothes, and if the thing is done it is on account of the supreme duty which Canadian citizens have, which men have, to help each other.

The Prime Minister and some of his colleagues are listening to me now. I thank them and all hon. members for listening to me, but I tell them that there is something more important than any plan which is concocted by a doctor of economics or of political science from Queen's university, the university of Toronto or anywhere else. What is important now is to visualize what is going on, to recognize the immediate needs of the nation and to provide the remedy and the cure. We cannot wait while these people suffer from the carelessness of all with regard to them. We must open our eyes and see what is going on.

I hope that this war is the last that not only ourselves but even future generations will see. We do not know about the future, but whether we have war or peace it is essential that our fellow citizens shall enjoy the best possible health; and I do not see why old clothes which may be sold to the Jews as rags would not be put to better use if they were given to the mothers of little children to clothe them and enable them to go out in the winter time and breathe fresh air. Distribution should be made alike to needy Jews and Gentiles; there should be neither Jew nor Gentile in such a distribution; it should be to all Canadians who need it. As far as I am concerned I would pay freight, and I know every hon. member would be ready to do the same thing.

This is not an affair of propaganda of any kind; it is a matter of helping our people with the "left-overs"; it is the best possible recuperation, better than any plan of social reorganization in this country. As I said to a former chairman of the committee of the whole when he was speaking of patriotism, "If all Canadians are dead, to whom will you preach patriotism?" This is the time to see to it. I do not believe much in all the plans for the future if we do not make the present safe for our own people.

On motion of Mr. Hlynka the debate was adjourned.

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

Friday, March 5, 1943

The house met at three o'clock.

PUBLIC ACCOUNTS

REQUEST FOR REFERENCE OF AUDITOR GENERAL'S REPORT TO COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Prime Minister if at an early day he will be willing to move that the auditor general's report be referred to the public accounts committee. This committee has not met since the war

began, and while perhaps the whole house must to some extent share responsibility for this situation, I believe the Prime Minister and all hon. members will agree that in view of the huge increases in governmental expenditures the country will expect the fullest possible scrutiny of these outlays, in the public interest. In my opinion the reference of the auditor general's report to the public accounts committee should be an annual automatic procedure in the same fashion that the annual report and accounts of the Canadian National Railways are referred each year to the railway committee.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My impression had been that every year the auditor general's report has been referred to the public accounts committee. No motion in that regard has been made thus far, but I shall undertake to see that the report tabled this year is referred to the committee.

OFFICE ECONOMIES CONTROL

REFERENCE TO PRESS REPORT AS TO STATEMENTS OF COLONEL JOHN THOMPSON

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to direct the attention of the Prime Minister to a press report appearing in last evening's Ottawa *Journal,* in which Colonel John Thompson, director of government office economy control, is reported to have said that he found it increasingly impossible to cope with all the crazy waste and extravagance, and that evasion, subterfuge and outright trickery are being used to nullify his work. When the public accounts committee is convened I would ask that Colonel Thompson be summoned as a witness.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The words quoted by my hon. friend make it appear as though he were seeking to give information rather than obtain it. However I shall leave it to my colleague the Minister of National War Services to reply to his question.

Hon. L. R. LaFLECHE (Minister of National War Services): I may tell my hon. friend that I did not hear of the subject matter of the newspaper article in question until late yesterday afternoon, when I immediately instituted inquiries. When I did so I had in mind that it would not be fair to take for granted everything stated in the article. The director of economies has already informed me that he does not give statements to the press. I also had in mind that members of the public service of Canada generally would feel that they had been condemned publicly without being given the opportunity to state their side of the case to the responsible officials, or to the ministers of the several departments of government in question.

I also had in mind that the best, if not indeed the only method of effecting economies is to explain new and cheaper methods of administration and to try for cooperation which, in my opinion, is always forthcoming when a reasonable and timely appeal is made to our loyal and patriotic service, known as the civil service body.

It also came to my mind that the government itself, in desiring to practise economy, had been responsible for setting up the directorate in question. I also remembered having offered to give my support to the director to the end of helping him to make a success of what is indeed a very difficult task, due to the very great variety of questions and problems which must be, and are, brought to his attention. It was also borne in upon me that should there be any evasion, subterfuge or trickery the Minister of National War Services should be the first person to hear of it. I also realized that the heavy work of the war-time departments cannot be done without the necessary tools. Modern administrative practice demands certain information, office appliances, equipment, plans, and means of communicating rapidly sometimes, and sometimes to large numbers of persons concerned.

I think the proper objective is to help in such way that the work can be done well, smoothly and at a minimum of cost. I believe I may add that it is well known to the director of economies that if he needs additional staff he has but to ask for it, when I will immediately take up the need with the civil service commission.

On the orders of the day:

Mr. J. G. DIEFENBAKER (Lake Centre): I should like to ask a question of the Minister of National War Services in connection with the statement made by Colonel Thompson, the government economies director. I read this for the purpose of asking the minister whether the rather astounding allegation made is in accordance with the facts.

Mr. MACKENZIE KING: The minister has dealt with that already.

Mr. DIEFENBAKER: It has not been dealt with and that is the reason I am bring-

ing it up. It is the question of setting up the committee of public accounts that was dealt with.

Mr. MACKENZIE KING: No, no.

Mr. DIEFENBAKER: This reads:

Thousands of dollars had been spent on office supplies, furniture and equipment, he charged, without the requisitions ever having been submitted to him for approval.

I think the house and the country should know from the minister whether those allegations are in accordance with the facts and, secondly, whether or not a complaint, either verbal or in writing, was ever made to the minister by Colonel Thompson against unapproved or unauthorized expenditures being made.

Hon. L. R. LaFLECHE (Minister of National War Services): Mr. Speaker, perhaps the hon. gentleman was not in the house when I made my statement.

Mr. DIEFENBAKER: Oh, yes.

Mr. LaFLECHE: May I say that I have already given an answer to the first question.

Some hon. MEMBERS: No.

Mr. LaFLECHE: I think I did.

Mr. HANSON (York-Sunbury): No, you just travelled all over the lot.

Mr. LaFLECHE: In regard to the second question, the answer is, no.

Mr. MACKENZIE KING: In other words, he covered the ground.

ROYAL CANADIAN NAVY

STATEMENT IN QUEBEC LEGISLATURE RESPECTING SINKINGS IN ST. LAWRENCE RIVER

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the acting Minister of National Defence for Naval Services. I have already placed in his hand a press dispatch covering a debate which took place yesterday in the legislative assembly of Quebec, in which the premier and others took a prominent part. Is the minister prepared to make a statement in connection with the points then raised?

Hon. J. L. RALSTON (Minister of National Defence): Mr. Speaker, I looked up the statement, which my hon. friend was good enough to send me. Apparently the matter arose out of something which was said by my colleague the Minister of National Defence for Naval Services (Mr. Macdonald) in Quebec, and the statement made by the Hon. Mr. Gagnon was dealing with the statement of the minister. I have therefore thought it would be more appropriate for my colleague to deal with it, since he will be here on Monday. In the meantime, however, so that there may be no misapprehension, I wish to say I am advised that the statement the Hon. Mr. Gagnon made is definitely not in accordance with the facts.

Mr. GRAYDON: Does that apply to the premier as well?

Mr. RALSTON: I am speaking of Mr. Gagnon.

Mr. GRAYDON: Does that apply to the premier of the province as well?

Mr. RALSTON: I did not refer to him.

Mr. ROWE: He made the same statement.

Mr. GRAYDON: He made another statement.

Mr. RALSTON: I am dealing with Mr. Gagnon's statement.

HEALTH

PRESS REPORT AS TO ANNUAL FEDERAL GRANT TO THE CITY OF HALIFAX

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I should like to ask a question of the Minister of Pensions and National Health (Mr. Mackenzie). Is he correctly reported in to-day's press, in which it is stated that the sum of money allotted by order in council to improve conditions in Halifax is $30,000? Is this relatively small sum the substantial amount to which he referred last night?

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health): The sum which will be granted for the purposes specified will be $30,000 a year during each year of the war, and continued one year thereafter. But for the first year the sum will be $45,000, and for the second year $15,000 to assist in the construction of a hospital for tuberculosis.

ALASKA HIGHWAY

PRESS REPORT AS TO PROPOSAL FOR CONSTRUCTION OF ROAD FROM PRINCE GEORGE TO WHITE HORSE

On the orders of the day:

Mr. H. C. GREEN (Vancouver South): Mr. Speaker, I should like to ask a question of the Prime Minister (Mr. Mackenzie King). A press dispatch from Washington published to-day states that Secretary of the Interior Ickes has written a letter to the chairman

of the house of representatives committee on roads, recommending the enactment of a bill authorizing the construction of a $25,000,000 highway to Alaska. Apparently this is to be a second Alaska highway, to start at Prince George, and to join the present Alcan highway at White Horse, in the Yukon territory. Would the Prime Minister make a statement to the house concerning this matter?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the hon. member gave me notice of his question, and in reply may I say I am informed that the bill to which the report alludes was introduced in the last session of congress, and was reintroduced in the present session, in January. In each case the bill was introduced by interested members, and there is no indication that it has been looked upon as an administration measure. In each case it was referred to the appropriate congressional committees.

The Canadian government has received no intimation that the United States government is anxious that the proposed road should be constructed at this time. I cannot of course say what the policy of the United States is with regard to such matters, but I assume it is the same as the policy of the Canadian government. That policy is to build such roads as are required for the successful prosecution of the war, but not to divert a single man or a single machine to the construction of highways that are not required for this purpose.

There has been no indication either through the defence board or through diplomatic channels that the United States government considers the construction of a road from Prince George to White Horse necessary for the prosecution of the war.

INTERNATIONAL CURRENCY

DISCUSSIONS OF FINANCIAL PROBLEMS IN LONDON —QUESTION AS TO CANADIAN PARTICIPATION

On the orders of the day:

Mr. H. R. JACKMAN (Rosedale): Mr. Speaker, I should like to ask a question of the Prime Minister (Mr. Mackenzie King) arising out of a Canadian Press dispatch dated March 3, as follows:

> Important conferences on post-war currency and other financial problems "of common interest" are proceeding in London, a treasury announcement said to-day. The statement said one conference has "just been held". It was attended by finance ministers of allied countries with headquarters in London and representatives of the United States, Russia, China, the Dominions and the Fighting French.

[Mr. Green.]

I would ask this question: Was Canada represented and, secondly, if so who was the representative?

Right Hon. W. L. MACKENZIE KING (Prime Minister): A day or two ago the hon. member for Acadia (Mr. Quelch) asked me a question with regard to a similar report, and I replied as follows:

> The information I am in a position to give is that there has been no exchange of correspondence. Informal discussions on post-war economic and financial questions have taken place from time to time between Canadian officials and experts from the United Kingdom and the United States, and these discussions will doubtless continue. No commitments have been made by the Canadian government, and no commitments are likely to be made in the near future.

I notice that in the communication my hon. friend quoted the word used is "conference". I am inclined to think that some of these terms are used without attaching to them the significance which may be attached in the minds of others. There have been discussions, but so far as I know there has been nothing in the nature of what one would call a formal conference.

The high commissioner in London, I believe, has discussed informally some of these matters with representatives of other countries. One or two officials have gone from Canada to the United Kingdom and have, I believe, on occasions discussed informally financial questions. But there has been no formal conference, nor am I aware of our having received any official communication which would indicate that anything in the nature of a conference in these matters had been or was being held.

My hon. friend will understand and the house will no doubt appreciate the fact that there are frequent informal discussions on all matters pertaining to the war, and to post-war conditions, among officials of different governments of the united nations. But they are exploratory and informal, and not to be construed as in any way binding the governments concerned.

SOCIAL SECURITY

APPOINTMENT OF SPECIAL COMMITTEE ON NATIONAL SOCIAL INSURANCE

The house resumed from Thursday, March 4, consideration of the motion of Mr. Mackenzie King for the appointment of a select committee to examine and report on a national plan of social insurance.

Mr. ANTHONY HLYNKA (Vegreville): Mr. Speaker, I am sure the people of Canada

will welcome the long overdue decision of the government to set up a special committee of the house to study the problem of social security. In my opinion this committee should be called the parliamentary social security research committee because its primary task will be research. The government should be congratulated upon having recognized the need for taking this step in the right direction. I only hope that this mountain of plans does not give birth to a mouse. I shall therefore leave any further commendation and congratulations until the results start coming in.

If I understand it correctly, the purpose of the committee is to explore all fields with a view to formulating a plan to free our people from want. This freedom from want appears to me to be the most ambiguous of the four freedoms enunciated by the President of the United States, particularly in view of the fact that this problem of want exists in the midst of plenty. To my mind that is something which is really phenomenal. Is it not strange, when science has progressed so far in every field of endeavour that the people of the world can hardly keep up with its inventions and benefits, to find that the science of government is lagging behind everything else? The people themselves must wake up to the fact that they must do their part if they want democracy to function properly. The people of this country must realize that unless they force—I use the word "force" advisedly—the governments, provincial and federal, to bring about the results which the people want, then they themselves will have to take the blame.

I see no earthly reason why the people of Canada should have to exist—they are existing, not living, because they are living a life the people of this rich land should not have to live—for a number of years under the poverty line. There is no physical reason for that situation in a country such as Canada. The motto of this group is that what is physically possible must be made financially possible, and I think that is a valuable motto to follow. We notice that the government has been concerned greatly over the various ceilings that have been in force during war time. That is rightly so because many of those ceilings are essential. But when we are discussing the setting up of a committee to study post-war reconstruction, we must see to it that one of the recommendations to be brought in by that committee shall be the providing of a floor which will protect our citizens who are climbing up the ladder of life so that they will not fall into the basement of poverty, degradation and other evils which no human being should have to face. Let us build a hole-proof floor, accommodated with springs, which will help to raise our people to the level they should be on in order that they may live as human beings. Let us build a floor upon which the poorest and the humblest may stand in dignity, leaving to them the sky as the limit for their advancement and initiative.

In my opinion there are five main requisites or requirements which we must guarantee to our people in peace time if we want this nation to advance among the nations of the world. In any social security measure which the committee recommends after it has studied the whole field, provision should first be made that no person in Canada shall go hungry. Food is something we have too much of in Canada.

Mr. FRASER (Peterborough West): Not at present.

Mr. HLYNKA: Even at the present time we have more food than we need, and more than any other nation in the world. The first requirement, I say, is that no person in Canada shall go hungry, and the problem we must solve is to distribute the food we have.

The next requirement is clothing. There is no reason in the world why our people should go around shabby and shivering in the cold weather when we have all kinds of clothing rotting in the stores right across Canada. There is no reason in the world why our people should not have the clothing that is proper for any man who wants to preserve his dignity.

The next requirement is shelter, and here I want to quote from an item which appeared in the Ottawa *Journal* of May 5, 1942. I should like hon. members to note that what I am going to read happened in Ottawa, the capital city of Canada. This is what the *Journal* says:

> Eleven more homeless children found shelter with the Children's Aid Society late Monday as bailiffs, executing delayed eviction orders, dispossessed additional low-income group families.
>
> For one family, the situation was desperate. Bailiffs arrived at one dilapidated tenement to enforce an eviction order, and were reported to have found that the father of a family of five had barricaded the door. Behind it he stood armed with an axe, ready to use it, he warned them. They retired with their eviction order which a welfare agency reported had been issued so that the dwelling could be demolished.
>
> Within were five children and his wife, who was being confined for childbirth. The woman was removed to hospital and neighbours took in the five youngsters.
>
> Welfare agency officials said heads of the dispossessed families were either soldiers on active service, veterans or men with extremely low-paid jobs.

Those conditions are typical of conditions which have existed and still exist in certain parts of Canada. There is no physical reason and no justification whatever for our people having had to live under the housing conditions which they were forced to endure for at least the last two decades. We had, during peace time at least, all the raw materials to provide the housing our people needed. We had all the bricks, all the lumber, and all the labour that was required, and yet our people were forced to live in one-roomed huts in a country like Canada. That certainly was no compliment to any government that held office during that period.

I come to the fourth requirement which is necessary for any adequate social security measure, namely, medical care. We all know that for at least ten years in Canada many doctors were on relief, while at the same time our people were dying because they had no money to provide themselves with the remedies for all sorts of ailments which arose because they had to live below the level of subsistence. There is no physical reason whatsoever why our people should not have all the medical care they need.

The fifth and last requirement is education. I have not heard any hon. member include education in the field of social security, but I would certainly include it. There is no reason why every citizen of Canada should not be given all the education that we can possibly give him. All education should, in my opinion, be absolutely free. If a young man or a young woman wants to go on through a university, that opportunity should be provided. We must educate our people so that they may enjoy the life to which they are entitled and develop themselves along the lines for which their aptitudes fit them. We must, therefore, see to it that all the people of Canada are provided with an adequate education. In passing, let me say that about a year ago I noticed pictures in the newspapers glorifying the idea that at last Canada was providing an education even for its adult people, and of course it was free. When I saw those pictures in the newspapers I felt ashamed that we should endeavour to pull the wool over the eyes of our people by attempting to prove that we were so progressive because we gave adults an education to which they were really entitled in their teens. That was the time they should have received their education, and that was the time we failed. Now we attempt to cover that up. Certainly we should not advertise it. As a matter of fact, we were priding ourselves on giving adults of forty and fifty years of age an education that they should have had long ago. I trust that education will receive the serious consideration of the committee.

[Mr. Hlynka.]

I come now to the problem of the aged people. I intend to discuss this matter when the old age pensions estimates are brought down. Even though I wish to devote only a few minutes to the discussion of this problem at the present time, I feel that I cannot do too much to bring it to the attention of the committee which is to be set up.

This is the story of any one hundred young Canadians who, at the age of twenty-five, are strong, healthy and hopeful. Forty years later thirty-six of them are dead; one—only one—is well-to-do; four live comfortably; five are gainfully employed, and fifty-four are entirely dependent upon relatives and friends. In other words, the statistical information which I have been able to obtain shows that over half of every hundred men we have in this country will eventually land in the undignified position of having to beg. That illustrates clearly the fate of many of our men. Let me read at this stage from an editorial which appeared in the Edmonton *Bulletin* of March 12, 1942. The *Bulletin,* one of our Alberta dailies, is one of the most progressive if not the most progressive newspaper in our province, and at all times it has been a champion of the cause of the aged people. Here are a few sentences from this particular editorial:

> Canada has neglected the one object which requires more generous treatment than any other.
>
> Canadians lag behind every member of the British commonwealth of nations and behind the United States in providing social security and social justice for our own aged, distressed and worthy pioneers.

It goes on:

> At this session of parliament—

You will recall, Mr. Speaker, that this was written early in the last session.

> —we must add to our present unemployment insurance those further measures of health insurance and an adequate retirement allowance which will give at least thirty dollars a month to our aged people at the age of sixty, without the present cruel and unjust regulations.

The concluding paragraph states:

> There is no question of money involved because the old methods of orthodox finance have disappeared in the necessities of war, and properly so.

I believe that we should provide a pension for every man who has reached the age of sixty and whose income is not sufficient to maintain him at a proper standard of living. In addition it is my conviction that our women, the mothers of Canada, should be granted a pension at the age of fifty-five.

The reason why I favour the mothers is that any woman who has gone through fifty-five years of her life and has brought up a family deserves a compensation from the country; she deserves to share in the heritage which we all should have, a part of which we all should enjoy. Unless our mothers are taken care of, there will be a repetition of the condition which was depicted in this house last night, when it was pointed out that in the four years 1932-35, 33,000 mothers died in childbirth and 70,000 children died under one year of age. During the last war Canada lost 60,000 men in four years, but during the four-year period 1932-35 103,000 infants and mothers perished. That is a fact we should consider and take to heart.

Let me read an extract from a letter which appeared in the Edmonton *Bulletin* of January 12, 1942. It is written by an elderly man expressing his sentiments on this subject:

> I am sixty-two and not able to get a job owing to my general health and age. I am within eight years of the age now, but by the time I am seventy years old I won't need the pension. I often wonder where my next meal will come from and to go and ask for relief is like signing a death sentence to get anything.

He goes on:

> How many are there that live to be seventy that ever enjoy his or her old age pension? . . . So if we get the age pension at sixty we may enjoy a little of it.
>
> I came here in 1900 and before Edmonton was very much of a town I helped build up the country and now it is hard to get a living out of it.

That man is only sixty-two, but he feels that by the time he would be entitled to the old age pension he will not be here. Of course that is the prospect of most of the older people. Imagine, they have to wait until they are seventy before they get what is coming to them! Our old age pension regulations are not a gesture of kindness; they are a gesture of inhumanity. Why could we not include the people who are physically incapacitated?

Right in this city of Ottawa, when I got off the train on one occasion, I saw an old man playing a violin near the Chateau Laurier hotel when the temperature was about ten degrees below zero. Surely that poor old man could not have produced a melody had he been paid a thousand dollars for it, because he was too old, and his hands were cold. He had an old cap that someone had thrown away and that he had probably picked up out of a garbage can. The poor man had to play the violin so that someone would throw him a penny. I appeal to every hon. member this afternoon to see to it that we take these people off the streets and give them a pension. Let them be medically examined, and if they are found to be totally incapacitated they should be given a pension whether they are thirty, forty or fifty years of age. In almost every Canadian city we find men who are minus both legs sitting on a cement pavement with the temperature at forty degrees below zero and trying to beg for their living. I suggest that these men who are given certificates to be allowed to beg should be taken off the streets and given proper care and food and clothing, and at least some of them might be able to do a little for this country. I want to emphasize that particular problem. I feel ashamed when I see these men minus their legs sitting on a cement sidewalk in front of a building when the temperature is forty degrees below zero. That sort of thing should not exist in Canada. This man should not be playing the violin in order to beg, when the temperature is below zero. Let us not be a nation of beggars, let us try to solve some of these problems. It reminds me of an incident when one poor man who had lost both legs was sitting in front of a big department store in Edmonton holding out two hats. A chap going by said, "What's the idea, holding out two hats instead of one?" Well, the poor fellow was miserable, he thought he might collect more by stretching out both hands. He said, "Well, business is so good I am branching out!"

Let us tackle these problems properly and solve them. There is no excuse for not looking after our aged people, the pioneers of this country. I know scores of people in western Canada who went there and cleared the land of stones, cultivated it and made it almost a garden, and what have they to-day? The mortgage companies came in and foreclosed and those people were thrown out. If they apply for old age pensions, some clerks who do not even understand what life is all about will order these old pioneers away, these men who should be treated with courtesy, to whom we should extend a helping hand and say, This is your share of our heritage, something which you deserve. But they are cut off the old age pension if it is found that they have a dollar or have someone to whom they can go and perhaps sleep in the basement.

While I am on this subject let me make a plea to the committee to be set up, also to the government and particularly to the Prime Minister (Mr. Mackenzie King). There is one thing that has been overlooked for many years. I believe there are not many hon. members who see it in the light that I see it. We have in western Canada many of these pioneers who settled in blocks. This is not

the situation in the cities, but these pioneers who come from Ukrainian or Polish or perhaps German stock have settled together in certain blocks. They had no opportunity to learn the English language. When they apply for citizenship or naturalization certificates they are refused because they have no knowledge of English. It is not their fault. We must realize that they had no opportunity to learn. They have lived in this country for ten or fifteen or twenty years and their sons and daughters are Canadian born. Surely the mother of a son who is perhaps serving this country in the army should be compensated and able to apply for a pension. To-day I have in my office scores of letters from such mothers. They are appealing to me to do something for them. One old mother about seventy-five years of age had one son. This son is married and his assigned pay had to go to his wife and children, so that he could not help his mother. The mother had to go on relief, and the municipality gives her $5 a month. What can one do with $5 a month? She cannot apply for an old age pension because she is not a citizen of Canada even though she has lived here for forty-two years. This is something that should be solved.

I am told I have only five minutes left, so I hasten on to mention some of the matters that have been in my mind for quite a while. I hope in all seriousness that the purpose of setting up this committee is not in order to draft a charter for an election. I should like to see it a charter for social security, but so many of these measures that are framed appear to be devoid of everything but perhaps a catch for another election. I say to the government, that it has all the freedom it wants, let us see that this problem is tackled in a proper manner, forgetting about elections. If they have to come they will come; if not, so much the better for the country during war time. This measure must not be a charter for a new election; if it is, the people of Canada will resent it.

In conclusion, I would suggest a method by which we may approach this problem of social security. I spoke of food; why not take the same provision which is now made for our men in the armed forces and say that this shall be used to supply our old people and those who are in need of food. Immediately after the war substitute one for the other. We talk about clothing; why not say that the item which now appears in our budget for uniforms and clothing for our people in the armed services will be used in peace time to provide clothes for those of our people who have not the proper kind of clothing? We are manufacturing aeroplanes, guns and all sorts of materials for war purposes. Why not say that we are going to continue to use the appropriations we have devoted to these purposes in order to meet the needs of our people in regard to education, health and so on. All that is necessary after the war is to select a few of these things and substitute the new demands that will come upon us.

In my opinion neither this nor any other government should look for any commendation or congratulation for having attempted to deal with this problem. I think this action is long overdue; and, if I may say so, if this government did not wish to take this step of its own volition, it would be forced to do so by public opinion, for this question of social security is now very much in the air. Let us then face this problem squarely and deal with it on a humanitarian basis so that we may hold up our heads in dignity, instead of doing as some hon. members would have us do, promise too much and then of course be unable to carry out our promises.

Mr. A. R. ADAMSON (York West): Mr. Speaker, I take part in this debate merely because of the urgency of certain matters which I believe should be brought to the attention of the house to be dealt with now instead of waiting until this committee presents a lengthy report. In the eyes of many people the appointment of a committee has come to be synonymous with an attempt to stall. We have had committees set up which sat for a long time and brought in reports which were implemented only in part if at all. I refer in particular to the reconstruction committee of last year, whose report was not implemented; and I refer also to the Sirois commission of some years ago, on whose report no action whatever was taken. I mention these committees and commissions because many people have come to think that the setting up of a committee means an attempt to find a way out from under, and I want to emphasize that if the government looks upon this committee as a way out from under, Canada will face a most serious situation.

I believe that instead of setting up this committee the government should have created a ministry of reconstruction, headed by a minister who would have charge of all matters of social security, reconstruction and rehabilitation. Australia now has such a minister and Australia is still liable to attack by the Japanese. This was brought home to us very clearly only yesterday by the sinking of that huge convoy of Japanese transports which was definitely trying to establish a jumping-off place for an attack on the Australian mainland. If Australia, while in

peril of attack, can go ahead and establish a ministry of reconstruction, how much more should we in Canada, where invasion is a remote possibility, be able to set up a department. The advantages of having a minister of reconstruction, as against this committee, are that a minister is a concrete, definite thing. He has a department; he is there every day; the problems that come up can be discussed with him and he can deal with them as they arise, instead of waiting, waiting, waiting for the report of a committee. There are enough matters of pressing urgency to justify the establishment of a minister of reconstruction, and that is why I am speaking to-day.

I will mention two matters which I consider to be of immediate and almost imperative urgency. The first is the question of the children of Canada. In England after the blitz they found that the school system as they knew it broke down to a certain extent. Children were evacuated; both parents were working in war industries or in many cases the father was overseas with the army, and they found that the children were not being adequately supervised at home. This became a matter of very pressing emergency. What did they do? In the first place they set up a series of crèches. Then they set up nursery schools where children could be taken at a very early age. There they were housed, fed, kept clean, looked after and supervised for the entire day. They were not allowed to fend for themselves on the streets; they were well looked after. The result of the establishment of these kindergarten schools has been that in England to-day there is actually less child delinquency than there was, and, what is far more important, the health of the children is better than it was before the war. The organized care and supervision of older children also is vital in the prevention of juvenile delinquency. These are problems which face us to-day. We cannot wait. We cannot wait even until the end of the session. I know good work is being done in certain sections. Certain municipalities have these things already, but it should be a nation-wide system. It is essential that in the poorest and most congested sections these schools be established.

I have one other point in mind, and that is the health of the nation. Many medical doctors have been called into the armed services, with the result that members of the medical profession who remain in Canada are tremendously overworked. Particularly is this so in districts in which we have large war industries. Doctors are working fifteen or sixteen hours a day, trying to cope with the increased number of patients. Not only do we find that there are fewer doctors to go round, but the doctors left have infinitely more to do.

I suggest that we must face the possibility of epidemics. Perhaps I might just mention the influenza epidemic of the last war. Nearly all epidemics can be checked before they get properly started, if wise prophylaxis is employed. I suggest that the war workers in large war industries be given an opportunity to have a complete check-up every three months, so that the health chart of the nation can be known precisely, and so that there may be no tendency toward growth of tuberculosis in congested areas. In a similar fashion the growth of other epidemics could be checked before they were too far advanced. In England I believe such a check-up is compulsory, but in Canada it might be done on a voluntary basis. I suggest to the minister that the two things I have mentioned be undertaken now. Few people doubt the necessity for them. Let us undertake them now, before we find ourselves with a problem on our hands.

We have one problem already, namely that of the children. Let us see to it that we do not have to face epidemics. We can solve the problem with respect to the children—at least the English have solved it, and they have also solved the problem of epidemics. Let us see to it that we meet and overcome both these dangers.

I am glad to be a member of the committee. Service on committees of this sort is one of our greatest and proudest duties. We know that the individual human being is the most important thing in our civilization. That is where we differ from all other types of government. This is the committee which will set out to look after the interests of that individual. No other work can possibly be as important.

Mr. NORMAN JAQUES (Wetaskiwin): Mr. Speaker, it is a long time since I last addressed the house, and on this occasion I do not intend to make a speech. I shall try rather to make only a few random remarks.

First of all I should like to pay humble tribute to all those who have made and are making their contribution to Canada's great and splendid war effort—the armed forces, the merchant marine, their wives, mothers and sweethearts, the fishermen, the war workers in industry, and, last but not least, the farmers of Canada, to whose natural hazards have been added the handicaps of shortages of labour and materials. Theirs was a voluntary effort. With

the rest of the empire Canada did not wait for the invader's boot, because it did not need the spur of invasion.

The other day an hon. member sitting opposite said in the course of his remarks that he could understand what the Conservatives and the Progressive Conservatives were talking about; he could understand what the Cooperative Commonwealth Federation were talking about; he could understand what hon. members to my left were talking about, but he utterly failed to understand what members of this group mean, and what they discuss. I am not going to say that that hon. member was speaking for all members of his party; I happen to know he does not. I believe however that there is a large element of truth in what he said, and to me the reason is fairly obvious, because all other parties believe more or less in the same thing, and, I may say, their objectives are more or less the same. For instance I believe most members of other groups in the house, except this one, would agree that they believe in the creation of employment for all. They would agree on a planned production. I believe they agree on centralization. I have heard several hon. members sitting opposite speak favourably of internationalism, an international bank and an international police force. I think most hon. members, with the exception of those in this group, are in favour of more and more taxation, and most of them seem to believe in the removal of tariffs.

I think that situation is more or less crystallized in Alberta; for in that province you see two parties to-day, namely the Social Credit party and the so-called Independents. The Independents are made up of Liberals, Conservatives—that is, Progressive and otherwise—and Cooperative Commonwealth Federation.

Mr. MacINNIS: No.

Mr. JAQUES: They sit in opposition.

Mr. MacINNIS: You are in opposition but you are not in the Cooperative Commonwealth Federation.

Mr. JAQUES: They are in agreement in their criticism.

Mr. MacINNIS: Oh, no, they are not.

Mr. JAQUES: The leader of the independents was a former Cooperative Commonwealth Federation member of this house.

Mr. MacINNIS: He is no longer the leader.

Mr. JAQUES: He was. Instead of the creation of employment, we believe in the creation of leisure. We believe in a planned consumption rather than a planned production. We believe in decentralization. We believe in nationalism rather than in internationalism. We believe in the abolition of taxation. We believe that the fundamental remedy which will have to be applied is the distribution internally of the purchasing power necessary to consume the whole of our production so that we may consume all imports which are exchanged for our exports.

Finally, I think the majority of the members of all the other groups in the house agree with the Beveridge plan, but this group does not and I think I can say that social crediters all over the world do not agree with it. They agree with the idea of security, but they do not agree with this method of obtaining security.

The first I heard of the Beveridge plan was over the radio, over the red network, or perhaps I should say the CBC. The announcer told us that the author of this plan, Sir William Beveridge, admitted that it would involve a trip half-way to Moscow. Therefore I was not surprised when I received the book to find that its cover was mostly red. After skimming through the contents I came to the conclusion that the red cover was the only novelty. It is simply an old scheme of national insurance; in fact it was adopted in England long before the last war when it was copied from Germany. The Germans initiated it, and possibly that is what Sir William meant when he said he was going half-way to Moscow to find the solution. I have been down below in the storeroom looking at the old government handbooks dating back almost to the times of confederation and the only colour I could see was blue. I have heard of blue books and white papers, and we now have a red book, or at least half red. As the author says, it is half-way to Moscow.

I should like to say a few words about the birthplace of this idea, the London school of economics. This school was founded by a Fabian socialist before the last war and was financed by Sir Ernest Cassel, a German Jew international financier who I believe endowed it with a million pounds sterling. The admitted purpose of the school was to train a bureaucracy for the future world socialist state. Sir William Beveridge, I understand, is a director of the London school of economics. Another member of its alumni is our own chairman of the post-war reconstruction committee, Doctor James. Doctor James believes in and is working for the establishment of the gold standard. The other day, while addressing the Montreal chamber of commerce, he said this:

We realize—

I am not sure who "we" is.

. . . that the world of to-morrow will not be identical with the pleasant and familiar scene which lay before our eyes in 1939.

I infer from this that he looks to see a world considerably different, a less pleasant place after the war than it was before. I remember during the last war they said that all we had to do was to hang the kaiser and we would have a world fit for heroes to live in. They did not actually hang the kaiser, but they put him out of business and all I can say is that the world was a much less happy place without the kaiser than it had been with him. According to Doctor James, the world is going to be a less pleasant place without Herr Hitler than it was with him. Those are the words of Doctor James, not mine.

According to his book, Sir William proposes to give £4 or $20 for a birth, and £20 for a funeral. Apparently a person will be worth more dead than he is alive. Then Sir William says:

Freedom from idleness is far more important than freedom from want.

It will be seen that he has added a fifth freedom to the four freedoms, namely, freedom from idleness. Another distinguished member of the London school of economics is Professor Laski, who is professor of political history at the school. He is internationally known as a communist, and a few years ago he published an essay in the United States entitled "Recovery through Revolution", from which I quote as follows:

The communist hypothesis . . . insists that no socialist government can attempt seriously to put its principles into practice without encountering determined resistance which will issue in civil war. To maintain socialist principles, in short, socialists will be driven to become communists or to betray their socialism. If they become communists they will find themselves involved in the grim logic of Leninism—the dictatorship of the proletariat, the drastic suppression of counter-revolution, the confiscation of the essential instruments of production, the building of the state, in a word, upon the principles of martial law until the security of the new order is firmly established. The transformation of capitalism into socialism means revolution, and that implies an experience akin to that through which Russia has passed.

Well, we are going half-way to Russia.

The fundamental idea of social insurance is really nothing but compulsory saving. And is not compulsory saving the very remedy adopted by the government at the present time to kill effective demand, or, in other words, to kill prosperity? I am not complaining of that. I believe that the present government is making a very successful and praiseworthy effort in preventing any kind of inflation and in keeping prices down. But my point is this, that one of the main ways of doing it is through compulsory saving. Taxation is, of course, really compulsory saving. The main idea that underlies the Beveridge report is compulsory saving, and does it not stand to reason that it will have the same effect after the war that compulsory saving has during the war, namely, to kill prosperity?

Again, the Beveridge scheme, as I understand it, does not come into full effect for twenty-five years. If there is any merit in the scheme, why wait for twenty-five years? What are they waiting for? I understand that they have to wait until they have accumulated a sufficient fund before they can say: Now we can pay it out to one another. In reality they do not propose to save anything. They do not save any food, they do not save any clothes or anything of that kind. They are simply saving figures. You cannot eat figures; you cannot wear them. Suppose that when the war started this government had said, Sure, we must provide so many hundreds of millions of dollars worth of munitions of all kinds, but we cannot go to work on that yet because it will take us twenty-five years to accumulate the necessary funds, the figures. The same argument holds. If it is a good idea, why should we wait twenty-five years to put it into effect? Why not put it into effect immediately? Why not give assistance at once to those who are unemployed and those who are sick and need pensions or relief of any kind? If we did that, it would provide a great deal of employment for those who will need it.

At the present time, as one of my colleagues reminds me, we are paying the Germans every year a dividend of so many billions of dollars, amounting to well over half our national production, and we do not get anything in exchange for it. In fact, that is the last thing we want. We make a present of the whole thing to the enemy. I remember when members of the house and people outside used to laugh at the social credit idea of paying ourselves a dividend. The thing appeared fantastic to them. Where would you get the money, they asked? It would be impossible, they said. But now we are doing it; only we are paying the dividend to the axis powers, a dividend that amounts to billions of dollars a year, and it seems to me that we are extremely prosperous while we are doing it. We are so prosperous that I imagine the main headache of the government is to kill that prosperity. Can one imagine what our prosperity would have been if, instead of making a present of all this wealth

to the enemy, we had turned around and paid it to ourselves? Is there any limit to the prosperity we might have had? There would be no unemployment except of those who were incapacitated.

Since I have mentioned pensions I should like to make a plea in that regard. Whether or not we wait for twenty-five years to implement the Beveridge report or something similar, I would make a plea that we should not wait, I was going to say for twenty-five minutes, but certainly we should not wait for one day to augment the pensions that we are paying to the aged and the infirm and the war widows. They do not even have the cost of living bonus. They are living, many of them, on from ten to fifteen dollars a month. Then we talk about the new order we are going to have. I say, in conclusion, that if we cannot look after the aged and the infirm at the present time I do not think there is much hope for a new and better world after the war.

Hon. H. A. BRUCE (Parkdale): Mr. Speaker, I had no intention of participating in this debate but in order to keep the record clear, I think that in view of the attitude I took earlier in relation to unemployment insurance I should make a few observations.

Members may recall that on March 24, 1941, I brought in a bill, No. 21, an act to amend the Unemployment Insurance Act. I explained on that occasion that the purpose of the bill was to provide that the unemployment insurance commission created by the Unemployment Insurance Act, 1940, should cooperate with other authorities in the dominion and the provinces for the purpose of collecting information concerning any plans for providing medical care or compensation in cases of ill health. I should like to read just one paragraph from part V of my bill, under the heading "National Health":

> The duties and powers of the commission under this part of this act shall be exercised, so far as may be found practicable and expedient, in cooperation with any department or departments of the government of Canada, with the Dominion Council of Health, with any province or any number of provinces collectively, or with any municipality or any number of municipalities collectively, or with associations or corporations.
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> It shall be the duty of the commission
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> (a) to assemble reports, publications, information and data concerning any scheme or plan, whether a state, community or other scheme or plan for any group or class of persons, and whether in operation or proposed, in Canada or elsewhere, of providing, on a collective or on a cooperative basis by means of insurance or otherwise, for
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> (i) medical, dental and surgical care, including medicines, drugs, appliances, or hospitalization, or
>
> (ii) compensation for loss of earnings arising out of ill health, accident or disease;

I shall not trouble to read the rest of the proposed amendment but, because there has been some misconception on the part of certain members of the house, it is only right to state at this time that I understand the department of national health has undertaken what I proposed, namely, the gathering of information upon which they purpose drafting a bill. I must agree with that, and am pleased to agree that they have taken, in my judgment, the best possible course to ensure that the bill, when it does emerge from the committee, will not only represent the judgment of the members of the committee and the members of this house, but will receive the support and cooperation of the members of the medical profession.

I might recall to hon. members that when a similar bill was introduced in the legislature of British Columbia some few years ago, it was not done after cooperation and agreement with the members of the medical profession; and as a consequence, although it became the law of that province, it has never become operative. It will be clear to all, I think, that to make any scheme of health insurance operative the most important people to be considered, who will have the responsibility of carrying out such scheme are members of the medical profession; in fact it cannot function at all unless they assist in making it function. The method which has been adopted of gathering information during the last year or so from all interests concerned, particularly the medical and dental professions, will put us in a position to know what their judgment is in regard to the various phases of the bill which it is proposed should emerge as a consequence of the sittings of this select committee.

Before that committee, I take it, all interests may be represented and will be heard and consideration will be given to any presentations which they make. I hope that, after that has taken place, at a very early day a measure will emerge and be placed on the statute book. It is long overdue. I hope it will be possible for the government to bring forward legislation and have it passed before this session concludes.

I might just add, to make the record complete, that being only a private member my bill did not get very far. We have no private members' days, so that it disappeared when we went home for the recess. It was suggested to me that I might make progress if I had it brought forward in another place. As a consequence I had it submitted as Bill

E-3 in the other place, where it had its first reading on May 27, 1941. It did a little better over there than here, because it got through its second reading, but was then defeated. I then submitted it again, on November 6, 1941, and it disappeared with the closing of the session. On February 2, 1942, I reintroduced it and it had its first reading. It will be clear from all this that I favour some such legislation as is proposed at the present time.

It has been mentioned here that this bill requires an amendment of the British North America Act. I wish to refer for a moment to something which has interested me for a number of years. We have in Canada ten departments of health, all doing or trying to do the same job. My belief is that there should be only one department of health and that that should be the department of health of the national government; and in each of the provinces we could very well have branches of the federal department of health which would carry out the decisions of the national body. This in my opinion would save a great deal of duplication of services which are costly, and in a small country such as ours we should always consider the question of cost. Great Britain gets on very well with one department of health, and that country has a population four times as great as ours. You may say that Canada is larger geographically than Great Britain. That is true, but the problems of health are exactly the same. Communicable diseases do not confine themselves to provincial boundaries. Take, for example, influenza; if it starts in British Columbia it will soon be heard of in Ontario and spread speedily to the Atlantic coast. So that what measures of health are necessary in one province are necessary in other provinces. Some local conditions may vary in the different provinces, but these can be dealt with and adjusted effectively, in my judgment, by a federal department of health operating through a branch in the province. So that if it becomes necessary to have an amendment of the British North America Act, I suggest to the government that it take into consideration obtaining authority to develop a national department of health for the whole of Canada instead of the system which prevails at the present moment.

I mentioned a moment ago that this is a question of social security which is long overdue, and I am glad to be able to tell the house that I believe a majority of the medical profession throughout Canada will support a measure of health insurance.

I should like to make a distinction, for the assistance of the members, between health insurance and what is spoken of as state medicine. The fact that the profession approves the principle of health insurance does not mean that it approves state medicine. By "state medicine" is meant a system of medicine which is entirely under the state: the state would bear the full cost, and all doctors, nurses and others giving their care would be on salary provided by the state. The hospitals would become state owned. This is entirely different from what we mean by state health insurance, which means a cooperative plan of contributory insurance operating with state assistance and under state supervision, which provides for its members certain benefits in case of illness. We believe that such a plan should provide the highest standard of health service for all the people.

I do not think that at this time it is desirable or necessary to discuss any phases of the bill which may emerge, because we shall have plenty of opportunity of doing that in the committee. I therefore look forward to the meetings of this committee in the anticipation that the work which has been carried on over a period of months will bear fruit and that ultimately there will be put in the statute books a health insurance bill acceptable and advantageous to all our people.

I want to make just a reference to the question of venereal disease. I believe it is a fact that venereal disease is about twice as prevalent amongst our Canadian forces as amongst the white forces in the United States. If this be true it is desirable that something very radical be undertaken at an early day to improve a deplorable situation.

Mr. MANLEY J. EDWARDS (Calgary West): I have listened with the utmost attention to the remarks of the hon. member who has just taken his seat (Mr. Bruce). What he said appealed to me most strongly, because I know that he is a man of outstanding ability and attainment in his profession. He has approached the subject from the point of view of the medical practitioner. Being a member of the legal profession I naturally look at the resolution from the point of view of its legal aspects and connotations. Quite frankly, sir, I have many doubts and misgivings as to the tangible results in the immediate future, of the proceedings and deliberations of this committee, because of the constitutional difficulties involved in implementing any charter or resolution such as is contemplated by this resolution.

Let me say at the outset that I am wholly in accord with the spirit, the thought and the ideal which bring this resolution before us at this time. Knowing the humanitarian ideals

of charity and Christian brotherhood which he entertains in his heart I for one hope that the vision which the Prime Minister (Mr. Mackenzie King) has entertained in this regard might, like the Unemployment Insurance Act which he envisaged twenty years ago, be realized by him at this session or in this parliament, or at least in his lifetime. I am disturbed in this regard, because it took twenty years of effort on the part of not only the present Prime Minister but the leader of the Conservative party, not forgetting my predecessor from West Calgary, Mr. Bennett, to overcome the constitutional difficulties and barriers raised by the provinces to the establishment of a national unemployment insurance act. In this respect I am reminded that the last province to give its consent to a national unemployment insurance act was Alberta. Hon. members during this brief debate may have followed the remarks of the hon. members who come from Alberta and represent the Social Credit party. If the Social Credit members truly reflect the considered opinion and wishes of the government of Alberta, then the fine objectives which are set before us in this resolution and which I think are universally held by the other groups in this house will go unfulfilled because of the constitutional difficulty involved in the British North America Act. One need only read the provisions of the British North America Act, our charter of confederation, to see that the respective fields of provincial and federal legislation are limited. It is not sufficient merely to read the words of the act to appreciate fully the difficulty involved; one must have recourse to the judgments of the various courts which have been called upon to interpret and apply the terms of that act to particular constitutional problems which have arisen in the short life of this country. I hope it will not take twenty years more before this country has at least a national health insurance act, but let no one assume that the Beveridge plan can be readily transferred or transposed to and made applicable in this country.

In common with many others in this house I am concerned lest the people's mind be diverted from the immediate and paramount problem which confronts us all, namely, that of winning this war.

I do not think we should be unduly concerned about our safety or security here at home when the best of our manhood and womanhood are throwing security to the winds. Security is the last thought that enters their minds in their struggle with the enemy and their fight to defend the one thing that we in Canada value most highly—individual freedom and liberty. In common with many others I have doubts and misgivings lest the so-called planners and economists may in fact destroy individuality, the one thing that we as Canadian citizens prize most highly. The thing that distinguishes us is our individuality. The good Lord made no two of us alike. There never was one like you before; there is not now and never will be another you. I think the most significant fact about life and living itself is not that we are here to make a living but that "we are", and we are here to develop and make manifest that thing which I call me and which you call you, to make of them the best of which they are capable. Life has no significance for me aside from the fact of individuality, and I am much afraid that this resolution may fail of its objective by reason of that very characteristic of Canada and Canadians individually, provincially and sectionally.

Nevertheless I believe this is something upon which we may be able to find common ground in the interest and for the sake of those individuals who are less fortunate than we are, who through no fault of their own find themselves unable to keep pace with their fellow men, so that they may be provided with the essentials of that decent standard of living which should characterize our people from coast to coast. But let us not think and let us not give the impression that this is the beginning of easy days, that life in Canada will be easy or that it will not be necessary in any field of endeavour, be it physical, mental or spiritual, to do other than work hard to make the most of this fair land of ours and to make the most of our individual and collective selves. In other words, let us not do what the people of Germany did, willingly or otherwise, namely, surrender our individuality for the sake of security. It is quite true that in a time of depression the people of Germany were not as vocal and were not allowed to magnify their differences. Why? Because they had sold their right to liberty and individuality for the so-called safety and security ordered by the state. Mr. Hitler capitalized on that, and as a result there came into existence what I hope we shall never see in this country, the age of bureaucracy and dictatorship.

The men and women who built this country, whom we delight to honour in this house and throughout the length and breadth of our land, the individuals who have made the finest contributions to our commonwealth, have been those who were least secure and who on account of that very fact put forth their best of muscle, mind and

spirit. To their sterling work and their example we owe the characteristics which we are proud to believe distinguish us as a nation. Independence and self-reliance are the things we must encourage; free enterprise, in consonance with the rights of others, is what we should be thinking of. We delight to honour the brave lads who are flying over Germany, over conquered, fallen France and elsewhere throughout the world to-day because they have cast security to the winds. They do not ask for security; they are the daring spirits. All they ask, and the only thing on the lips of our boys to-day, whether they are here in Canada or in Britain, is that they be given an opportunity to display their skill and to match their wits with the best the axis forces can put against them. In a recent issue of the *Times-Herald* of Moose Jaw the editor sets forth views with which I am in hearty accord, and which I think we should keep in mind when considering this problem. In part he says:

> The *Printed Word* defines security as "a condition of freedom from danger," and says: Armed forces of the united nations are expected to eliminate the danger from the gangster powers, but economic security which is being promised so glibly apparently is something which can be obtained by legislation. As well say that money will win the war.
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> Security must be paid for. It can't be paid for by casting votes or issuing cheques on a bank, even a state bank. Someone, somehow, must produce useful goods. Back of all usable wealth is work of individuals, even though individual production is greatly enhanced and multiplied by machines, by the practical application of scientific knowledge. Nature helps, but even windfalls must be gathered before they can be put into a pie. When an honest, able-bodied man says he wants security, does he not mean rather that he wants a steady job? He wants wages that will meet his current requirements and enough left over for contingencies. He would strive to have something for his wife and dependent children in event of his early death, and if he is thoughtful would like to think he would not have to accept public or private aid when his earning days are done.
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> That is not security in the sense of to-day's political speeches. It is rather self-respecting independence. The people who are entitled to security without working for it are children and others who because of physical or mental infirmity, are incapable of contributing to production. The problem of post-war prosperity will not be solved by paying people for not working, paying for not producing. It will be solved, however, if in a postwar world every able-bodied and mentally competent person has an opportunity to produce goods and services that are useful.

Mr. BLACKMORE: What is the machine for? What about the machine?

Mr. EDWARDS: I have but one concluding thought along this line. Economics are unavoidably and inextricably bound up in this matter. I had one suggestion to make which might more properly have been expressed under the preceding resolution. I suggest, however, that in our post-war planning the committee might very well regard Canada from the point of view of economic units rather than from the political or geographic point of view.

I am not unmindful of, and I should like here and now to pay tribute to the present government in Alberta, who have sensed what is a very acute problem, in so far as Alberta, and at least the western part, if not all, of Saskatchewan is concerned. We are an economic unit, far removed from that section which finds its centre Ontario, and those districts which are contiguous to the great lakes and the St. Lawrence river. In order that we may go forward, I believe there must be developed and encouraged an economic unit embracing Alberta and Saskatchewan with a measure of industrialization we have not heretofore had. Fortunately or perhaps providentially—no credit to us—we have in Alberta a wealth of coal unexcelled, as far as quantity is concerned, in any other similar area on the earth's surface. We have flowing down from the mountains powerful but undeveloped streams, all of which are potential generators of electricity. We have in Alberta the second largest—and potentially the largest—oil field in the British empire, if not in the world. But we have no industrial production; and perforce our goods must find their way all the way across the mountains, or across a continent.

I believe there must arise somewhere in those foothills an industrial development to take advantage of the natural resources found there or, if Canada is to continue to develop with its industrial centre in the east, ways and means must be found for bringing us closer together—closer together economically, not geographically.

As I have looked at the map of Canada in the railways committee room certain thoughts have occurred to me. I hear about the scarcity of agricultural products in the east; and when I realize the dearth of manufactured articles and the high prices we must pay for them in the west on account of the high cost of transportation, it seems to be taken for granted by all parties that that is a necessary evil which we must continue to endure for all time to come. Is this so? The early pioneers in Canada were not satisfied with portages around the waterfalls and rapids; they constructed a canal system which now enables some of the largest, if not the largest ocean-going vessels to go from the ocean to the head of the lakes there to load our produce and

take it to the markets of the world. This was made possible as a result of a canal system built by the Canadian people. I am informed that all vessels pass through those canals without charge or expense, and that no additional freight charges are added to the cost of the goods handled in that way. Looking at the map I have wondered if it would not be possible to bring Manitoba and Ontario together by eliminating that thousand-mile stretch of competing railways running through what is now a barren and unproductive land, by nationalizing, taking over and making a national railroad canal do what is done by our water canals when they circumvent Niagara falls, and use the water highway from Montreal and Quebec to Port Arthur.

Let the government take over and operate that railway canal at public expense. Make it serve as do the canals on our waterways. Let the people of Canada assume the expense of operation. Eliminate the charges for that part of the haul from the cost of goods from western Canada to the east, and from eastern Canada to the west. This is a thought which I believe is worthy of earnest consideration. If we are to keep our people united, let us think in terms of economic rather than geographic consideration and those means which can bring us closer together.

One other thought, and I shall have finished. The economic security of our western plains is being menaced. The hon. member for Davenport (Mr. MacNicol) is a much-travelled man, and one who is certainly aware of most physical and geographical problems confronting our country. Everyone appreciates his interest and his recognition of the necessity of developing the natural resources of western Canada.

I should like to direct the attention of the house to something that has happened as a result of the transfer of the natural resources of Alberta and Saskatchewan to those provinces. If you will look at a map of Canada you will observe that the great rivers which water our plains have their origin on the east slope of the Rocky mountains. Prior to the transfer of the resources the dominion government carried on an excellent and extensive programme for the preservation and protection of the forests on the east slope of the Rockies. As I say, it is on this slope that the Saskatchewan, both North and South, the Red Deer, the Bow and numerous other rivers have their source. On account of financial reasons Alberta has not been able to maintain the same organization for the preservation of these forests, and the result has been that in the intervening years thousands of square miles of forest growth have been burned. These slopes are being denuded by recurring forest fires, and the flow in these rivers, instead of being a blessing, is becoming a menace. I am advised that each year the water-table under these great plains is becoming lower and lower. I earnestly recommend to the committee on reconstruction and post-war problems that they consider the advisability of having the government enter into some arrangement mutually agreeable to Alberta whereby this government may again obtain control of the east slope of the Rocky mountains. We would thereby ensure that the forest growth which acts as a reservoir for these rivers will be maintained as an economic measure to make sure as far as possible that our western plains will not become in fact a dust-bowl.

Mr. A. H. BENCE (Saskatoon City): Mr. Speaker, I intend to restrict my remarks as much as I can because I think if it is at all possible we should complete the work of setting up this committee this afternoon. I do not propose to reiterate any more of the remarks that have been made in this debate, except to say that the work of the committee on reconstruction is inextricably interwoven with the work of this committee. I agree with other members who have said that full employment across the whole of this country is a necessary premise to any effective system of health insurance or other security measures.

I have no fear, as far as employment in this country is concerned, with respect to the period immediately after the war, especially in those parts of the country which have been highly industrialized. It must be obvious to all that within a very short time after the war these districts will be working at a high peak in order to meet the requirements for consumer goods which will be in effect at that time. But there are other parts of the country which will not have the advantage of supplying the badly required consumer goods, and it is in connection with that problem that I wish to say a few words. It seems to me that unless we first establish proper conditions under which we can provide employment for all who are able to work, we shall not be able to have an effective social security system. I discussed this matter at considerable length during the debate on the address in reply to the speech from the throne, and I shall not go into the facts and figures I presented to the house at that time.

In my opinion the greatest obstacle to the setting up of a balanced economy and the bringing of prosperity, not only to Canada

but to the nations of the world, is the lack of goodwill and understanding between the people of this country and the peoples of other countries. If we are to implement the spirit of the Atlantic charter we must commence now to do something about developing a feeling of goodwill. It is all very well for President Roosevelt and Mr. Churchill to formulate the Atlantic charter, but if the spirit of that charter is not engendered in the hearts and minds of the peoples of the countries of which these men are the leaders, then we cannot have very much hope of implementing it in the future. Great men as they are, they will soon pass from the scene, and unless they leave behind them leaders and people who have the same spirit, then we have no hope of bringing about the aims and objectives set forth in that charter.

The same thing applies in connection with our internal problems. It is essential that the people of Canada develop a spirit of goodwill and mutual helpfulness toward each other before we can hope to bring about that measure of prosperity which we all believe is the due of the Canadian people. After all, we are not only citizens of Ontario or Saskatchewan; we are citizens of Canada. I am sure that when we sit down to consider the matter we shall realize that simply because we happen to live in Ontario, where the resources are vast and where they have been developed, we are not entitled to a greater share of the goods and the prosperity of this country than we would be if we lived in another part of the country which has not been so highly developed. As has been said in this and other debates, eastern Canada cannot long be prosperous, cannot long be happy unless the other parts of the country are in a similar state.

The greatest obstacle to bringing about an equal sharing of opportunities by the people of this dominion is a lack of understanding. One of the first things we should do is to undertake the development of goodwill among our people. If we can persuade all of our people to regard this matter from the viewpoint of the application of the golden rule, then I have no doubt we shall be able to establish in Canada a state of which we shall all be proud.

Something that concerns me greatly is the attitude of mind which has been evidenced in the United States of recent days, particularly since the globaloney speech of representative Luce a short time ago. I am concerned also over that type of mind which endeavours to convey the impression that one province is the milch cow for the rest of Canada. It is that attitude of mind that we must try to eradicate in this and other countries if we are to bring about a feeling of goodwill and understanding. Unless we develop that feeling of goodwill and understanding we cannot hope to have anything but distress, ill-feeling and resentment on the part of those people who are not obtaining a fair and reasonable share of prosperity.

I take the stand that whether we come from this province or from the maritimes or the prairies—and I am proud to represent a constituency in Saskatchewan—we should feel with respect to each other that it is necessary to bring about a state of mutual aid. I suggest to the people from the more settled and more highly industrialized parts of Canada that their part of the country was built up in the days of our forefathers when people in the central and eastern provinces had the advantage of having industries set up, very often with government help, which government help reacted to the detriment of the part of the country from which I come. Apparently, however, it was necessary to use this means to establish those industries there and to build up prosperity in that part of Canada. But when persons coming from one particular part of the country speak of that part as being entitled as of right to whatever they happen now to have, I would remind them that after all many departed from that particular part in order to pioneer and develop other parts of Canada. Unless this state of mutual aid and mutual understanding is brought about, the people in the other parts of Canada will almost inevitably return to these older parts, and if we sit down and consider the matter carefully I am sure we would not want that state of affairs to be brought about. The pioneers went out from Ontario, for example, and established their homes in western Canada, and if they should return to their old homes in Ontario they would become Ontario citizens and be just as much entitled to share with other Ontario citizens in the prosperity in this part of the country.

I suggest most earnestly that it is a matter of urgent necessity that this administration take immediate advantage of the opportunity, which is presented to-day on account of the fact that we are at war and have such a tremendous volume of employment in Canada, to ensure a balanced economy so that when the post-war period arrives we can put into effect a proper scheme of social security which I am sure no one in this house will deny is absolutely imperative if we are to bring about the new order for which we all hope. I wish to give an example of what I have in mind.

I think this happens from mere thoughtlessness rather than anything else. I do not believe there is any intention on the part of individuals in any section of Canada to be selfish about the country's economic outlook. I think it arises from the fact that they have not all travelled throughout the country and do not understand the problems that exist in other sections. I ran into this example. It is only a small one, but it shows an attitude of mind. An officer in one of the services was canvassing the possibility of setting up in a particular city a service establishment. It had to do with storage and that kind of thing. He and some of his fellow officers suggested various cities, Toronto, Hamilton, Montreal, Ottawa, Windsor. One individual who happened to come from western Canada spoke up, "Did you ever think of Winnipeg, or Edmonton, or Saskatoon?" The officer in charge replied, "No; as a matter of fact I did not." It finally turned out that they established their base in a city in western Canada. But it had never occurred to them before that such an establishment might be set up out there.

I have another example of the sort of thing which develops ill-feeling, quite unintentionally, I am sure. There may be a perfectly good explanation for it, but I point this out as an example of how there can be brought about misunderstanding which, with a little forethought and planning, could be avoided. There have been a great many construction projects in this country in the last few months. An extensive naval establishment is being erected in the province of Quebec at the present time. According to an answer that was made the other day in reply to a question I had put, this establishment at St. Hyacinthe, Quebec, will cost $2,624,000. Another large naval establishment is to be constructed in the city of Hamilton, but I have not the exact figures on that. So far as I know both these establishments are perfectly proper and may be required in those places. At the same time, we in the city of Saskatoon are proud of the fact that we have there a very able and effective recruiting establishment of the R.C.N.V.R. They carry on effective training and develop fine sailors.

May I digress for a moment to pay tribute to Lieutenant Commander Frank Campbell, the commander of the Canadian corvette that was destroyed in the Mediterranean a short while ago, who went down with his ship. He is a native of Saskatoon. I went to school with him and have known him for many years. He took all his naval training in Saskatoon, except for certain periods when he was allowed to go out to the coast. We have had many other outstanding gallant sailors who have come from our city. At the present time we badly require a new naval establishment, which will cost approximately $100,000.

We were told in December by Captain E. R. Brock, who is in charge of the reserve divisions of the R.C.N.V.R., that on account of shortages of material and labour, there was no hope of anyone getting new construction. I give this as an example of the type of misunderstanding that may arise. Then we read in the newspapers of large sums of money, many times the comparatively small amount required for our establishment, being spent on constructions in other parts of the country, and we cannot understand why there is a lack of materials and labour for our part, while all this work is being carried on in other parts. I point that out only as an example. It does seem to me, and I offer this as a suggestion to the Prime Minister (Mr. Mackenzie King) that in order to make our reconstruction and social security measures work it is necessary to take advantage of the situation which has arisen to see to it that the war effort is spread across this country in such a way that we can have a balanced economy, and thus put the country in a proper position to carry out the necessary measures of reconstruction after the war is over.

I conclude by saying that I am convinced that the administration does not by any means discharge its full responsibility with respect to either reconstruction or social security simply by the setting up of these committees. The government of Canada was elected by the people of Canada to assume the responsibility of putting certain things into effect which the administration felt were for the good of the country, and it seems to me that the administration should do something positive as quickly as possible with respect to reconstruction and social security. I urge the government as strongly and as earnestly as I can to take advantage of the situation which has arisen to ensure that we have a balanced economy across Canada.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I have enjoyed greatly the remarks made by the various members who have contributed to this debate. I wish to thank the Prime Minister (Mr. Mackenzie King) and to express my appreciation of his having in his introductory remarks left the field open for a wide discussion of the whole subject matter, an opportunity of which hon. members have availed themselves with, I believe, good results. I think we have had no debate more profitable than this one. People have had a chance to express their views.

Before going on with what I had thought to say with respect to the Prime Minister's suggestions, I will refer briefly to the words of the hon. member for Calgary West (Mr. Edwards). I have a great deal of admiration for this splendid young man from Alberta. I would under no circumstances endeavour to find fault with anything he says if I could possibly avoid it. I just want to point out to him, with respect to the possibilities of putting people to work after the war, that, according to figures given by the hon. member for St. Lawrence-St. George (Mr. Claxton) the other evening, two million of the best effectives Canada has will be available for reemployment in productive industry when the war is over. It will be necessary, according to the hon. member's figures, to spend $4 billions in Canada to enable the people of Canada to buy the $4 billions of extra consumer goods which the present producers of Canada must produce if they transfer their efforts from war production to peace-time production. Let the hon. member do a little arithmetical figuring and determine, if he can, how much of that $4 billions will have to be spent by every family in Canada in order to enable them to consume the $4 billion worth of goods. It seems to me that so much of the talking of hon. members utterly misses the point of these two essential facts. If there is to be $4 billions' worth of production brought about merely by the use of the people who are now at work in Canada, how many more billions of dollars worth of goods does the hon. member suppose will be produced in Canada when the extra ten millions of effectives go into action producing consumer goods?

It may be argued that we shall sell these goods abroad. But let it be borne in mind that, except for payment of debts and things of that sort, every bit of goods we sell abroad must be paid for with goods which come in. So that the balanced effect of it all will be that the $4 billion of goods will be here in Canada to be consumed; if they are to be consumed the families of Canada must consume them, and if the families of Canada are to consume them they must have a considerable income to enable them to do so. Where are they to get that income, and if they do get it, how are they to be in poverty? Let every man just face that set of facts.

May I turn for a short time to the remarks of the Prime Minister. He is reported to have said—*Hansard,* page 934:

> What social insurance seeks to do is to find a means whereby these inevitable hazards will be met in some part at least through the action of the state and through action prescribed by the state.

These words are completely true. Let me make it clear, Mr. Speaker, that there is no disagreement between the members of our Social Credit group and the rest of the house, including the Prime Minister, on that essential fact. What we all want to know is the device or the technique by which this result is to be achieved. As I said the other night, the astounding thing to me is that during the whole of this debate the only hon. members who have undertaken to give even a hint of what that technique may be are members of my own group. Others have talked about ills; for instance, the hon. member for Rosetown-Biggar (Mr. Coldwell) gave us a beautiful speech last night setting forth the ills and the evils from which the country from end to end is suffering. Everybody agrees with that. But when it came to the method of solving the problem, he was discreetly quiet. We shall never solve problems in this house, and we shall never give this committee one hint which is worth talking about, if we do that sort of thing. We must find some device for distributing this tremendous amount of production which is to be brought into existence in Canada in the post-war years. If we are unable to consume the production, we shall be unable to put the men to work. This should be completely clear.

May I now turn in some detail to the remarks of the Prime Minister. I may be, I am going to be, frankly critical; I trust I can be courteous, as he always is considerate. But there are some things which have to be said, and said very pointedly and straightforwardly so that there shall be no question of the meaning. The Prime Minister made this remark, "We must render aggression impossible after the war."

Mr. MACKENZIE KING: "Seek to."

Mr. BLACKMORE: Yes; we must seek to. That remark is being made all over the Anglo-Saxon world. Why not go about the problem this way: "We will seek to render aggression unnecessary after the war"? How it can be that two hundred and forty-five members in this House of Commons can so successfully delude themselves as to the cause of this war, and continue prattling away, as some hon. members do, as to what seems to be the cause of this war, quite neglecting the real cause of war, it passes my comprehension to understand.

Mr. MacINNIS: All the two hundred and forty-five members do not delude themselves, surely.

Mr. BLACKMORE: I hope they do not. In this respect the Prime Minister has fallen into the error I pointed out to him the other night. When he was talking about the formation of new parties he undertook to blame the fall of France on the formation of new parties. Now, the formation of new parties in that country was owing to a cause which existed in France which ultimately resulted in the fall of France. If we can cooperate so as to render aggression unnecessary we shall have no difficulty with aggression. If we were not in war I should talk a great deal more plainly, with a great many more facts; for I could give them.

The Prime Minister very wisely and benevolently spoke of international cooperation. That is right. I agree with international cooperation. But what he has in mind when he speaks of international cooperation is not by any means clear. Could you get finer international cooperation than we are having at the present time among the united nations in the conduct of this war? Yet there is no great powerful committee or governing body or supranational authority which can coerce the members of the united nations into cooperating. They are voluntarily doing it. Why? Because they are in pursuit of a great objective. They will do what is necessary of their own accord if they know it is the right thing to do. May I suggest that gifts from the various nations which are possessed of rich resources, gifts into a great pool from which can be drawn assistance for the less fortunate nations, would be a form of cooperation which could be voluntary and which would be very effective? I fail to see why it is that so few people seem to have noticed the fact that gifts can be made. During the last thirty years there have been great numbers of vast loans to various countries on the part of Britain, the United States and other nations. Most of those loans have never been repaid; they were practically gifts. Canada's gift of a billion dollars to Britain illustrates the kind of gift which under a sound economic system could become characteristic of our ordinary behaviour. What I am saying may sound strange; but let us bear in mind that we are in a new world and things that seem new and strange to us must be listened to and given consideration and understood if we are to be worthy of the trust reposed in us in these critical times. The idea of gifts must be recognized as a possibility of international cooperation.

The Prime Minister spoke of a serious cotton famine causing an international situation of difficulty. I readily grant that; we all do. What confounds me is the fact that an abundance of cotton has caused that kind of thing. If the world had a cotton crop failure we could understand that all those engaged in the manufacture and transportation of cotton would be thrown out of employment; but imagine the same sort of thing happening when we have more cotton than we know what to do with. It is that situation, which is completely outside the orbit of the Prime Minister's suggestion, which must be faced by this generation.

We are in an age of abundance, when the nations of the world collectively can produce more goods than all the people of the world can possibly consume. Especially is this true in view of the marvellous discoveries which have been made since the outbreak of this war. That is the situation we must face.

Mr. MACKENZIE KING: Before my hon. friend goes on to his next point, would he allow me to interrupt him for a moment?

Mr. BLACKMORE: Gladly.

Mr. MACKENZIE KING: I understand that there are to be no further speakers this afternoon except myself. I close the debate. It is, I think, the wish of this house to get through with the establishment of the committee on social security this week and not to have the debate go over for another week. If I am correct in that I would ask hon. members if they would grant permission to have the house sit for a short time after six o'clock. I think I can promise that what I may have to say will not take long. Not adjourning at six would enable us to get through with the appointment of this committee to-day.

I might point out that it is quite within the power of the government to have the house continue to sit at eight o'clock to-night. There is no rule requiring the house not to sit on Friday evenings. It is by mutual consent that we adjourn at six o'clock on Fridays. I assume hon. members will be content to continue if we do not sit too long.

Mr. STIRLING: Can the right hon. gentleman assure the house that this is the last speech?

Mr. MACKENZIE KING: If there is any other speaker, if he will rise, I would be able to say in a moment what we may expect.

Mr. MacINNIS: It was my intention to say something. I do not want to prolong the debate. Most of what has been said on it should not have been said at all, but I am getting tired of being lectured at the end of every debate, and I think I might reply.

Mr. BLACKMORE: What do I understand? That we shall close at six o'clock and go on at eight, or that I continue a certain length of time?

Some hon. MEMBERS: Carry on.

Mr. SPEAKER: I think it is the wish of the house that we should sit beyond six o'clock.

Mr. BLACKMORE: May I turn now to the Prime Minister's statement that the government has a policy, as set forth in the speech from the throne. I point out that the expression of that policy is nothing more than a vague meaningless platitude such as is altogether too much the custom nowadays and can mean almost anything. I am going to ask this question pointedly of the Prime Minister: Will the government permit the committee to study fully and impartially the social credit proposals for the establishment of a new order? The ministers of the crown are supposed to look into all possibilities. Up to the present time every committee I have had contact with either directly or indirectly has steered clear of social credit as though it were poison. If this committee is not prepared to examine impartially and in detail the proposals of social credit, then the committee is simply not sincere.

May I just refer to one passage in the speech of the Minister of Finance (Mr. Ilsley) the other night—a most appropriate passage in this connection. As reported on page 931 of *Hansard* the Minister of Finance said:

> No country goes bankrupt in this way; no country goes bankrupt by increasing its production and devoting part or all, or more than all of that increase to a supreme cause.

Without knowing it the Minister of Finance expressed the social credit concept almost perfectly. If we in Canada can devote our ability to the production of all the goods that Canada can produce for the people of Canada and will devote that production to raising the standard of living in Canada, there is hardly any limit to the degree to which we can raise the standard of living, and that means the standard of everybody.

Will somebody tell me how that can be achieved without giving everybody more than a dividend of $25 a month? I do not propose to discuss that. But I am going to ask one or two things regarding the minister's statement. I am going to ask hon. members, if they believe that the production of Canada can be stimulated as the minister said it could and as the war has proved it can, and devoted to the cause of raising the standard of living in Canada, can that be done by taxation only? Can it be done by decreasing the purchasing power of the people? But that is the proposal at the basis of the Beveridge report. When hon. members answer that question they will be on their way. The government is now buying the goods we are sending across to Germany to the extent of billions of dollars, and giving them away. Yet when we propose, as the hon. member for Wetaskiwin (Mr. Jaques) did a short time ago, that some goods be given away to the Canadian people, we are regarded as the champion simpletons. Men have to do a great deal of serious thinking along new lines.

A question has been raised with regard to provincial jurisdiction. I do not propose to deal with that question at any great length, but it is about time the members of this house ceased casting reflections on Canadians who are called upon to form his majesty's governments in the various provinces of this dominion, by insinuating or suggesting or stating that they are not willing to govern this country properly. If the correct policies are adopted by Ottawa every province will fall in line. If Ottawa discovers a system whereby it can put in financial form that tremendous production which it is possible for us to have; if it can discover a medium of distribution to the provinces, every province will fall in line. There will be no need of spoiling the British North America Act. Can you imagine any province refusing to accept from this dominion five million dollars a year, for example, to be expended on health? Can you conceive for a moment that any province of this dominion would refuse two million dollars a year to be expended on education? Why, two million and five million a year would be small change in the light of four billion dollars.

The British North America Act gave the dominion government power to create money. It gave this government absolute authority over banking and currency, and in giving this government control over currency it gave it the greatest single power that could possibly be conferred upon any government. What has the government done with that power? Has it used it? Never once in the long history of this dominion has it consistently done so; anything but that. Strangely enough, since he made those speeches out in western Canada about currency and credit in terms of public need, the Prime Minister (Mr. Mackenzie King) has never even skated near that danger spot. Yet there lies the secret of obtaining maximum cooperation from all the provinces

of this dominion. There is no need to change the British North America Act; there was no need to change it for the introduction of unemployment insurance. Why did Alberta stand out against the change need for unemployment insurance? Because Alberta suspected a power which has done everything possible to crush the strength of the province of Alberta in its heroic struggle against the old system, a struggle for the assertion of the new. Alberta has cooperated; in this house minister after minister has risen in his place and testified to that fact. There is no province in this dominion more ready to cooperate in the attainment of any good end; but somewhere, someone in this dominion must stand up for the new order, someone who understands what the new order is and how it is to be brought about, someone who is willing to sacrifice. Apparently Alberta is the province that has been called upon to do so, and the officials of the province of Alberta intend to be true to their trust.

Where are the sources of revenue? They are all available to Ottawa, while none of the real major sources are available to the provinces. And the object of the Sirois report, which I have condemned as iniquitous and pernicious in every respect, was to take away from the provinces still more of the variable sources of income such as the corporation tax, the income tax, the succession duty and so on, in order to render the province unable to increase its revenues no matter how much it developed its industry and its wealth. The sources of revenue are, as I say, with the dominion; if they are exercised by the dominion it will find no difficulty with the provinces. But the major source of income available to the dominion, which has been used only on rare occasions and then fitfully and fearfully, is the power over currency, the power to monetize the wealth of the nation; to take four billion dollars worth of goods, for example, and represent them by media of exchange which can be used as media of distributing those goods. Such media of exchange can be distributed equitably among the provinces of this dominion, greatly to improve the standard of living everywhere in this country. If the Prime Minister wants a means of gaining unity in Canada, there is a means right at hand.

Now I am going to say a word about the Beveridge report. The members of this group are not opposed to increased social security. If we could find nothing better than the Beveridge report of course we should accept that report; but we maintain that to accept the Beveridge report is like accepting crumbs when you are entitled to a square meal. The Prime Minister made a fine statement when he said that society, having created a condition which permits of that sort of thing—referring to the irregularities, the national hazards and so on—society has to find some way of remedying it. That is true, but he must be careful to see that the remedy will improve conditions and not make them worse. All the policies which are being advocated to-day in the dominion by those in authority are going to make the situation worse. The remedy must be real.

Obviously the solution of the difficulty is in some sort of mechanism of distribution, which I discussed about a month ago. Every thoughtful person who knows anything at all about it will agree that the problem confronting us is that of distribution. Well, let us find a system of distribution. The medium of distribution is money, so of course it becomes perfectly clear that the secret of the trouble lies somewhere in connection with money. We have already discussed the fact that Canada is producing eight billion dollars worth of goods to-day. Canada could have produced eight billion dollars worth of goods in 1930 if we had set ourselves with right good will to the attainment of that objective. Certainly Canada could have produced those goods in 1935 had she been organized for the task. Yet what was done? Well, let us forget the doleful, dismal, pathetic story. Canada had the capacity. Canada could have produced the goods. The only difficulty was that Canada did not know how to find markets for the goods; in other words Canada did not know how to distribute them. The Prime Minister has sat in the seats of the mighty in this country since 1935, yet he has done nothing toward finding a solution of the problem of distribution.

The answer which no doubt will come into his mind is this, that he has sought foreign markets. I will grant that, but foreign markets just have not been successful in meeting the difficulty. Foreign markets have not been able adequately to distribute. Let no one assume that I am opposed to foreign trade or foreign markets at all. Markets have their place; foreign trade has its place, but foreign trade has signally failed as a mechanism of distribution in this country. We were using foreign trade all through the terrible thirties. Where did it get us? The answer will be, "Well, we were tied up with a lot of other nations." I will have more to say about that.

With respect to foreign trade; let us examine for a short time the mechanism of foreign trade. Foreign trade cannot adequately distribute. Here is the reason: Any nation,

under the present system, in order to succeed in foreign trade must sell more than it buys. That is true, is it not? Very well, then. If foreign trade is to succeed in respect of ten nations, every single one of them must sell more than it buys—which is an absurdity. It is an impossibility, and a fact which lies right near the basic cause of this war. Is it not possible for ordinary members of the Liberal party to get that idea into their heads?

Now, if any nation fails to have a favourable balance of trade, what happens to that nation? It goes into debt, and it has to pay the debt off with gold. It will be unable to get the gold unless it finds some nation which will trade gold for goods. If it is unable to find such a nation, it continues in debt. Let members of this house tell us what a nation like that can do in circumstances of the kind. It is a victim of the break-down in the mechanism of international trade. What can it do? It must raise trade barriers, because when it gets into debt it incurs adverse exchange on its money, which makes the situation worse. It has to pay interest on the debt, which again makes the situation worse.

Will somebody tell me how in the world nations would get along if they had a supranational authority which said to the nation, when it wished to put up a trade barrier to protect itself, "You must not do that"? What would the nation do? If the Prime Minister by any stretch of the imagination can call that international cooperation, then he certainly has a unique definition of those words. It is an impossibility for every nation to export more than it imports.

For years Canada has had a favourable trade balance. Has that fact enabled her to distribute? Not nearly successfully enough.

Then the question of free trade arises. What would happen under free trade? Canada would immediately at least buy as many extra goods from outside as she would sell outside. In other words her trade balance would hardly be affected at all in her favour. But if it were affected at all it would probably aggravate her difficulty. Where for example would western Canada buy her butter, if not from New Zealand? Where would western Canada buy her mutton, if not from New Zealand? That is a mere illustration of what would happen if we had complete free trade.

My argument is that the trade mechanism simply will not solve our distribution problems. The considerations I have mentioned must render anyone suspicious of the adequacy of foreign trade alone as a mechanism of distribution. I have another illustration for those who are anxious to find out about this matter. Has free trade worked where it has been applied? We have one fine example of free trade right here in Canada, where we have nine nations—provinces—with utterly free trade. And what good has it done them? In the United States they have forty-eight fine sovereign states, free to trade, and able among them to produce practically everything they want. Where has it got them? I will tell you where it got them in 1935; it got 23,500,000 people on relief. A country such as the United States, able to produce enough goods to give every family $4,400 worth of goods and services, was able to give the bare necessities of life to only twenty-one out of every hundred. That is where it got them. That is free trade in the United States. There they have forty-eight nations, absolutely free to trade. And if a supranational government would do any good, then surely they had a supranational government in Washington, just as we have a supranational government in Ottawa, and getting more "supra" every day. Let us face the facts. It is time the Prime Minister sought a new mechanism of distribution. That is my point.

I find that my time, with the exception of two minutes, has expired. In the time at my disposal I am going to refer to or hint at a very important work, one which I commend to the Prime Minister, all the members of his cabinet, and all his supporters, as one which should be read over and over again. I hold in my hand a report of the London Chamber of Commerce on the general principles of post-war economy. If there is any group throughout the world which has faced realities, and which knows what's what about trade, and practically everything else pertaining to economics, then one certainly would expect this group of people to know. It consists of 9,000 firms and companies and 39 industrial and commercial associations, with a membership of 50,000, all of whom are represented on the committee which drew up this report.

I have not time to read the important points in the report, but if I had I would go through it and read quotations from it. But the report accepts as sound a little work entitled "A Twentieth Century Economic System". If the Prime Minister and his cabinet, and the committee, will take those two documents, read them through, over and over again, and digest them, they will have an idea that will beat in a hundred ways the silly proposals they are advocating now. They will not need any Beveridge report after that. I shall read one quotation to show the line along which the report starts. On the first page it says:

The chamber submits that constantly raised tariffs—

The Prime Minister has said much about the horrors of economic nationalism and the wickedness of tariffs.

—the imposition of quotas and prohibitions, and other signs of growing economic belligerency between the nations in the interwar period, were not the result of stupidity nor ill will but were, on the contrary, imposed for most compelling reasons. They represented attempts by the nations to defend themselves against very real and pressing dangers.

The Prime Minister and the united nations authorities must remove this danger before they talk for a moment about removing trade barriers. I read on:

The chamber is convinced that until those dangers are recognized and removed, a direct attack upon trade barriers can serve no useful purpose but will, on the contrary, merely increase fear.

I do not feel I have the right to impose upon the house any further, but I will say that when hon. members read those two pamphlets through, and digest them, they will find that the policies advocated therein conform exactly to social credit—without any deviation at all. The expression "social credit" is not used, but they conform exactly to its proposals. They point out how purchasing media should be created by the state to be spent into circulation and to distribute the surplus of goods which the state can produce. They point out the way in which prices can be controlled by exercising the power of creating purchasing media. They point out how the underprivileged people, about whom we are having all this discussion, can be taken care of by the use of some of the purchasing media which the state is able to produce in abundance. I commend these to the committee and to the government as a first step toward the solution of our problems, the only solution which will give hope to mankind.

As these people point out, this device can be applied by one nation alone. That is one of the admirable things about it. Perhaps I can take the time to read one statement in the last part of the report. I quote from page 12, as follows:

These proposals also have the merit that
(a) whilst revolutionary in effect, they involve, so far as industry and commerce are concerned, little change in practice;

No government ownership, no government regimentation, no socialism, no disruptive change; just the exercising of the government's prerogative to create a purchasing medium. I continue:

(b) they require the minimum of agreement between nations;

No united nations and no taking away of the sovereignty of any nation! I continue:

(c) they can be put into effect even though some nations withhold agreement.

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, I do not intend to read the pamphlet the hon. member for Lethbridge (Mr. Blackmore) has suggested we should read. Anything that proposes to change things and then leave them as they are, will just not change things. That is exactly what he has read from that pamphlet. Any scheme that will leave the ownership and control of the means of life in the hands of the people who own them now and expect that by some sort of witchcraft the underprivileged will be looked after by the people who never looked after them before does not appeal to me.

Mr. BLACKMORE: But they are going to be looked after; that is the important thing.

Mr. MacINNIS: That is what will not be be done. The underprivileged will continue to be underprivileged until they own and control the means by which they live. That is the philosophy of the group to which I belong. We welcome the motion introduced by the Prime Minister (Mr. Mackenzie King) for the setting up of this committee, because it recognizes, even at this late date, the obligation of the community, or, if you like, the obligation of the state to make provision for the underprivileged within the state. The motion is quite simple, and I suppose it will constitute the terms of reference for the committee. It reads:

To examine and study the existing social insurance legislation of the parliament of Canada and of the several provincial legislatures; social insurance policies of other countries; the most practicable measures of social insurance for Canada, including health insurance, and the steps which will be required to effect their inclusion in a national plan; the constitutional and financial adjustments which will be required for the achievement of a nation-wide plan of social security; and other related matters.

That puts the case as I see it very clearly. I am glad that the group to which I belong has chosen the hon. member for Melfort (Mr. Wright) and myself to be their representatives on the committee. We hope the committee will be able in the course of time to formulate a plan of social insurance for the people of Canada. We are not, however, deluding ourselves by believing that any scheme of social insurance will eliminate poverty. Poverty in the Dominion of Canada can be eliminated only when we release the means of production within the country from the restrictions imposed upon them by the profit motive. After we have done that it will be quite easy to find the means to distribute the wealth of the country among the people of the country

according to need. There is nothing difficult or hard to understand about that. But there is one thing certain, namely, that the adoption of such a system will not leave things as they are. It will not leave the control of the means of life in the hands of people who control them now. It will vest the control of the means of life in the people to be organized socially for the common good.

As I said, we welcome the opportunity to sit with this parliamentary committee to try to formulate a scheme of social security based on social insurance that will provide for many of the hazards that beset us.

There is just one other thing I should like to say. We have been told on numerous occasions that the government has taken away the functions of parliament. Here is a motion introduced by the Prime Minister himself which has put in the lap of parliament, if I may use that term, the question of working out a social security through a social insurance scheme for Canada. If the members of this house will bring in a comprehensive scheme and see to it that it is forced through the house, then there can no longer be any claim made that the government has usurped the functions of parliament. Here is an opportunity for parliament, and I hope the members of parliament will show that they are equal to the occasion and use it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I should like my first word to be one of appreciation of the contributions which hon. members have made to the debate. It is, I think, true that the discussion has shown that there is general agreement among all parties in the house as to the importance of the questions to be referred to the committee, as well as of the magnitude of the problem involved. What has been said has served to indicate to hon. members the many-sidedness of these social problems and the necessity for a careful and wide study in approaching them in the hope of making a practical and immediate contribution.

Listening to the debate has impressed me more and more with the fact that the government has taken the right course in suggesting at this stage that we should have in Canada a national system of social insurance and also that the government has adopted the right course in appointing a committee to consider all aspects of a national insurance scheme before bringing forward any particular measure which is to be part of any further legislation along social security lines.

I doubt if anything could illustrate better the wisdom of the course which the government has adopted than an item which appeared in the press this morning. I hold in my hand a clipping from the Ottawa *Morning Citizen* of March 5 entitled, "Health insurance plan for Quebec favoured in report". The item reads as follows:

> Quebec, March 4.—Enactment of a health insurance system by the Quebec legislature was recommended in a report made to the government by a hospital investigation commission, it was announced to-day.
>
> The commission was set up by the government in 1940 to study the financial situation of hospitals and of insane asylums and to study the working conditions of employees in the institutions.
>
> Members of the commission recommend that the province, the employer and the insured contribute to the cost of a health insurance system and that a special commission be named to administer the system once it was established. The recommendation urged that the premium be calculated to cover the family and not the individual.

We have been criticized, Mr. Speaker, for not having brought in a concrete measure relating to health insurance. May I say that I have been long enough in public life to realize that no matter what an administration does, it is pretty certain to meet with criticism. We have been criticized for deciding to have this matter carefully studied by a committee of the house before bringing forward further legislation. Had we taken the opposite course and come forward with a concrete measure of health insurance, I am sure the first criticism that would have been made would have been that the government had not given consideration to what the provinces might be doing or wish to do in this matter before attempting to override them with legislation of its own. We would certainly have had cited as evidence of this, perhaps not yesterday because it was only announced through the press to-day, but certainly to-day, reference to the commission that had been appointed in the province of Quebec and to the recommendations which it had made to the provincial government. Both would have been cited as an evidence of the fact that instead of trying to work out something in the nature of a cooperative nation-wide plan between the provinces and the dominion we had only succeeded, by rushing ahead with our legislation, in raising unnecessary difficulties between the dominion and the provinces. That must be perfectly apparent from what I have just read.

More than that, listening to what my hon. friend the leader of the opposition (Mr. Graydon) said when he was speaking, I think he would have come forward and said that we had dealt with just one aspect of the question, that we had said nothing about giving more benefits in the way of insurance

to the unemployed or increasing the amount of benefit they should be given for their contributions. In fact, he said in his remarks that we should have done that, that there should be more in the way of reward so that those who are contributing to an insurance scheme will get something more in the way of benefit out of their contributions, if not in one direction at least in another, so that they will get back whatever in the way of contributions they may have made. I think he also would have said that we should have reduced the age limit for old age pensioners, that that was more important than what we were proposing to do, and that we should have done a little more for those who were paralysed, for permanent invalids, and others. There would have been criticism of the government all along the line for everything that had not been included. It is advisable that the committee should realize how vast is the scope of social insurance measures and how many measures have to be considered when a government, whether it be provincial or dominion, undertakes to add another piece of social legislation to what already exists.

What has been brought out very clearly in this discussion is the fact that there has grown up in Canada, without relation one to the other, a large number of social security measures, and that as a consequence of there having been no general plan to which the different parts should relate, there is to-day a great amount of overlapping as between the dominion and the provinces with respect to these security measures, with the consequence there is much more inefficiency in administration and great waste. The necessity of linking together, however it may be done, the measures that relate to security in this country must surely be seen to be one of the imperative needs at the present time. The fact that we have already so much social legislation—and it is evident that we are going to have more—makes it clear that at this time we should seek to have a plan that from now on can be followed by the provinces and the dominion alike. That is a great undertaking I think for members of parliament. It is a work that can be accomplished by members of parliament, and a work which will be in the nature of a national service of the highest kind.

I was impressed by what the hon. member who spoke on health a little earlier in the afternoon said, that we have now health departments in all the different provinces and a dominion health department as well. Surely the time has come when if we are going to add further legislation which relates to health, in the nature of insurance legislation against sickness and ill-health in its different forms, some survey ought to be made to see whether we are to have the provinces and the dominion handle health matters separately and independently or whether some arrangement cannot be arrived at whereby there will not be a duplication of functions on the part of all.

I do not think that a national plan implies that the government would in any way seek to have everything centralized at Ottawa, any more than I think that a national plan would necessitate having identical legislation in the different provinces and all the provinces operating together in accordance with a uniform plan. But I do think it means the careful study of how social security measures can best be effected through cooperation between the provinces and the dominion, and that in relation to all other social security measures. That I believe can be worked out by a committee in a manner which will make a contribution not only to the work of this parliament but to that of the provincial legislatures as well.

I had not thought of saying anything in particular about political aspects of the discussion which has taken place. I was careful in my introductory remarks not to make any reference to the sources of inspiration of passages in the speech from the throne. But my hon. friend the leader of the opposition found it impossible not to make a reference to the Winnipeg convention, and the hon. member for Lake Centre (Mr. Diefenbaker) felt it important to draw attention to what was set forth in the platform of the National Liberal convention which was held in this city as long ago as 1919. He sought, I think, to create the impression that the Liberal party which was responsible for the platform of 1919 was taking a long time to implement its policies. I must thank hon. gentlemen opposite for giving me a reasonable excuse for quoting just one plank from the platform of the National Liberal convention and indicating to hon. members what, as a matter of fact, has been accomplished in the carrying out of a programme of social security. I hope this will dispose of the idea that what is suggested in the speech from the throne owes its origin to the Beveridge report or to the Progressive-Conservative Winnipeg convention, or to the Canadian Commonwealth Federation conference at Regina, or to anything other than continuing the policy laid down at the Liberal convention which was held in this city in 1919.

Mr. GRAYDON: I thought my right hon. friend said that it originated in "Industry and Humanity."

Mr. MACKENZIE KING: "Industry and Humanity" was published in 1918. I shall give my hon. friend a quotation from that work in a moment. I mention the policy respecting social security laid down at the Liberal convention of 1919 because I think hon. members will recognize at once that there is to be found the first formal statement, as a part of its programme, made by any political party in Canada with respect to social security. It will also be seen that the Liberal party, in setting forth that programme, was very, very much ahead of the times, and that it has proceeded in the implementing of the pledges it made at that time in a manner which I think must be a surprise to those who know anything about social problems and the difficulties there are in making the adjustments necessary to meet them.

Mr. CASTLEDEN: That is almost twenty-four years ago, is it not?

Mr. MACKENZIE KING: That only shows how much more in the way of vision the Liberal party possessed than the parties who have just this year wakened up to the fact that there is such a thing as social security.

Mr. CASTLEDEN: Those were promises, were they not?

Mr. MACKENZIE KING: My hon. friend will see if he will just be patient. Probably he has not read the platform, and obviously he does not know what has been accomplished in this country in the last twenty-one years, or he would not ask the question he does. I am going to answer as to whether these things have been accomplished or not.

Mr. CASTLEDEN: I read them the other day.

Mr. MACKENZIE KING: Perhaps I am not betraying a secret when I tell the house that I myself drafted this paragraph at the time of the Liberal convention, and it went into the platform of the party just as it came from my own hand at the time the platform was drafted.

Mr. GRAYDON: A committee of one.

Mr. MACKENZIE KING: No; there was a large committee—very much like the Port Hope conference and very much like the Winnipeg convention. We all had a hand. Some worked out one clause and some another.

I say to my hon. friends that I have been impressed, in reading the proceedings of the Winnipeg convention, with evidence of the meticulous care with which the friends of my hon. friend and he himself have gone over all the Liberal platform and important speeches and picked out here and there the things which they thought would make most appeal to a democratic country.

Mr. GRAYDON: We picked out the progressive parts, of course.

Mr. MACKENZIE KING: Yes: that is no doubt how my hon. friend came to feel he had a Progressive Conservative party.

I shall read the clause which relates to the question of social insurance:

> That in so far as may be practicable, having regard to Canada's financial position, an adequate system of insurance against unemployment, sickness, dependence in old age, and other disability, which would include old age pensions, (widows' pensions) and maternity benefits, should be instituted by the federal government in conjunction with the governments of the several provinces; and that on matters pertaining to industrial and social legislation an effort should be made to overcome any question of jurisdiction between the dominion and the provinces by effective cooperation between the several governments.

Now if, after reading that passage, the gentlemen who have referred to it had paused for a moment to point out to the house just how much of it had been implemented, I think hon. members would have been greatly impressed. I am going to do that myself.

First of all: a measure which is mentioned there as one of considerable importance is that of insurance against dependence in old age, which means of course old age pensions. May I point out that a government of which I had the honour to be the head was the government that introduced in parliament and carried through legislation with respect to old age pensions—

Mr. CASTLEDEN: Under pressure.

Mr. MACKENZIE KING: —and the old age pensions which are to-day existing in Canada have existed in this country since 1926 as a result of legislation brought in by a government of which I was the head.

Mr. JOHNSTON (Bow River): You would not say that it gives old age independence?

Mr. MACKENZIE KING: I am speaking of social security legislation which was set forth and promised, and am indicating the extent to which promises have been implemented.

Let me come to the next clause, which is an equally important one:

> . . . an adequate system of insurance against unemployment,

There, again, the government of which I have the honour to be the head was the government which introduced in this parliament and put

through the legislation which is on the statutes to-day establishing in Canada national unemployment insurance plan. These are two of the most important social insurance measures which could possibly be enacted.

Hon. members will notice further that there is mention in the statement of policy of the legislation being enacted in part by the provinces and in part by the dominion. Most of the social security legislation existing in the provinces of this country to-day has been put on the statute books by Liberal governments. Consider the matter of workmen's compensation, mothers' allowances, maternity benefits, health measures and the like; go through the different provinces of this dominion and you will find that most of the social security measures in Canada have been enacted by Liberal governments since this Liberal platform was adopted.

What are we doing now? To-day we are seeking to carry this whole programme a step further. We are now face to face with so much in the way of social security legislation in Canada that we feel it is necessary, if there is to be an avoidance of waste and extravagance, to have the whole system coordinated. We realize that the matter of health insurance, all that relates to sickness and invalidity, is becoming increasingly important. We feel that at this stage there should be, before there is a further enactment on social security lines, a clear understanding of the place all health measures should hold in a complete national plan.

I could enlarge on that, but I think I have said enough to make it clear that, so far as the Liberal party in Canada is concerned, it laid down, for the first time in this country, a comprehensive programme of social security. It outlined that policy from beginning to close. It did not expect to carry it out in the first year or two—we knew its fulfilment would necessarily run over a series of years—but we have already implemented that programme in large part, and we will continue to do so so long as we have the opportunity.

A paragraph which is of importance, it will come up in connection with other measures, is this:

> . . . on matters pertaining to industrial and social legislation an effort should be made to overcome any question of jurisdiction between the dominion and the provinces by effective cooperation between the several governments.

Well, have we succeeded in that?

In regard to the question of pensions, we had to consider the matter of jurisdiction as between the provinces and ourselves. We met that question by a cooperative arrangement whereby the dominion undertook on conditions which ensured a common practice to pay so much and the provinces to make a contribution of so much, and we allowed the administration of pensions then to be carried out further by the provincial governments. We met the difficulty by conferences. When we came to unemployment insurance we were again faced with the question of jurisdiction. We felt there should be a national scheme of unemployment insurance, but the government of the day had no authority so to legislate. The British North America Act had left property and civil rights in the control of the provinces, and that included unemployment insurance. After carefully discussing the matter with the provinces, after having a committee of this house carefully explore the situation, we were convinced that the wise thing with regard to unemployment insurance was to have a national insurance scheme, not a provincial scheme. Having agreed to that, the next step was to get the British North America Act amended.

There has been much said in this debate about the obstacle of the British North America Act. I do not think that the amending of that act is a matter we need to be in the least concerned about, once we decide that we want it amended in any particular way. I recall very well what was done in connection with the unemployment insurance measure. After this house had agreed upon an unemployment insurance measure, an address was presented from this parliament to the British parliament, requesting that the British North America Act should be amended so as to put "unemployment insurance" into section 91 of the British North America Act, thereby giving the federal government the power to enact a national measure of unemployment insurance.

Mr. HAZEN: With the consent of the provinces.

Mr. MACKENZIE KING: Oh yes, I say that it was done with their consent. The consent practically of all. That is important in these social insurance matters. Any government in this country that ignores the provinces and tries to ride roughshod over them is not going to aid in settling any questions of social security, it will only make an existing situation worse. But approach matters in the right way, in the spirit and method in which I believe this committee will, as a great national problem affecting provinces as well as the dominion, and I believe it will be possible to get agreement between all. It is

as much in the interest of the provinces as in our interest to save unnecessary expenditure and secure the course which is most effective.

I was about to say that when the address of our two houses was presented to the British parliament it was less than a fortnight before this house was informed that the British parliament had amended the British North America Act in accordance with our request. It might have been done in an even shorter time but for the wording of the amendment which was made in the first instance and which did not meet with the wishes of the government. A delay of a few days was occasioned in having the original amendment changed. But if this committee is able to work out a national plan and agree as to the wisdom of adopting it, and if the plan requires for any particular reason an amendment of the British North America Act, as far as the British government is concerned that amendment hon. members may be assured will be granted on an address from both our houses without difficulty or delay. And may I add in regard to unemployment insurance, the counsel who was instructed with respect to the matter in Britain was told that we were anxious to have the amendment made in short order so that we could put through the enactment before that session of parliament was over. The bill was passed at that same session.

It has been said in the course of the debate that our social legislation in Canada is not as up to date as that in Great Britain and the United States. Figures have been quoted to show how much has been spent in Britain and in the United States, as though the amount that had to be spent under social insurance measures was a fair index of the condition of the industrial population of the country. To my mind the best index of the prosperity of a country and its people does not lie in the amount of money which a government has to spend for relief, or unemployment or invalidity, rather does it lie in the opposite, the extent to which conditions in the country are such as to render unnecessary the payment of large sums for such purposes.

It is there that I think some hon. members in this debate have touched what is a very important point, namely that the study of social security measures may lead to an even more necessary and profound study of the causes which underlie the situation which necessitates insurance against these inevitable economic hazards.

There was a certain confusion in the course of the discussion between social security and social insurance. Some hon. members used the terms more or less interchangeably. Social security is the object to be attained, social insurance is a means whereby that object can be attained, but only one means, a means related to only one class of industrial and social hazards, namely those which are inevitable, as said by Sir William Beveridge, "from the cradle to the grave"; hazards which arise regardless of the circumstances in which people may live, which come to the rich and poor alike. Inasmuch as the well-to-do are in a position to meet them out of their own incomes there comes the necessity, if we are considering the worth of human individuals rather than their possessions, whereby those not in a position to meet these inevitable hazards should be enabled to do so by the aid of the state. I believe it is true that as respects conditions in Canada there is no country anywhere, taking everything by and large, where the mass of the people are better off than they are in our country. And it would be strange if it were not so. This is not due to the government of the day, or to any government; we are a new country, we still have resources more or less untouched, we have large areas in which people can settle; the worst conditions of older countries have not developed as yet, we are seeking to avoid their development—a condition where you have great slums, overcrowded areas, industrial diseases such as exist in the great cities of the old world and as they unfortunately have developed even in some of the large cities of the United States. It is important it should be clearly recognized that in seeking this social security legislation we are not thereby declaring that our country is in a more unfortunate condition than others, but rather that we intend to keep up and improve upon the standards we have to-day.

I shall conclude by a brief reference to a view which has been expressed and will continue to be expressed in some quarters, namely, that social insurance in some way will lead to the lessening of effort on the part of individuals. In other words that social security legislation means perpetuating the weak at the expense of the strong. That is a view that many people have and it has been given expression to in this house to-day—the view that state aid is likely to cause people to cease to work, that because of it people will come to look to the state for a living, and that instead of really helping society along and improving the lives of individuals and the well-being of the community as a whole it will prove to be a weakening thing, because men should not have to lean on the state

but should be able to take care of themselves. I have given a good deal of thought to that aspect of the matter, and if I believed that any such consequence would arise as a result of measures of social security properly framed and administered I should be the first to oppose them. But I believe that on closer examination it will be seen that what security measures in the nature of social insurance do is to enable those who have their own lives to care for, to preserve their health and strength so that they can be real assets to the community instead of being crushed under conditions of society such as we have to-day, and becoming liabilities.

My friend the leader of the opposition (Mr. Graydon) referred to a book I wrote some years ago, entitled "Industry and Humanity", a study in the principles underlying industrial reconstruction. If the house will allow me I think I can best condense what I should like most to say by quoting a passage or two from what I wrote at that time on this aspect of the question. I think it is one of the most important of all the considerations of which account has to be taken. I have given the reasons why I believe social security measures are necessary and the real purpose that unemployment insurance, old age pensions, insurance against sickness, invalidity and the like are intended to serve. What appears here was not written for the purpose of any election or political campaign, it was written when I was not in parliament, when I was employing my time in other ways, among them seeking to make some contribution to the solution of post-war problems. This volume was published in 1918. What I wish to quote will be found on page 346 of the first editions. There has since been a new and abridged edition of the book which came out in 1935; in that edition the passage I am quoting will be found on page 176:

> Insurance against unemployment recognizes that an isolated human being, not less than a machine, must be cared for when idle. It recognizes also that nothing is so dangerous to the standard of life, or so destructive of minimum conditions of healthy existence, as widespread or continued unemployment. Where idleness is the fault of the social order, rather than of the individual concerned, it places the onus on the state to safeguard its own assets, not more in the interest of the individual than in the interest of social well-being.
>
> Workmen's compensation, sickness and invalidity insurance, widows' pensions, maternity and infant benefits, recognize wherein personal relationships in industry have changed, and where as a consequence of new conditions permanent handicaps arise. The social legislation of which these measures are an expression rejects, as unworthy, the thought that men and women voluntarily incur accident, sickness, disease, enfeebled health, or dependence in distress, any more than they willingly seek enslavement of any kind. It recognizes the difficulty of differentiating between industrial accident and occupational disease; and between disease occasioned by occupation or its environments and illness otherwise contracted; also the impossibility of dissociating from economic conditions the social waste caused by excessive and preventable illness. It sees that debt binds health as it binds freedom, that sickness represents the most frequent factor of individual destitution, and that it is in painful crises that handicaps for the whole of life are oftenest imposed. To save the spirit of men from being crushed is quite as important as to prevent their bodies from being broken or infected. Many a man's spirit fails when, through no fault of his own, or of his family, efficiency is permanently impaired through accident, or savings become exhausted by unemployment or sickness, or where a new life in the home suggests an additional burden instead of a joy. Much invalidity and penury is due to lack of character and thrift; but much also is evidence of want of effective social control. What society fails effectively to prevent, society is in some measure under obligation to mend.
>
> Old age pensions are similar. They are based, not on the theory that the state owes every man a living, but rather on the fact that the provision of an assured competence for old age is an easy matter for some, whilst, for others, it is most difficult, if not wholly impossible. After all allowance has been made for superior thrift, intelligence, and integrity, it must be admitted that to the man who has capital to begin with, or whom society permits to own and control vast natural resources, there are opportunities of saving not possible to the worker who possesses no capital, and who has to face uncertainties of employment and contend, unaided, against all kinds of vicissitudes. It is obvious that existing forces of world competition operate to rob advanced years of opportunities of employment, which, under the less strenuous regime of earlier times, were available to the close of life. There is need for society to assist in the protection of its members against a condition which simultaneously places burdens upon the worker whose day's work is done, and on the worker whose day's work is just beginning. If the young are to be given a fair start in life, the care of the aged should not be their first responsibility. If life-long public service in industry is to receive its fitting reward, years that are denied opportunity of employment should not be subjected to the humiliation of dependence or charity.

May I conclude with just this further quotation:

> It is the elimination of fears with respect to these fundamental requisites of health that labour speaks of as a national minimum standard of life. . . .
>
> The doctrine of social justice, whereby the economically strong share the burdens of the economically weak, and on which the principle of the national minimum is based, is the antithesis of the doctrine of force. It is founded on a conception of right in contrast to a belief in might. It signifies brotherhood, not fratri-

cide. It does not proceed upon the theory that the economically strong are necessarily the fittest to survive, or that the economically weak are necessarily the unfit. In estimating fitness, it looks to character and personality, not to possessions. It considers human need rather than human greed. It recognizes that, without the many who comprise the economically weak, the economically strong would cease to have a superior position, or, indeed, any position. Social justice would not deprive position of its advantage, but it would require of advantageous position, a wider measure of social service.

When the committee begin their studies they will find that what is needed if social security measures are to be effective is not only a national minimum for industrial workers in any one country, but an international minimum which will help to preserve higher standards not in one country only but in all parts of the world.

Motion (Mr. Mackenzie King) agreed to.

BUSINESS OF THE HOUSE

FARM DEBT—MEETING OF REPRESENTATIVES OF FARM ORGANIZATIONS WITH GOVERNMENT ON MARCH 15

Mr. MACKENZIE KING moved the adjournment of the house.

Mr. GRAYDON: What will be the business on Monday?

Mr. MACKENZIE KING: Earlier in the week there was some discussion on the question of farm debt. I indicated that an opportunity might be given for a discussion of that subject perhaps early in the coming week, and that a statement on the matter would be made by the government very soon. The day I made that statement I had no knowledge of a letter since received which had been mailed at Edmonton on March 1 by Mr. Lucien Maynard, the chairman of the interprovincial debt conference and addressed to myself. In the letter Mr. Maynard states that there had been a conference of farm organizations and the governments of the prairie provinces at which it was decided to request an interview with myself and members of the government on the question of obtaining adequate debt legislation. Later he goes on to say that as chairman of the interprovincial conference, which I think was the one held at Saskatoon—

—I was asked to communicate with you and arrange an appointment for the purpose of enabling representatives of the governments and the farm organizations to make further representations. . . . We are therefore prepared to meet you at your convenience. We would greatly appreciate an appointment for Monday, March the 15th, but if this date is not suitable we are prepared to meet you at your convenience on any subsequent date that would be suitable during the week of the 15th.

Upon receipt of that communication I replied that the government would be pleased to receive the delegation on the earliest date mentioned, March 15. The government has felt that any statement to be made should be reserved until after we have heard the representations of this delegation. I think hon. members will agree that it is obviously right that this should be so. For this reason the statement by the government on farm debt matters will not be made until after the government has received the further representations that this delegation may wish to make.

In regard to Monday's proceedings it has been intimated already that the debate on the budget would be continued. I believe it will be an economy of time, as well as perhaps of a more concentrated debate, if we continue with the debate on the budget until we dispose of it. If we begin discussion on other measures it is going to mean a great deal of repetition in what is said. From the conference I have had with the leaders of the different groups I think I can say that we are all of the view that while we must not make too rigid a decision, we should nevertheless aim at getting through the debate on the budget before taking up other matters. There is this one exception, that there are two committees still to be appointed, one to deal with radio and the other on war expenditures. I will confer with the leaders of the parties as to a date for the discussion of those matters, but the proposal now is to go ahead with the budget debate on Monday.

Motion agreed to and the house adjourned at 7.10 p.m.

END OF VOLUME I